GEO Grantmakers for Effective Organizations
Northern California Grantmakers

GOVERNANCE CASE STORY:

S.H. Cowell Foundation

Centering grantees and making the choice to spend down

Quick Info

Organization: S.H. Cowell Foundation

Type of grantmaker: Private/independent foundation

Board size: 9

Funder's assets (as of May 2025): ~$115 million

Typical annual grantmaking budget: ~$6.1 million

Grant size (range): $25,000–$1 million over 3–5 years

INTERVIEWEES:

Ann Alpers
President

Anu Cairo
Vice President

Kim Thompson
Board Member

About the Series

What does it take to build governance that fuels transformative philanthropic practice and lasting social change? At its best, governance sets a strategic rudder that clarifies and maintains focus on an organization's mission and priorities, despite the buffeting winds of fear and resistance that challenge our work. Good governance isn't magic: It involves mindsets, structures and practices that foster frank conversation; reveal power inequities; and harness the contributions of people with diverse lived experiences, identities and talents.

Because boards are an essential lever for change in philanthropy, Grantmakers for Effective Organizations and Northern California Grantmakers are partnering on this series of case stories to surface and promote concrete practices that help funders better align their governance with their mission and values. There's no one right way for grantmakers to do governance, so we hope these case stories provide diverse examples of ways funders have evolved in this area and offer translatable lessons.

For more information and resources, including the rest of the case stories, see GEO's work on governance and NCG's governance page.

About the S.H. Cowell Foundation

The Cowell family made its fortune first in the building materials, drayage and storage industries and later in real estate. Established in 1956, the S.H. Cowell Foundation invests in communities committed to achieving lasting, positive change for children and families living in poverty in northern and central California. Today, through its work in three program areas — families, education and youth — the foundation focuses on four themes: racial equity; economic advancement; resident voice and agency; and community health, especially mental health and health conditions linked to environmental injustice. The foundation prioritizes places in northern and central California that are experiencing acute and widespread poverty and where people of color likely experience disparate outcomes.

Governance Background and Context

In late 2019, the S.H. Cowell Foundation began a strategic planning process with the explicit intention of inviting feedback from grantees and community members. As the COVID-19 pandemic and racial reckoning unfolded, "people were so raw they spoke plainly" during feedback sessions, said the foundation's president, Ann Alpers. The experience of engaging the community in the process led Cowell to elevate resident voice as one of four strategic priorities across all of its program areas. The strategic plan also put racial equity at the core of the foundation's work.

In 2024, Cowell added two members to its board, both bringing substantial experience in philanthropy. The newly constituted board undertook a thorough learning process over 18 months, carefully considering how the foundation could best serve the community and advance its mission. Ultimately, staff brought three options for the future to the board: Given Cowell's current rate of giving, the foundation could either significantly reduce its payout to preserve its endowment, maintain its current rate and eventually spend out, or spend out more quickly and intentionally.

Staff made it clear that their preference was for the foundation to spend out more quickly and intentionally. "We were either going to be in contraction mode, stepping away and reducing our impact in partner communities, or ramp up our work," said Anu Cairo, vice president of grants.

As part of the process, the foundation invited two colleague funders and two grantees to speak to the board. Even as staff and peer funders' perspectives deeply moved the board members, grantees made the biggest impact: One said that "it's hard when a funder leaves, but it's part of our life as a nonprofit. I'd always rather have a dollar today than the promise of a dollar tomorrow," while the other highlighted that "Cowell's long-term relationships with grantees and its legacy will continue to be part of our story."

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>
> **Anu Cairo**
> *Vice President*

LISTENING JOURNEY

From Community to Decision

COMMUNITY FEEDBACK

Grantees and community members shared candid feedback during the foundation's strategic planning process.

STRATEGIC PLANNING

Resident voice became a strategic priority, and racial equity was placed at the core of the foundation's work.

BOARD LEARNING

The board and staff engaged in an 18-month learning process, exploring spending scenarios, financial implications, and insights from peer funders.

GRANTEE VOICES

Grantees shared why immediate investment mattered, reinforcing the value of supporting communities now rather than preserving resources for the future.

DECISION TO SPEND DOWN

The board voted to intentionally spend down the foundation's assets over the next 15 years, increasing grantmaking to better serve partner communities.

Levers of Change

Site visits.

Each year, the foundation's board visits a partner community. Board and staff members travel there, tour the community, visit nearby grantees and nurture relationships with community partners, gathering in a pistachio orchard or a student robotics class, for example. Over the years, the site visits have given board members a close connection to the work. “They have a sense of who is doing the work and who is being served, and they understand the challenges within a larger context,” Alpers said. This investment of time and effort helped cultivate a board ready to put community at the center of its decisions.

Strong, long-term, trusting relationships.

Board members tend to serve for a decade or longer, creating space to develop a strong culture of mutual respect and generative dialogue. The board meets in person and gathers for dinner at least twice a year. Board and staff mix frequently, including spending meaningful time together on annual site visits. This has contributed to a “culture of collegiality and kindness in the board room,” according to Alpers. The board also came to recognize that the three women of color serving in program officer roles had forged trusting relationships with community members in the foundation's priority geographies, and that staff had been hired for their passion to be proximate to community and attuned to community needs. This understanding fostered genuine respect and trust among board members and between the board and staff.

A collective learning process.

The board went through an 18-month learning process alongside staff. The learning sessions explored the potential to spend down the foundation's assets and the implications of different decisions, considering everything from financial performance to spending scenarios to approaches for portfolio management. The board spent time learning from fellow funders and grantees. The experience helped shift the board's understanding of its responsibility from an emphasis on rigorous oversight and stewarding the foundation's resources to a commitment to using its resources to serve grantees as well as possible. At the end of the 18-month learning process, the board voted in September 2025 to spend down its assets over 15 years.

Board members who understand philanthropy.

Having new board members with a deep understanding of the philanthropic sector brought additional expertise and nuance to conversations about the foundation's future. When the board began to consider spending out the foundation's endowment, these members' knowledge, alongside the foundation's investment adviser, who also has deep knowledge of foundations and endowments, helped affirm that spending out was not a “wacky idea” but an approach worth considering.

Honesty about urgency.

Community and grantee needs were already significant when the learning process began, but those needs have only grown as grantees and partner communities find themselves in the midst of tremendous instability and funding cuts. Recognition of the real urgency was a central part of the board's decision-making. “There was nothing alarmist about saying, ‘Our grantees are really in trouble and we need to do everything we can to support them now,’” Alpers said.

Impact

In early 2026, the board voted to spend out the foundation's endowment over the next 15 years, providing predictable, long-term and substantial support to existing partners and anchor institutions. The time frame will allow the foundation to increase its giving in a measured and intentional manner, essentially doubling the grants budget over five years. "This balances us continuing to be a stable partner for grantees and building their capacity to serve as anchor institutions in their community, while increasing our grantmaking resources in a substantial way," Cairo said.

Lessons & Advice for Peers

1 Invest in developing trusting relationships among and between board and staff.

Create consistent, in-person opportunities for staff and board to deepen relationships. Site visits can go a long way to fostering these relationships and a closer connection to the work. If you lead site visits, do what you can to take on the effort of organizing those visits, rather than leaving that responsibility to grantee partners.

2 Center grantee voices.

"At every juncture, twist and turn, when we've gotten it right, it's because we have listened to our grantees," said Alpers. "We are only a small part of the work, and we are lucky to get to support the work."

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> *President*

3 Choose humble, passionate, effective servant leaders.

A lot of Cowell's success is due to the leadership of and relationship between Alpers and Cairo. "Everyone has a passion for the work and a respect for each other, and it starts at the top," said board member Kim Thompson.

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