

RAG Peer Exchange Workshop
Case Study: Donors Forum of Chicago's Philanthropic Database (PhD)
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- ◆ *History*
- ◆ *Current Setup*
- ◆ *Lessons Learned*
- ◆ *Future Thoughts and Plans*

◆ *History*

Since the late 1970s and throughout the 1980s, the Donors Forum of Chicago (DFC) has kept records of grant lists from various member foundations and grantmakers in metro Chicago. These grant lists were made available to library patrons for research purpose. Few annual reports were published then and these grant lists were paper records that were collected whenever possible from members who were agreeable to providing this information. Although most of these grant lists contained skeletal information listing only grant recipients and amount granted, the DFC library patrons found it extremely useful for research purposes.

A national effort in 1987 to create a taxonomy for nonprofit organizations sparked DFC's interest in creating a similar classification system for the codification of grants in order to facilitate computerized storage, retrieval and research. An increasingly competitive funding environment had fuelled the desire for a more sophisticated system of recording grant information with flexible searching and reporting capabilities. The idea for the Philanthropic Database (PhD), envisioned as a philanthropic resource for both grantmakers and grantseekers, was born. DFC hired a consultant to develop a taxonomy for foundation grants based on the nonprofit taxonomy. From 1990 to 1993, grant data was collected and codified into a database but the taxonomy, being incredibly large and complex, made the data-entry and coding process extremely time-consuming and expensive. The PhD grant data was stored in metafile and was only accessible by the consultant. Furthermore, the extensive taxonomy made research a complicated process. Work on automating the Chicago grants had also become sporadic. The result of this first attempt at creating a grants database was unsatisfactory. The development of the PhD was guided by members of a subcommittee of the DFC Information Committee whose members felt that although the PhD was of immense value to the nonprofit community, there was a need to change the structure of the PhD to make it user-friendly. Mindful that DFC itself does not have the technology or capability to build database in-house, DFC contracted with Metro Chicago Information Center (MCIC) in 1994 to continue the work on improving the PhD.

MCIC redesigned the PhD to run on Microsoft FoxPro. Even though the taxonomy was streamlined and for the first time there was a systematic timeline to recruit more grantmakers for the PhD project, data collection, entry and coding fell behind. The redesigned database did not perform to expectations; there were programming glitches and the information retrieval process remained rudimentary. After working with MCIC for about two years, a decision was made to bring the entire project in-house under the direction of the Research Coordinator who also oversees the production of the Directory of Illinois Foundations. There were several reasons for this move. By managing the project in-house, DFC is able to cultivate relationships with

member participants directly. DFC staff had by this time acquired some knowledge on maintaining the database and therefore felt confident about managing the entire process internally. More importantly, it would allow DFC to coordinate all their data and information collection efforts.

In 1996, the IT Resource Center in Chicago was in the process of setting up a website for Chicago nonprofits named npo.net. The idea of putting the PhD online as a web searchable database was explored so as to increase the PhD's visibility and usage as well as to provide additional resources on the npo.net website for nonprofit organizations. All PhD data was converted to be stored and managed in MS Access. A consultant was hired to develop grant entry and coding screens to facilitate the process through the use of entry forms. Timely availability of federal grants for collaborative projects in technology between nonprofits provided the funds for developing an online version of PhD to be featured in the npo.net website with the technical help from the University of Illinois at Chicago Center for Urban Economic Development. To date, DFC has maintained relationships with the IT Resource Center and UIC-CUED through the PhD.

◆ *Current Setup*

Updating the data in the PhD is an ongoing process year-round. With a core group of almost 90 participants, PhD currently has over 43,000 grants (1994-1998) going to more than 10,000 recipients. Requests for grant lists are made at the end of the participants' fiscal year. The information requested include the recipient's name and address as well as the grant amount and description of activity support by the grant. The grants are then entered and coded according to NTEE standards by beneficiary, purpose, support type and neighborhood served where applicable. The coded grants are then verified by the grantmaker and updated quarterly online. A full-time Research Associate maintains the PhD with additional support from the Research Database Coordinator.

The PhD is now accessible through the web from npo.net and the DFC website. The web searchable database is housed in a UIC-CUED server. DFC library patrons can also access the PhD through a computer terminal in the library with an internet connection. Each quarter, a copy of the entire database with new data is sent to the web database manager at UIC-CUED to be updated on the server. Updating of the web database is facilitated by the fact that it uses Access as a backend. The database averages about 4,300 searches a month for the past year.

◆ *Lessons Learned*

In-house vs. Outsource

Due to the initial lack of internal expertise and knowledge, the development of an automated PhD was largely outsourced with in-house management of the process done only recently in 1996. The lack of in-house staff responsible for the PhD project management had hampered the development of the PhD. While DF needs to rely on consultants and outsourced help for technical expertise, we have found that it is important that the main responsibility of maintaining the database and managing consultants falls on in-house staff. Staff and institutional commitment to the project has not only helped DFC build relationships with our member

foundations, it has also strengthened the conviction and sense of purpose for the project's goal of serving as a resource for funders and grantseekers in greater Chicago.

Taxonomy size

Another issue that DFC has grappled with was the size of the database taxonomy. Even though the taxonomy MCIC used to code the grants had been reduced from the earlier version in metafile, it was still large enough for coding to remain a time-consuming therefore expensive process. There were numerous discussions on reducing the taxonomy size further but such an action would cause a corresponding dilution of specificity and detail in the research and reporting process. The taxonomy that we current use to code our grants contain 45 support codes, 114 beneficiary codes in 9 categories and 1,122 purpose codes in 26 categories. We have 78 Chicago neighborhood codes and are able to assign neighborhood codes to about 20% of the grants.

Grantmaker Participants

While some foundations and grantmakers were forthcoming with providing us their grant information, there remains a significant number who view their grantmaking activities as private information or feel that they do not have the staffing resources to provide the information we seek. A lot of effort has gone into educating grantmakers on the importance of PhD as a resource for the philanthropic community.

◆ *Future Thoughts and Plans*

Most of the expense of the PhD is incurred in the data collection and processing stage because that is a labor-intensive process. As more foundations computerize their grant-making process, many are able to generate grant lists electronically that can be imported into the database with minimal data-entry required. However, coding of grants remains time-consuming as each grant needs to be individually coded so that meaningful research can be conducted. Currently, PhD is supported partially by foundation grants. We are looking at ways to generate revenue from this product. The *Giving in Illinois* report was produced based on 1997 grant data. There are plans to produce other boutique reports focused on different areas of giving.

We are currently exploring ways to improve and increase the web database's search functions and capabilities. We will be conducting a library user survey to find out who the PhD users are and the purpose and process of their PhD search; we might also develop an online version of the survey for cyber users of the PhD.

Recruitment of new participants, both members and non-members, remains an ongoing task. We would like to solicit feedback from foundations and grantmakers on the PhD project; there needs to be an effort made to educate current and prospective participants on the usefulness of the PhD as a unique resource and how they can help DFC improve its research capabilities by adopting coding procedures that match those of the PhD's taxonomy.

Some possibilities that we might explore in the future include producing the PhD on CD-ROM with extensive Boolean search capabilities and bringing the entire PhD project in-house with the PhD data running off our own server.