

Giving Locally with Mike Bontrager and Stephanie Almanza

Mike Bontrager Look, we really want to be a collaborative player. We want to work with others. We really want to see the thriving of this community. And that is a bigger agenda than just our own personal agenda.

Grace Welcome to Giving Done Right a show with everything you need to know to make an impact with your charitable giving. I'm Grace Nicolette.

Phil And I'm Phil Buchanan.

Grace Today, we're excited to welcome to the show a father-daughter duo Mike Bontrager and Stephanie Almanza of Square Roots Collective. In 1991, Mike founded Chatham Financial, which has grown to be the largest independent financial derivatives advisory firm. His approach of prioritizing trust over profit really changed the dynamics of that industry. In 2019, he retired and started Square Roots Collective, an umbrella organization with many different projects serving his hometown of Kennett Square, Pennsylvania. His daughter, Stephanie Almanza, serves as the head of real estate and is on the executive team at Square Roots. Welcome, Mike and Stephanie.

Mike Bontrager Thank you for having us.

Stephanie Almanza Great to be here.

Phil Mike and Stephanie, I'm super excited to meet you and know you and to be able to explore the really interesting model of philanthropy that you've pursued. But before we get to that, Mike, like to talk about your roots business wise. This is not a finance show. This is a philanthropy show. I have an MBA, but I did particularly poorly in finance. So could you start because I think it will be helpful. We don't want to go deep on this, but what's a derivative?

Mike Bontrager A derivative is really a financial contract that just simply offsets or mimics something else. And so it's used the way our clients have used derivatives really is to offset risks that they have from rising interest rates or from changing foreign currency rates or commodity rates. So they're basically trying to create, I guess the simpler way to say is create a good news bad news story. So, for example, if you've got a cruise line that is buying a lot of diesel fuel, if the bad news is that diesel fuel prices go up, if you've been successful, the good news is that your derivative value goes up to offset increased cost from the increased diesel fuel. So it's really trying to create hedges to get rid of risk so that companies can focus on their business and not worry about the volatility in the market.

Phil That's a really helpful explanation. And my understanding is that in your business you really prioritize the concept of of trust, even trust over profits. And that has some relevance to your philanthropic story. So can you tell us a little bit more about that? Because that isn't necessarily also what sort of instinctively people would think of when they think of someone who made their money in finance like, that's a person who prioritized trust. That's not necessarily the caricature or stereotype that folks would have of finance guys. So you stand out at least relative to that caricature. So tell us about that.

Mike Bontrager Well, I wish I could say that I started out that way, and that was really my motivation. But like a lot of people, I started out I wanted to be an entrepreneur. I wanted to be my own boss. I wanted to make a lot of money. And so I had the good fortune of

working in the derivatives market just as it was emerging back in the 1980s. And so I really learned it from the beginning. And then when I saw how many clients just really did not understand what they were doing, had this idea to start out on my own. And like I said, was an entrepreneur who wanted to, like I said, be my own boss and make a lot of money. But then I had a real pretty profound spiritual experience in my 30s that just changed the trajectory of how I thought about my life, my purpose, and then by extension, my venture and really was asking the question like, what is the purpose that God's placed me on this earth and why am I here? And I think it's not controversial to say that the trust gap between Wall Street and Main Street is extremely wide and I kind of understood that. But there was one event that happened that totally kind of catalyzed and brought this to the fore for me and it was one time I was at a real estate conference..I had a lot of real estate clients, and I saw the CFO of one of my clients standing over at the bar. So I went over to him and we were just catching up. And in this real estate conference, walked in the his investment banker who had taken him public, did all his debt and was really a big capital provider for this, for this company. And they were kind of yukking it up and talking about the latest golf outing they were on and were talking about an upcoming duck hunting trip that the bank was sponsoring and I was looking at this going, wow, these guys are really close. And again, I was representing the real estate firm to that bank's derivatives group. So, of course, watching how strong that relationship was. And when the banker walked away, my client turned to me and said, I would not trust that guy further than I can throw him. And I was totally shocked because by every outside appearance, this was a really tight relationship. A really good relationship. And it really made me start to question the whole issue of trust. Why did this guy trust us at Chatham and really did not have a trusting relationship with this banker? Now, the moral of the story is not that you shouldn't trust your banker...there are plenty of bankers that are awesome.

Phil That's surely sometimes true.

Mike Bontrager Yes, sometimes true. But what it did is it made me say what is the element of really what we're providing? And I think over time, what I started to say to my team is, you know, we are in the trust business. Derivatives is merely a delivery mechanism of our true product, which is trust. And we also started to use the language of we trust, maximize. We don't profit, maximize. We look at every situation with a client, with our employees, with our vendors and say, how do we maximize trust in this situation? And we were a for profit company, which means we're not just giving things away. Obviously we have to make a profit on what we do. However, we were always asking that question How do we maximize trust in this given situation?

Grace Can you share an example of a time when you maximized trust over profits in the business just to kind of put some flesh on it for us to think about?

Mike Bontrager Yeah. I remember early on I made a trading mistake. We were in a foreign exchange transaction for a large private equity company and I just got things backwards and ended up when we executed the transaction, I executed at the worst price instead of the best price. Not a good move. So five minutes after the trade, I realized what I had done and what we had done. You know, the question was what to do. This was in the early days of Chatham and the cost between the worst price and the best price was pretty significant, and it was really going to hurt our company. But we got our heads together and the right thing to do is go back to the client and tell them we made this mistake. Here's what we did. We told them we're going to make up the difference between the high and the low. We'll write you a check for it. I remember calling the CFO and there was sort of almost like this stunned silence on the other side of the phone. And I think part

of it was that he realized had we not told him, he would have never known. He doesn't watch the markets that closely so he would not have known. And you know what we said we're going to cover it. And I remember he came back and said, Mike, no, forget about it. Just don't charge us this time and don't do this again. And that was a client that's been with us for 30 years, and we've done pretty much most of their hedging over those 30 years.

Grace Wow.

Phil It's such a great story. One of the things I've learned over the years in my own work relationships, so I think this applies in any kind of relationship, philanthropic connection between a funder and a nonprofit, a business relationship, probably in personal relationships as well, is that counterintuitively, relationships can grow strongest based on what happens in their worst or most challenging moments like it is in that time that you're able to show who you really are. When you make a mistake, when there's a disagreement, when there's tension. And I've seen that play out time and time again in our work at the Center for Effective Philanthropy and certainly in the dynamics I've watched between funders and nonprofits. So maybe we can start to talk a little bit about the philanthropy piece of this.

Grace Well, Stephanie, I would love to bring you into the conversation. So in 2004, your family moved— you and your sisters... you're the eldest child— to Kennett Square, Pennsylvania, where your family has set down roots. And you all have really committed to investing in that community. Tell us a bit about Kennett Square. Like, what is it like? And also, I imagine you could have done any number of things with your career. Why did you choose to work with your dad on Square Roots Collective?

Stephanie Almanza Kennett is probably the smallest big town that I know of. We moved here when I was in high school, and it's a small kind of boutique town. It has a lot of history and the mushroom farming industry. So kind of really agricultural roots. A lot of migrant workers here kind of seasonally but oftentimes do put down roots since that's an industry that goes year round. But it's also the wealthiest county in our state. So if you can imagine, kind of when I graduate from high school, about 50% of my class were Spanish speakers and then the other 50%, were all kind of trying to figure out how to get into Ivy Leagues and Big Ten. And so we really have a small town here that's got the deep history in migrant working immigrants, some of the most vulnerable that we can talk about in our country. And at the same time, we have an incredible amount of wealth. So after high school, I went on to Duke University down in Washington, D.C., got caught up in commercial real estate development and just fell in love with the industry. I think that some of the things that I really enjoyed about it was that you were building communities and just really the impact that those communities had on the infrastructure of your community. The built environment is something that shapes everybody's world. It impacts everyone, whether you realize it or not. And so being able to be part of a team that was really thinking through how what you're building is going to impact the community in so many different ways, just felt like a really big influence on a community that probably didn't even realize it. A big part of my portfolio down in Washington, D.C., was also in low income housing tax credits. So I also saw a side of the real estate that had these buildings that were offering lower rents, and they were great assets kind of from an owner standpoint. And they really were kind of the bedrock of a portfolio. So, you know, kind of building my career down in Washington, D.C., I was really involved with Square Roots here and there. Coming out of college. No, I was in college. My dad calls me up and is like, hey, I'm going to do put this internship out for this Trails organization that I'm thinking about. There's so

many places to not a lot of places to run around here. And he'll tell you kind of the whole story about us training for a marathon and just not having anywhere safe to run. And he's like, I think we can figure this out. There's got to be a way to get trails around here. And so interned for him one summer ended up actually when The Creamery, which is our beer garden, opened that summer, we had kind of a crisis with the general manager and I ended up moving home kind of in-between jobs, general managing for the summer. So I think there was always a piece of me that was connected to Square Roots. I mean, I was connected to Chatham just in my dad and I would run and he always was telling me stories. So kind of when the time, you know, came a few years ago and I was sitting through Covid office-ing with them and just hearing all of the fun projects they were working on, it became more and more difficult to just sit there and not not be part of the team. So I finally made the jump about three years ago and been working with them since.

Grace Wow, that's so special.

Phil Can you explain a little bit more what Square Roots Collective is, what its mission is, how it's structured, what kind of projects you support?

Stephanie Almanza Square Roots Collective were a collection of kind of for profit and nonprofit ventures. We're trying to really create a community here where everyone has the ability and opportunity to thrive. We're really place based. We're focused on this community and have really been experimenting with what thriving means. Some of the kind of workshopping that we've done. We would like to have a vision where there's a place where everyone wants to live and a diverse group of people can live. And I think we do a good job of one or the other in a lot of places in this country. And I think there's something really unique about Kennett Square in that we're a small community that has both and has really bigger town and bigger city issues because we have a lot of vulnerable population plus a lot of wealth in this area. You know, it's got an intersection where we are small and so therefore we have really better feedback loops where we're able to start with the venture and really dig into something and understand that's not what the kind of core root issues of this issue are. So let's pivot and try something else. And even on kind of the regulatory issues, we're able to be really involved in the town politics and just understanding the ..why things work they way they work and then being able to develop relationships to say, well, what if we can challenge some of these things? The collective is really trying to address root cause issues for our town and kind of create opportunity for everyone.

Grace Great. So tell us more about some of the specific pieces of it. I know you mentioned a creamery, trails... like.

Stephanie Almanza Yeah. So the for profit side we have up and going right now The Creamery and Artelo... the creameries, a beer garden that's a for profit business. So this is kind of what we call the engine of our for profit. We just opened also our art motel. So that's a 14 room motel that was converted and renovated. We had 14 individual artists come in and each pick a room they were able to pitch us on the mural art that they wanted to do for that room. So this is a way to take, you know, an older motel. How do you make a motel fun anymore?

Phil And I read a whole article in The New York Times about this recently. The motels are back, apparently.

Stephanie Almanza Right? I did see that, which is so exciting for us. We had nothing to do with that article. Yeah. So, yeah. So trying to give it a really cool spin that not only creates profits for the town, but also adds a local asset. And so a couple times a year we are going to open all the doors. We did this for opening this summer and allow the community to be able to come experience this art, walk through the rooms. Each of them obviously has a really unique story. Some that really speak to the town. One, for example, is all about the Lenape tribe that used to be here before Kennett was even founded and so it really goes into the history of the Native American tribe. There's others that really speak to the migrant populations here. So that's been a really fun project where, you know, yes, we want heads in beds, we want people to stay there and at the same time really adds a fun element of art to the community. And we have come on the for profit side, a lot of future projects. We've got another hotel coming, an art themed restaurant that's going to complement the motel and we have a cocktail lounge that we're going to do Underground Railroad theme, which will be tied into our nonprofit as well. So each of the elements we hope, on the for profit side are able to produce the profits but at the same time, we hope that they're able to really be considered assets to the community and almost healing in some way or telling stories in some way to the community. And then on the nonprofit side, we have our Trails organization, who is really trying to create accessibility to our nature preserves and our local parks. And so the goal there is to do a 14 mile trail loop that really ties in and connects kind of all of our local assets. And then we have a another nonprofit that's a partnership with Lincoln University and Longwood Gardens, and that one is really missional around racial healing through storytelling. And so that's the you know, there's really rich history here around the Underground Railroad and so we're trying to do things through programing to be able to lift up those stories and actually, the hope is to be able to do a national memorial to the Underground Railroad.

Grace Wow. Amazing.

Mike Bontrager So while, you know, we have all these initiatives and all these projects, I think if you pull back and look and say what is actually happening or what are we trying to do? Let me just use the Trails organization as an example. While we're making real progress in putting real trails that are accessible to the whole community. Personally, I think some of the biggest success that we're having is the fact that we are getting organizations that previously had never really worked together. We're getting them in the same room. We're starting to work together. I guess we were starting to collaborate even on getting grants for the area. We're taking turns with grants. We are actually getting municipalities who had never really worked together. We're getting them into a Regional Trails Committee. And the relationships that are being built within the local community are starting to spill into other areas that have nothing to do with trails. So if we look at kind of our theory of change really is around collaboration. No organization is going to be able to drive systemic change in any community. It's going to require many different organizations coming together to do it and really putting the goal of the community above the goal of their individual nonprofit. And that has been an extremely difficult journey for us. Typically, we enter with capital and we enter with ventures because we don't want to really be competing with other nonprofits in the area, but we really want to partner and partner means we certainly have objectives or Square Roots. And the various nonprofits, they of course have their own objectives but we're kind of saying partnership means you're helping us with ours. We're helping you with yours. We're not just somebody who's writing checks. We're actually investing in partnerships.

Phil Completely agree. And it's a theme that we talk about all the time, that no single donor, no single philanthropist, no single nonprofit is going to accomplish meaningful

change alone. Collaboration is required. I wonder if you get the critique, however, of well, yes, but you're coming in with wealth that shifts the dynamic between us, the nonprofit that was working here before you all became involved. Or even the idea that you might be having a sort of disproportionate influence on decisions in this community and concerns that we sometimes hear critiques leveled at donors that can even be almost anti-democratic because you're influencing government in a way, for instance, that others can't. I'm curious about two things, I guess. One is, do you hear that critique much or at all? And second, how would you respond to it?

Mike Bontrager Well, first of all, I'd say the answer to number one is yes all the time. Yeah. Yeah. Yes, we do hear it. How do we respond? This is tough, right? Because everybody has kind of a vision of what they want for their town or how it should be. And so I guess one of the things that we look at is say, how do we find the organizations that we can partner with? How do we find people that are aligned in where we want to go or where we think we ought to go? There have been different things, as Stephanie said, you know, where we've started, it wasn't working. And we pivoted because you know what? The partnerships weren't there or the people who kind of were in those partnerships decided that's not the direction they wanted to go or they thought it should go. So we pivoted out and said, 'okay, that's fine. We're not going to force that.' I think one of the things that I often say is that somebody needs to speak for the next generation and the people without voice. And most communities are protected by people who really don't want change. And so there is a balance there. And certainly there's things you don't want to change. And I get it. When somebody comes in with a lot of capital or whatever and is able to change, that creates some disturbance. But it's also not positive to allow a community just to be operated by the people who have kind of got theirs and don't really want anybody else to have it. Yeah. And so who speaks for them?

Stephanie Almanza Right. I think we have a really unique position in this. I think the other piece of some of the projects that we worked on is that the nonprofits are a lot of times our emergency room for our community. And they are trying to meet the immediate needs and they're doing everything they can to meet those needs. And they're so critically important. We're fortunate, I think, to be able to come in and say we can think long term. We have the ability, whether it's good or not, because of the capital, to say, let's really think through what is causing the emergency rooms to be overrun and how are we really going to be able to put some of the money into the strategic thinking, the collaboration and all of those things that take time and a lot of effort that a lot of times these nonprofits just are so overloaded, they're not able to think that way.

Grace Right. I feel like sort of the other side of the critique that you just described so well, Phil, is, you know, there are untold numbers of communities that dream of a generous person coming along to invest deeply there to bring about change. It's just really interesting to kind of hear you guys live into that tension, a bit of like the role that you play. One other question I wanted to ask you about is, you know, donors also feel a tension between giving to causes that are far away, where their dollars may make more of a difference versus investing in their own community. And we would argue both are needed.. And so how do you think about that tension? Like you mentioned that, you know, the county is the wealthiest one in your state. How did you all wrestle with, you know, investing locally versus perhaps somewhere far away where, again, you know, the dollar could have gone farther?

Mike Bontrager Well, first of all, I mean, we have a lot of major issues in our own area. We are the wealthiest county, but we have so many under-resourced people because of

the agriculture industry and the immigrants that are coming to our area. And so we have real need now, Stephanie said there are some great nonprofits that are doing amazing work, meeting a lot of the crisis need. First of all, I would agree, totally agree with you. You need both. One of the benefits that you get by being involved locally and for us, being involved is not just giving capital or sitting on a board. It means that we're kind of on the front lines of a lot of these issues. What you start to realize is the messiness that actually is in the problem. It's one thing to sit on a board. It's one thing to kind of see it when you parachute in and then parachute out. But it's a different thing when you are trying hard to make housing affordable. And you just realize because of whether it's codes or zoning or just because of the building codes, you just can't do it. And you start realizing, wow, these problems are not easily going to go away. But we would not really understand that if we did not actually actively invest in real estate where we were trying to make it affordable. And I'm not talking affordable in terms of any tax credits or anything like that. I'm talking about investing in properties and saying how do we help people stay in their homes? How do we actually make this profitable? It can be a small profit, but at least it needs to be sustainable. How can we do it? And you find out it's incredibly difficult. But we wouldn't know that if we weren't on the front lines of, you know, the permitting process and the zoning meetings and things like that is really where you start realizing, oh my, this is... our nation has a big problem.

Phil Stick with us. We'll be right back.

[BREAK]

Grace Stephanie, I'm wondering, what is it like to work with your dad in the family business? Do you have any advice for families who are considering whether to work together, either in a family business or in philanthropy?

Stephanie Almanza Yeah, I think that both my dad and I would say it's been just an absolute joy to work together. I guess I had some apprehensions about working with family and, you know, it could either go really well or it could go really, really bad. And I think we've been really fortunate that I feel like I've grown up with him and with this company. And so being a part of it all along has enriched our relationship both professionally and personally. And it's I guess that would be one of the things I would advice-wise, give to people is your relationship with your family personally is very different from your relationship with your family professionally. And so it took Mike and I some time professionally to develop our professional relationship. You know, we went to **a conference with Praxis** a couple of years ago, and there was kind of this one pivotal weekend that we had where I guess we were in a breakout group together, and I provided some feedback. And afterwards we huddled a little bit in the hotel room and I could just tell for him he went from seeing me as a daughter to seeing me as a coworker and as a partner and as someone who is really going to grow this venture with him. Just having that level of a professional relationship and respect is something that we had to develop and we really had to work at. But also personally, you know, that doesn't mean just because we see each other at work every day that our personal relationship is good and so I feel like being very intentional around developing my relationship personally with my father and professionally with Mike. And now we've got my sisters with the organization, my husband's there, and so I try to see these as two different relationships for kind of each of those individually to respect my sister as a professional, but also pour into her personally as well.

Mike Bontrager And I will say that was a switch for me as well, because, you know, these are your kids and you think of them as your kids and as Stephanie said, that experience that we had together where I just saw her speaking wisdom into other entrepreneurs and other philanthropists and was like, 'wow, who is this girl?' Okay, this is. And it did it really changed kind of how I started to see her. And it's just been a joy. And I'm super fortunate that I expected a lot from her and she's exceeded those expectations. So that's actually really good.

Phil Yeah, I mean, one thread on this show is, is we've had a number of folks talk about the family dynamic in a way in which resources and the distribution of resources to make communities better have bonded family members together. And it's interesting because I think we, of course, read the stories in which money has driven family members apart. Right? And so it's been inspiring to hear, even in this season alone. We have a couple of those stories where the wise distribution of resources for the good, that activity, that challenge has strengthened family relationships and that's kind of a cool thing to see. I want to ask about how you choose what to do, because you have mentioned you have the opportunity to elevate the perspectives or interests of people who would otherwise be overlooked. And, you know, we talked about sort of the critique of, well, who are you to do this or that? But of course, what's the alternative? Sit on the sidelines and do nothing. You have the opportunity to do good. You're making choices. I'll ask you about one in particular, Stephanie, that you mentioned that is so interesting, which is this Voices Underground nonprofit, which is elevating the history of the Underground Railroad. Can you talk about how did you come on to that notion that you would support this effort? Where did that come from? I was just curious about the origin story.

Stephanie Almanza Yeah. So this one predates me a little bit, so I'll let Mike jump in but really, there's a lot of history around the Underground Railroad because we're just over the border from Maryland and Delaware here. And most of the underground railroad travelers were heading towards Philadelphia. There's a large Quaker population here with the meeting houses and so this was a big stop and one of the first stops once you crossed into free territory.

Phil Yeah.

Stephanie There's a history center here. There is some history here, a lot on the Quaker side, the hosting side, just because that's where the stories lie. Those were really where the families had passed down that history. But the realization kind of over the last five years of all the discussion going around in our nation of there's this whole side of the story that hasn't been told and it's not because it's been purposely overlooked, but it's because the nature of the person who was traveling did not want their stories told because that was dangerous.

Phil Right.

Stephanie And so there is extra effort that has to happen to tell those stories and lift them up and uncover them. It's the harder side of the story to research and to find and to tell. And so, you know, as Mike started to get into this, he really started to say, because Lincoln University, which is about 20, 30 minutes from us, is the oldest HBCU in the nation, you've got so many of these stories here and you've got the university to be able to do the research and really started to kind of open this partnership to say, let's really start telling these stories. And once you start telling the stories, you start affecting the narrative and you start being able to really lift up those voices that are underground and the interesting

throughline kind of in our history here is that that story of the traveler who feels vulnerable, who feels unsafe, who doesn't feel like they can speak for themselves, is still happening in our community here through a migrant population. And so it's just been really fascinating to see how these are very different stories from very different types of people and yet we are able to feel so connected to those stories, even today. We can't just say those are stories from long ago. They happened hundreds of years ago and we no longer are connected to them. The reality is this is still a through line in our narrative. It's just a really powerful story around the identity of our area.

Mike Bontrager The way that this whole thing began was more of my interest of history than it was really around racial healing, I'm sorry to say. But I was interested in history. I started reading what was going on in this area, started reading books like *The War Before the War*, *The Color of Law*. I started reading these books and it just started to educate me about, oh my goodness, there's a lot of history I do not know. And I had just reached out—we had a new president at Lincoln University—I just reached out to her and just said, 'Can I come meet you?' And we sat down. We've formed a friendship. And it was really through some of those friendships that we started to think about what could we do in this area? So voices underground really at this point has kind of three things that we're doing. First of all, we established a research center for the Study of the Underground Railroad at Lincoln University, hired a director of that center, and she's now running that at Lincoln. Secondly, we talk about public experiences. Voices Underground has really led Juneteenth celebrations in our area and also was actually contracted by the state of Pennsylvania to kind of oversee it for the state as well. And then thirdly, as Stephanie mentioned, we're on the process of a national memorial. And so we've got a planning team with some really top caliber landscape architects, historians, artists who are coming together to say 'what should a memorial to the Underground Railroad in this area look like?' So we're still in the early stages of that, but the idea here is the motto is racial healing through storytelling. I know that my own journey was that, in a way I was pulled into the discussion. The deeper I got, the more I understood, the more I wanted to know. And what we're trying to do here is create experiences that are inviting people into discussions, not trying to guilt people into discussions, but really trying to say, how do we start talking to each other? How do we build relationships with each other? And out of those relationships starts to come understanding. And then we see different things that happen. For example, here at The Creamery, the Beer Garden, which was an old condensed milk factory—that's why it's called The Creamery, built in 1902. In the back there's a boiler room and we're in the process of converting that into a cocktail bar that's going to be Underground Railroad themed. So what we want to do is for tourists to the area to say, if you just want a good cocktail, you can come here. But you know what? If you want to engage in the stories, here's like the story or here's a QR code that's going to take you into a deeper understanding of the drink that is named after a certain person. So we're really trying to create an invitation for people to interact. And that's sort of the whole thrust of Voices Underground.

Grace Reminds me of some conversations I know that have been going on around how when visitors go to a community, how they can actually not just be extractive around their visiting, but actually invest in something or, you know, learn something, take away something. And so that seems like a very practical place to go to do that.

Phil Yeah. And the other thing I was thinking of in listening to you talk about this effort is, is the importance of how we tell stories about our history and what stories we tell. To Stephanie's point, and I was thinking of the great Clint Smith book, *How the Word Is Passed*, which I highly recommend if you haven't read and this is relevant to our present,

right? The stories we tell about our past inform our present in really, really important ways. So I think that's such an important effort that you're supporting.

Grace I want to bring us back. We started out talking about trust right from your time at Chatham. How does trust factor into your work now at Square Roots and do you see a connection there? And what is that been like building trust within the community for all these different kinds of projects that you're doing?

Mike Bontrager Those are good questions because it's tough. I mean, in some ways, because we're in a small community, in some ways it's easier to build trust. But in other ways it's much more difficult. And the ways I mean, I think we all know how it's easier. You meet people, they get to know who you are. But there are people who do not want change, who are not interested in seeing the kind of things that you want to see. And because when you're in a small town, everything is local. Everything is on everybody's agenda. It's not like you can just ignore things like you can maybe at a larger level, whether it's political or socio economic or whatever, but the whole community has to, in a way, be engaged in some of the changes that are taking place. And if you have people that are not that interested, it can be tough. I read I forget the name of the book, but somebody who is working in a city really on trying to help that city thrive and I remember they just said there's kind of four quadrants of people within any town there. There's the first quadrant are the cheerleaders who just love everything you're doing. The second quadrant are the ones that they think you're pretty good, but they're not totally rah rah. Then there's the third quadrant of people that are highly suspicious, but they could be won over. And then there are people who just, 'I don't care what you do,' they are never going to be happy with what you do. And I think what we've tried to do is I don't want to say ignore the last quadrant, but not allow that last quadrant to dictate the agenda. And it's so easy to let that last quadrant dictate your agenda. And so what we're really trying to do in some ways is go to that 50 middle and really say, how do we build trust? And that's through relationships. It's through giving. I mean, we were up for a grant for one of the trails and then local nonprofit later stepped up and said, 'we want that grant' putting our municipal leaders kind of in a tough situation where they had to pick which of their children they actually loved most. But what we did is said, look, this is a chance to try to build trust. And so we stood up at the next meeting and said 'we withdraw' and we will totally support the other grant. So we tried to do things like that that says, look, we really want to be a collaborative player. We want to work with others. We really want to see the thriving of this community. And that is a bigger agenda than just our own personal agenda.

Grace Wow. It just strikes me your posture is just so different than I could imagine others would say, well, of course I have the power, I have the capital. But you, you know, are playing a long game and it's not even a game, but you are really investing and thinking about the relationships and the quality of kind of how you're interacting with people. And that's very, very powerful.

Mike Bontrager I think that one of the ideas that has been prominent in my mind is all throughout my life has been this idea of stewardship. And, you know, as philanthropists, we are all stewarding capital, right? But besides the capital, we're also stewarding power. We're also stewarding social capital. We're stewarding all those things. And I think as a team, that's what we try to think about, like, okay, yes, we could, but should we? Is this the time to step back and not exert the power that we could exert even though we might think that's a far better way to get this thing done. You know, we try to think through that. That doesn't mean we always back off. There's times we plow through, but we've tried to

actually think about the stewardship of our power and social capital, just like we think of stewardship of our financial resources.

Phil I would love to ask you, as we sort of wind down this conversation, if you each could give a piece of advice to another family or donor who was just getting started, who wants to make a difference in their community, maybe rooted in something that went really well for you or maybe rooted in a lesson that you wish you hadn't had to learn. What comes to mind?

Stephanie Almanza I think one of the things for me that's I'm constantly trying to remind myself is that, you know, if we're trying to build trust in this community and we kind of view them the way Chatham viewed their clients and someone that we're we're trying to serve, we we need to understand what the vision is for what the community wants to build, right? And that community vision has to be something that we collectively as a community believe, not just the richest or the people with the most capital. In order to do that, it is active listening and these feedback loops of trying something, getting feedback from the community, but also making sure that the voices aren't just the loudest voices, that you are actually getting the collective feedback. And so we've brought on a team member recently in the last year who's really connected to kind of some of the voiceless in our community and she has created some really great grassroots communication networks and it has allowed, it has opened up our world in a way that we feel we are able to actively listen to what the community wants and what their reactions are to what we're building. And so, for example, we do... this will be our second annual Hispanic Heritage Festival this weekend at The Creamery Beer Garden. And this is a night where we work very hard to reach out to the Spanish speaking community and get them to come on to site, and down to the conversations about what should the flier look like to go out. And I know that sounds so detail oriented, but The Creamery has to then adjust how they speak to the community to be able to include this community. And that has taken several feedback loops of really understanding how do we collectively understand how to reach the community.

Grace Mike, what would you say?

Mike Bontrager The encouragement I would have for people in philanthropy is be looking at the for profit side of their portfolio, maybe in the same way as they look at the nonprofit or at least a portion of their for profit maybe, and private investments and things and really ask how can your for profit side of your foundation really drive positive effects? I mean, what we're trying to do is actually put them under sort of the same umbrella so that there is this cycle effect not only from the funds, but also we are being able to do things that we would not be able to do if they were two separate organizations. In other words, if we just said, The Creamery's job is to be a beer garden, make as much money as possible, then it's going to donate the money over to the nonprofits. That would not be nearly as effective as the fact that, as Stephanie said, we have Hispanic Heritage Month. It has been the most integrated night in Kennett Square. And I got to believe that in a lot of different areas, whether it's local or whether it's far away, there's opportunities to really be connecting for-profits and non-profits together in order to really make a bigger impact than simply the for-profit, just making a lot of money and making a monetary contribution. But I think it takes a little creativity. You have to think outside the box on some of those things.

Grace That's awesome. Thinking of it as a whole and not just two completely separate spheres. Stephanie and Mike, this has been such a rich conversation. You know, listening to you it actually makes me reflect a little bit about like earlier in my career, I got to work with my dad on some impact things too, and just what a special time that was. I just think

that the chance to work together and what you all are doing is really interesting and super encouraging. So thank you so much for joining us today.

Phil Yeah, thank you, Stephanie and Mike, this was terrific.

Mike Bontrager Thank you so much for having us.

Stephanie Almanza Thank you, guys.

Mike Bontrager This was a privilege.

Phil: There are a ton of resources about effective giving on The Center for Effective Philanthropy's website, cep.org, as well as givingdoneright.org, where you'll find all of our episodes and show notes.

Grace: You can also send us a note at gdrpodcast@cep.org.

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