Our vision is that cities across the world will be transformed into places of shalom, fulfilling Zechariah’s vision where “men and women of ripe old age will sit in the streets...each with cane in hand,” and where “city streets will be filled with boys and girls playing there.” — Zechariah 8:4-5
It is our pleasure to introduce Leadership Foundations’ 2016 Annual Report and provide an account of the remarkable array of developments that have taken place this past year. We do so with the hope and prayer that you—as owners (members, investors, partners, colleagues, and friends) of the Leadership Foundations (LF) organization—will continue to be encouraged by the return on your investment of time and resources. We are deeply aware that the growth of an organization is not something that happens incidentally or casually. It is the cultivated creative response to an intentional process. Perhaps C.S. Lewis summed up this response best when he wrote, “Before you can travel in the grooves of grace you must go through the ruts of routine.” For years, LF has traveled in our “ruts of routine”—solidifying a robust board of directors; a framework around vision, mission, and values that provides boundaries for our global network; evaluation metrics that demonstrate quantifiable and accountable growth; and the systems and personnel that provide support for these essential activities. Having accomplished this, LF is now able to move in the grooves of grace as we further cultivate our commitment to drive global impact in cities around the world.

The 2015 Annual Report described how we operationalized this commitment by engaging The Bridgespan Group. The outcome was an aggressive focus on cultivating LF members to drive the wheel of permanent change that is fueled by LF’s three signature functions—engaging leaders of good faith and good will, building the capacity of others, and developing joint initiatives. As a result, the year has been filled with a remarkable number of developments that have further positioned LF and our members as a force of good will on behalf of cities throughout the world. In the following pages, you will read about the creation of the Stages of Impact (SOI) Online Platform that is now being used to help our LF presidents see their cities more clearly, about how we develop our members’ organizational capacities to engage their cities in concrete and sustainable ways, and about the people who are the beneficiaries of LF joint initiatives and have a new lease on life. These, along with an increased menu of baseline and ancillary services, continue to create the ballast that allows our members to not only survive but flourish.

Woven throughout these myriad developments and activities is the deep sense that Jesus stands as the animating force of all that LF is and does. LF is guided by “what Jesus would do,” and more profoundly, “what Jesus is doing.” This embrace of both “do” and “doing” makes Jesus not only LF’s foundation but future reality as well.

As LF continues to put the necessary building blocks in place to cultivate the creative capacity to drive the wheel of change, we do so with a deep appreciation for how far we have come and, with the animating reality of Jesus, how much we have to look forward to as cities become God’s playground.
A Vision and an Instinct

Wil McCall had a vision and an instinct as President of the Dallas Leadership Foundation: that the city of Dallas could get better. This vision was fueled by his father, a pastor, who identified God as one of possibilities, and by Wil’s successful career in real estate that provided skills to navigate systems and get deals done. However, questions arose. In the midst of all of its assets, what did a blueprint for improving Dallas actually look like? What tools and resources were needed? How could Wil engage his city in ways that made his dream a possibility?

...what did a blueprint for Dallas getting better actually look like?

LF developed a set of strategies designed to answer these questions and others like them. Equipping leaders like Wil McCall and other Local Leadership Foundation (LLF) presidents is the key. We do this through services that include the Senior Associate Strategy that matches each LLF president with a successful, veteran coach who meets with them monthly and helps develop their gifts and capacities; the Stages of Impact Tool that provides LLF presidents data on their context and a custom plan to deepen impact; and the Board Training Initiative that increases the functionality of their board of directors.

All of these services, along with many others, focus on serving LLF presidents such as Wil so that they can take their vision and produce positive outcomes.

“Leadership Foundations is a gift—not only for the practical support it has provided me with things like training and access to expert coaches, but entry into a community of colleagues from around the world that ponder, plan, and pray for our respective cities’ welfare. As a result, Dallas Leadership Foundation’s and my own capacity have increased to such a degree that Dallas is becoming a better city because of our work.”

—Wil McCall, CEO & President, Dallas Leadership Foundation
Sustainable Change

Gideon Ochieng recognized that the answers to Nairobi’s greatest challenges were larger than he and his colleagues’ collective aspirations. Their vision was fortified by inspiring sermons and insightful lectures. However, it was Gideon’s deep conviction that to make a difference, the Center for Transforming Mission (CTM) Kenya needed the capacity to make good things happen on a consistent and sustainable basis. He asked, do organizational building blocks like fundraising and strategic planning exist? Is there a proven theory of change that is also flexible enough to fit his context? How could CTM Kenya make real impact in Nairobi?

Gideon’s questions are a central focus for LF. Our wheel of change is based on over 35 years of field-tested work and equips our members to take on their cities’ most challenging issues. Using the SOI Tool, LF provides support to members like Gideon and CTM Kenya to continuously improve their execution of the wheel of change and strengthen their organizational capabilities. These services are further customized through Senior Associate coaching to help LLFs build sustainable organizations that create real impact.

Members like Gideon continuously improve their execution of the wheel of change and strengthen their organizational capabilities.

As a result, Gideon and CTM Kenya, along with Local Leadership Foundations around the world, are driving the wheel of change in their cities and seeing them improved. With increasing confidence, they can say: Not only are we going to be here today, but tomorrow, next week, and for the next generation.

“Leadership Foundations gave me a new way of seeing my city, the framework to navigate its systems, and the tools to take on its most pressing issues. Using the wheel of change, CTM Kenya is working to drive sustainable and positive, permanent change in Nairobi and make it into God’s playground.”

—Gideon Ochieng, Executive Director, Center for Transforming Mission Kenya

NETWORK IMPACT

The $3.4 million Leadership Foundations budget leverages a further $30.7 million through the LF global network.

- 42 Local Leadership Foundations
- 733 staff
- 869 partner organizations
- 11,490 volunteers
- 734 organizations received capacity-building support
- 24 cities interested in becoming LF members
Mentoring Youth for Leadership

Janet Dela Cruz’s life changed with one referral. Back from a long-term suspension in 8th grade, Janet’s principal brought her to an after-school mentoring program. As a condition of returning to school, she joined Proyecto MoLE, an initiative of the Northwest Leadership Foundation (NLF). With the structure and support of a caring mentor, Janet began to see herself and her future in a new light and began to ask: Could I attend college and succeed in that setting? How can I make a positive impact in my community? What would it look like for me to become a leader?

After graduating, Janet's story came full circle when NLF hired her to coordinate their mentoring programs, including MoLE, where she gives back daily to the program that changed her life back in 8th grade.

LF develops others so that they get better at what they do. One example is the Mentoring Youth for Leadership Initiative. Janet, along with coordinators of 23 other mentoring programs across the US, is a part of this LF initiative that provides training, access to evidence-based practices, and financial support to improve their programs and the outcomes for the youth they mentor.

LF empowers members to transform people’s lives in their cities through programs and initiatives of all kinds. Janet is one elegant example of this real impact.

“Being a part of various NLF initiatives has taught me that everyone has the capacity and responsibility to serve in some way. Throughout my time at NLF as a part of MoLE and Act Six, and now as an employee, I have been surrounded by people who live their lives this way and I want to do the same. My time at NLF has better equipped me to serve my community and city and nurture the potential of others.”

— Janet Dela Cruz, Mentor253 Coordinator, Northwest Leadership Foundation

NETWORK IMPACT

203 programs and joint initiatives
357,868 people served through LLF programs, joint initiatives, and partnerships

As we help our members, they help transform the lives of people in their cities. Here are just a few examples of the types of programs and joint initiatives the LF network utilized to create real impact in real lives.

- Entrepreneurial Leadership
- Food Access
- Foster Care
- Housing
- Healthcare
- Prisoner Re-entry
Leadership Foundations devotes itself to making cities better: to seeing them become more like playgrounds. However, we recognize that this kind of wide-scale change begins at the individual level, one step at a time.

So, how can we see citywide transformation and take the first step? Leadership. Incarnational leadership that is committed to an entire city for the long-term is the key to transformation and is the very lifeblood of our organization. We develop this kind of leadership in our growing global network by investing in Local Leadership Foundation presidents and staff. As we deliver services to our membership—serving presidents like Wil, building organizational capacity through Gideon and members like CTM Kenya, and empowering direct beneficiaries like Janet—those services become multiplied many times over around the world.

This multiplicative effect takes place as our members use the LF wheel of change to expand their impact and take on the most challenging issues their communities face. Based on over 35 years of field-tested work, the wheel of change is comprised of three signature functions: engaging leaders of good faith and good will, building the capacity of others, and developing joint initiatives. As our members use all three functions in conjunction with one another, cities do, in fact, get better. The resulting, life-breathing changes create real impact in real lives. Together, 42 Local Leadership Foundations are driving this wheel of change to see individual lives improved and their cities become more like playgrounds.

Changes that result create real impact in real lives.

**AFRICA**
- Bloemfontein, South Africa
- George, South Africa
- Maputo, Mozambique
- Nairobi, Kenya
- Nelspruit, South Africa
- Pretoria, South Africa

**ASIA**
- Bangalore, India
- Manila, Philippines
- New Delhi, India

**CENTRAL AMERICA / CARIBBEAN**
- Guatemala City, Guatemala
- Mirebalais, Haiti
- Santo Domingo, Dominican Republic

**NORTH AMERICA**
- Atlanta, Georgia
- Billings, Montana
- Boston, Massachusetts
- Charleston, South Carolina
- Chicago, Illinois
- Dallas, Texas
- Danbury, Connecticut
- Dayton, Ohio
- Des Moines, Iowa
- Fresno, California
- Georgetown, Kentucky
- Grand Rapids, Michigan
- Immokalee, Florida
- Jacksonville, Florida
- Knoxville, Tennessee
- Lewiston, Maine
- Lexington, Kentucky
- Louisville, Kentucky
- Memphis, Tennessee
- Minneapolis, Minnesota
- Philadelphia, Pennsylvania
- Philippi, West Virginia
- Pittsburgh, Pennsylvania
- Portland, Oregon
- Rock Valley, Iowa
- Salem, Oregon
- Seattle, Washington
- Stockton, California
- Tacoma, Washington
- Wilmington, North Carolina
Leadership Foundations launched the Advancement Plus Project (APP) in March 2015 to determine the shifts the LF network needed to make in order to achieve greater impact in cities around the world. When asked about the experience of APP and working with The Bridgespan Group, participants often describe it as engaging “a benevolent agnostic.”

The benevolent agnostic approach manifested in two ways during the project. The Bridgespan Group’s benevolence was characterized by an ever-present, caring, and empathetic spirit. The team listened deeply, asked penetrating questions, and provided positive options. Their agnosticism was demonstrated in the way they demanded data to support any claims about organizational direction. Together, we collected data that ensured every “i” was dotted and “t” was crossed. This rigorous analysis was applied to LF’s wheel of permanent change, determining if it made cities better and how LF added value to our members.

Bridgespan’s method was a gift to LF and provided the necessary framework to measure organizational shifts moving forward. Entering into the second year of the APP plan in 2016, LF used the clarity gleaned to prioritize time and resources in order to effect a more deliberate focus on member performance improvement, to increase time and resources for LF function-related services rather than domain-related services, to prioritize tailored rather than broadcast supports, and to expand impact within the existing network rather than by adding new members.

With this focus, LF made a number of key advances in 2016 that are bearing great fruit as we continue to drive positive, permanent change in cities around the world. The following are the major APP accomplishments of the past year:

- **Further development of the Stages of Impact Tool**: The Stages of Impact (SOI) Tool is the primary resource LF uses to deepen member impact and mastery of the functions that make up our wheel of change. In recognition of its integral nature, LF invested in three important enhancements to facilitate easy access and use across our network. First, we converted the tool to an online format, allowing members to access the robust, mobile friendly, and responsive tool in the language of their choosing. Second we developed six dashboards that contain customized information on the member’s city, organization, program activities, and the roadmap rubric that scores their performance in light of LF’s wheel of change. These elements make up the SOI Online Platform and allow LF members around the world to instantly access their annual data. Third, we structured the SOI Online Platform to roll up and aggregate the data, giving a picture of the scope and scale of the LF global network.

- **Vetting the LF network**: With the SOI Tool in place, the LF Board of Directors and LLF presidents made an important internal decision to use the tool to determine who, in light of the new rigor and discipline, wanted to continue their membership in the LF network moving forward. Beginning in January of 2016, each member was given the SOI Tool as well as the necessary training and support to complete it. When the process began, LF had 70 members. By December of 2016, 42 chose to complete the SOI Tool and remain members. We see this as a healthy sign that aligns with our strategic focus on deepening the impact of the LF network.

- **Baseline and Ancillary Services**: Through the administration of the SOI Tool, a comprehensive package of services and support has been created to enable LF members to continuously improve their execution of the three functions and strengthen their organizational capacities. Services and support include the monthly coaching provided by a trained Senior Associate; a custom package of communication tools, including a brochure, video, book, and branding guide; access to best practices, tools, and templates; and participation in the Global Youth Initiative and the Board Training Initiative.

- **Strengthening the LF Staff**: In order to serve the LF network well and effectively implement the APP goals, a strong central office is essential. To that end, key staff positions have been added, including the hiring of Cassie Wyssbrod as the VP of Development; Sara Melchior as Network Relations and Development Associate; and Noah Baskett, Matt Lundgren, and Cornelius Williams as Regional Coaches for the Mentoring Youth for Leadership Initiative.

LF moves ahead with increasing confidence that these strategies will allow our network to achieve greater impact in our increasingly urban world.

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“I can do things you cannot, you can do things I cannot; together we can do great things.”

—Mother Teresa
Our Board of Directors & Staff are comprised of leaders dedicated to working with cities, people, and communities worldwide to help them reach their full potential.
The Leadership Council is a group of leaders who endorse the vision and mission of Leadership Foundations. Leadership Council members serve as ambassadors by opening doors of support within their network, attend gatherings throughout the year, provide advice and expert assistance, and make an annual investment in Leadership Foundations. For more information on the Leadership Council, contact Cassie Wyssbrod at cwysbrod@leadershipfoundations.org.

“Leadership Foundations is not simply an organization or a network. It is a movement that develops leadership to transform cities. This effort requires great involvement and support from many, which is why the LFLC is so critical. The LFLC leverages critical support so that more cities and leaders can engage. Through LF, many individuals and groups I have worked with in my professional life have benefited because of the insights I have gathered as a LFLC member. I could not be more energized to be helping in this way.”

— Angie Winn, President, Winn Executive Development

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2016 Revenue & Expenses

Revenue: $2,452,011
- 2% Membership Dues: $52,475
- 2% Board: $56,000
- 45% Grants, Governmental Agencies: $1,109,935
- 12% Special Purpose: $296,911
- 13% Fund Beginning Balance: $320,331
- 25% Individuals: $606,769
- 0% Earned Income: $9,680

Expenses: $2,267,218
- 15% Program: Baseline Services: $330,487
- 8% General Administration: $179,537
- 11% Fundraising: $247,582
- 67% Program: Ancillary Services: $1,509,612
- 45% Grants, Governmental Agencies: $1,109,935
- 13% Earned Income: $9,690
- 12% Special Purpose: $296,911
- 2% Fund Beginning Balance: $320,331

How Your Gift Made a Difference in 2016

Your support is key to Leadership Foundations’ work. Because of your faithful giving and generous partnership, we are able to develop leaders who drive the wheel of permanent change in cities around the world.

As a result of our global network, your investment in Leadership Foundations goes further. In fact, our annual budget of $3.4 million is multiplied 10 times over through our members for a total of $30.7 million. This number represents real impact in real lives, resulting in cities getting better.

In 2016...
- You helped 42 cities develop a plan to deepen their impact through our Stages of Impact Online Platform
- You helped 10 boards become healthier and more effective through our Board Training Initiative
- You helped 1,393 youth receive mentoring through our Mentoring Youth for Leadership Initiative
- Together, in the name of Jesus, we impacted the lives of 357,868 people

This is all possible because of you. Thank you!

“I can no other answer make but thanks, and thanks, and ever thanks.”
—William Shakespeare, Twelfth Night, Act III, Scene 3
Effective Leadership.
Transforming cities from battlegrounds to playgrounds.

LETTER FROM

It is my great pleasure to offer a few thoughts as a coda to LF’s 2016 Annual Report. I was given the privilege of writing a letter for last year’s report, and I am delighted to expand on the themes introduced in that letter to offer further encouragement of your commitment to this remarkable movement of God.

And I want to start there: with God. In saying such a thing, I am well aware (particularly as I get older) that I actually know less about God than I thought I knew about God. Even now, as I think back over the years, I chuckle a bit at some of the statements I made with such confidence in my younger years about what God was doing and would do moving forward. However, what I am particularly struck by is not that God did less with LF than what I knew and hoped for, but so much more. St. Paul says it perfectly in the third chapter of Ephesians:

“For this reason I kneel before the Father, from whom every family in heaven and on earth derives its name. I pray that out of his glorious riches he may strengthen you with power through his Spirit in your inner being, so that Christ may dwell in your hearts through faith. And I pray that you, being rooted and established in love, may have power, together with all the Lord’s holy people, to grasp how wide and long and high and deep is the love of Christ, and to know this love that surpasses knowledge—that you may be filled to the measure of all the fullness of God. Now to him who is able to do immeasurably more than all we ask or imagine, according to his power that is at work within us, to him be glory in the church and in Christ Jesus throughout all generations, for ever and ever! Amen.”

I conclude with this final thought and confession about what I knew and didn’t know. I remember knowing early on that the key for LF was to stay attuned to the Holy Spirit and avoid—if at all possible—any organizational structure that might restrict this fluid movement. What I am now so very happy to report is what I didn’t know. It was never an either/or proposition, but a both/and. Not only can we be caught by the unction of the Holy Spirit to do more “than all we ask or imagine,” but we can also “grasp how wide and long and high and deep is the love of Christ” through the cultivation of processes, practices, and tools.

This both/and reality allows the LF network to drive the wheel of permanent change so that our cities become playgrounds of the Holy Spirit. What a vision. What a mission. What a call.

Thank you for traveling this road on behalf of cities throughout the world.

Love,

Reid Carpenter
Founder