

# Research on the Development Status of Community Fund Against the Backdrop of Community Governance—Take Chengdu Community Fund as an Example

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**Abstract**—At present, China is in a critical period of economic transformation and development, institutional mechanisms have undergone profound changes, and grassroots governance has been continuously optimized. In this process, on the one hand, the government's functional boundaries are gradually clear, its role positioning is more accurate, and its scope of control is constantly narrowing. The government gradually changes from “paddler” to “steerer” in social governance, and its own positioning is from “centralized” government. At the same time, the reform and opening-up policy has greatly changed the social structure and interest pattern of our country from the previous “unit system” and “street dwelling system”. Residents have changed from “unit person” to “social person”. Relevant interests have begun to differentiate, citizen consciousness has been strengthened and social governance has been strengthened. Subjects gradually change from a single administrative system to multi-subject participation. The situation of “small government, big society” has initially taken shape in China. On the other hand, the resulting social problems are gradually exposed, and the main contradictions are becoming more and more intense. How to better strengthen the effective management of government to society has become a thorny problem faced by the government. How to resolve the main contradictions, ease social conflicts and build a harmonious society, the emergence of community funds provides a new perspective to strengthen social governance. Taking Chengdu's community funds as an example, this paper mainly investigates the community funds in Chengdu, summarizes the development status of community funds under the background of Chengdu's community governance, combs the preliminary results achieved, and puts forward countermeasures and suggestions to optimize the development of community funds in Chengdu in view of the problems and deep-seated reasons of community funds' participation in community governance.

**Keywords**—Community fund; Community governance; Governance Innovation

## I. INTRODUCTION

Community is the cell of a city and the basic component of society. The level of community governance reflects the level of social management to a certain extent. With the deepening of China's reform and opening up, the economic system has shifted from planned economy to socialist market economy,

and the governing body of the country has improved from state-state+enterprise-state+enterprise+society. But in the process of deepening the reform of the system, the two core essentials of the government remain unchanged, that is, what should the government really care about? How to realize its management? At the Fourth Plenary Session of the Sixteenth Central Committee in 2004 [1-3], it was pointed out that China has entered a new stage focusing on social construction. In April 2017, the State Council of the Central Committee of the Communist Party of China issued "Opinions on Strengthening and Perfecting Urban and Rural Community Governance" (hereinafter referred to as "Opinions"). The Opinions clearly pointed out that "continuously broaden the channels of raising funds for urban and rural community governance, and encourage social funds to be invested in the field of urban and rural community governance through charitable donations and the establishment of community foundations." In order to accurately grasp the new requirements of central city work, change the way of development and governance of mega-cities, and improve the governance system of National Central cities, the CPC Chengdu Municipal Committee and the Chengdu Municipal People's Government jointly promulgated the Opinions on Deeply Promoting the Development and Governance of Urban and Rural Communities and Constructing High-quality, Harmonious and Livable Communities, further emphasizing the leadership of Party building, Under the principle of governance and overall coordination, "it will take three to five years to establish and improve the governance system of urban and rural community development, which is led by grass-roots Party organizations, led by grass-roots governments, with multi-participation, co-governance and co-promotion of development". The report of the Nineteenth National Congress pointed out that China's economic development has entered a new normal, major social contradictions have changed, inequitable income distribution, widening gap between the rich and the poor, inadequate public services, tense relations between officials and the people and other acute and prominent problems have caused many contradictions. Grass-roots community governance has been paid more and more attention by Party and state leaders [3-4]. The theoretical circles have paid more attention to community

governance system and innovative community governance. The enthusiasm for research in this way is also unprecedented.

## II. THE RISE AND PRESENT SITUATION OF COMMUNITY FUNDS IN CHENGDU

### A. The Rise of Community Funds in Chengdu

#### 1) Development of Community Foundations at Home and Abroad

The first community foundation in the world was the Cleveland Foundation established by Frederick Goff in 1914 in Cleveland, USA [5-6]. The foundation aims to gather charitable resources from multiple donors to help community governance. At present, Cleveland Community Foundation, San Francisco Foundation and New York Trust are the three largest community foundations in the United States. They are all sponsored or funded by local rich families and are eligible for public fundraising. After more than 100 years of development, community foundations have taken root in more than 50 countries on four continents. At present, there are more than 1750 community foundations in the world. Because of the differences in basic national conditions, history, culture, political environment and economic system, there are differences in the definition of community foundations in different countries. For our country, community foundations refer to: "In order to guide and support social organizations to participate in community governance and improve the level of governance of urban and rural community development, according to the provisions of the Regulations on the Management of Foundations, registration is carried out according to law, using natural persons, legal persons and social organizations." Property donated by other organizations provides financial support to local actors who propose solutions to community public problems and promotes community development as a non-profit legal entity. It mainly carries out community public welfare projects such as community pension, community education, community public environmental protection, community public medical services, poverty alleviation and relief. Taoyuan Ju Public Welfare Development Foundation, the first community foundation in China, was established in 2008 [7-9]. Since then, Shenzhen, Shanghai, Nanjing and other places have successively promulgated relevant policies of community foundations, encouraging and supporting the establishment of community foundations in districts, streets and communities. Up to now, according to the different subjects of community foundations, there are three types of community foundations, namely, government-led ones. Enterprise-oriented and resident-oriented, such as Shanghai Yangjing Community Development Foundation, Taoyuan Ju Community Development Foundation and Shenzhen Shekou Community Foundation. Most of the community foundations in China are non-public foundations sponsored by the government, in which the government plays a decisive role and plays an important role.

#### 2) The Rise of Community Funds in Chengdu

As one of the main bodies participating in social governance, community foundations are committed to improving the quality of life of residents in specific geographical areas, and attempt to solve various community

problems in the present and future by subsidizing non-profit organizations. At present, community foundations are gradually rising in economically developed coastal areas, while community foundations have not yet been seen in relatively poor and backward areas such as the west." Figure. The reasons are as follows: firstly, as an imported product from abroad, community foundations started relatively late in China, which has not attracted enough attention in the theoretical and practical fields, and their theoretical achievements and practical experience are relatively scarce; secondly, the charitable consciousness of Chinese residents has not yet formed, and the traditional blood relationship makes them complement each other, ignoring the mutual assistance of society, and the donation fever of residents. The situation is generally not high; finally, the threshold for establishing community foundations is too high. Since there is no policy document specifically for community foundations in China, the establishment of community foundations refers to the Regulations on Foundation Management promulgated by the State Council in March 2004 (hereinafter referred to as the Regulations). The Regulations clearly stipulate that: "The original funds of national public foundations shall not be less than 80%. The original fund of the local public fund is not less than 4 million yuan, and that of the non-public fund is not less than 2 million yuan. The original fund must be the currency fund on account. Although Shenzhen and other places have adopted policies to reduce the amount of original start-up funds and set the minimum original funds as 1 million yuan, for less developed areas, the start-up funds of 1 million yuan is also a huge volume, which leads to the slow progress of community foundations in relatively weak areas, and the effect is not obvious.

Observing the situation of community foundations in Shenzhen, Shanghai, Nanjing and other places, we can intuitively feel that community foundations play an indelible role in innovating community governance, promoting the modernization of national governance system and governance capacity. But how can we enjoy the "dividend" brought by the development of community foundations in Western China? Some scholars in the theoretical circle have suggested that special funds/community funds should be established in unconditional areas first, and then the community funds should be established when the time is ripe. After conforming to the historical development, combining with the local reality and innovating the main body of multi-governance, Chengdu explores the establishment of community fund, and sets the starting fund of community fund as 3000 yuan, the minimum fund as 1000 yuan, and in principle, injects no less than 10,000 yuan annually.

Community fund is different from community foundation. It refers to the special fund for community public welfare undertakings, which is affiliated with the legal person of community foundation or charitable organization with public offering qualification. The geographical scope of community funds is generally a specific urban and rural community (constructed village). In 2017, Chengdu Municipal Bureau of Civil Affairs and Chengdu Municipal Finance Bureau jointly issued the Circular on the Rules for the Implementation of the Management of the Cultivation and Use of Support Funds in

Chengdu Municipal Community Funds (hereinafter referred to as the "Circular"). The Circular further clarified the definition of community funds, clarified the principles of rational allocation of support funds, special funds and performance-oriented, and stipulated funds. Arrangement and scope of application, formulated the way of performance management and supervision and management, so far, community funds in Chengdu have sprung up like bamboo shoots after a spring rain.

## *B. Current Situation of Community Fund Development under the Background of Community Governance*

### *1) Initial Effectiveness of Community Fund Development*

#### *a) The scale and quantity of Community Fund*

Since 2014, Chengdu Charity Federation has set up community funds, community funds have been growing steadily. Especially since 2017, when Chengdu Charity Federation opened a special column of community charity funds on its official website, the growth rate of community funds has been unprecedented. By the end of December 2018, the scale of community funds has reached 291, covering 16 districts (cities) of Chengdu. Above county level. Among them, 259 community-level community funds have been raised. The fund scale of community funds has reached 4682874.07 yuan. Among them, 221100.14 yuan has been spent on various activities. It is worth mentioning that on the public welfare day of 2018, Chengdu Charity Federation jointly launched the project "Great Love Wen Jiang, Happy Community" by Wen Jiang District Civil Affairs Bureau. Through three days of network donation, 2341847.41 yuan has been raised. It has realized the collection of socialized funds.

#### *b) Transparency of Community Fund Construction*

Since the community plans to establish the fund, whether it is the determination of the way of community fund management in the early stage or the process of community activities, community workers will publicize the fund on the community bulletin board, publicize the community public number, and deposit the fund in the public account of Chengdu Charity Federation in full at the first time, so as to realize the special fund management. At the same time, the use of community fund funds is gradually becoming transparent. The problems of "what to use", "how to use" and "how much to use" of community fund funds are strictly followed by the "Chengdu Charity Federation Community Charity Fund Management Measures", "Chengdu Charity Federation Community Charity Fund Community Charity Microfund Management Measures" and other relevant measures. At the same time, we should implement strict procedures for the use of community fund funds, or be determined by the management committee or managers of community funds, or hold a general meeting of fund-raisers to discuss and decide, so as to pay more attention to transparency construction in the process of the construction of community funds.

#### *c) Building a platform for multi-governance*

The core of community governance is the participation of multiple subjects. Community fund is a platform for gathering various community forces to participate in public service, and it is also a new force of community governance. Community fund is not only a platform for public welfare participation of

community members, but also a platform for integration of community resources and multi-party cooperation of community governance. It can link up community resources through project cooperation and technical support, and achieve complementarity of government's administrative function, market's economic function and society's autonomous function through multiple co-governance, so as to promote government's management power and society. Will regulate the interaction of forces.

## *2) Problems and Causes of Community Fund Development*

### *a) Some community workers are not conscious enough*

Although the Chengdu Municipal Government has organized many training sessions, at present, some community workers' understanding of community funds has not put it in the position of community development governance. One reason is that the positioning is not clear. Many community secretaries, directors and staff members of the two committees need to be supervised and assessed by the higher government. They do not realize that the community residents' committee is the self-governing organization of the masses. Instead, they only take the community residents' Committee as the "extension" of the government's functions at the community level and undertake some administrative affairs that do not belong to them. In Chengdu city, many community workers have some embarrassment and resistance, which leads to their lack of methods, skills and management consultation in fund-raising.

### *b) The use level of community funds is not high*

For the funds raised, many communities have the misgivings and embarrassment of "not daring to use, not wanting to use, not being able to use, not being able to use". Firstly, it is feared that the cost of community fund is not much, and it will be less after use. If there is an emergency in the community, there is no surplus fund to supplement it. Secondly, some community workers stay in poverty alleviation and help the poor more. It seems that the use of community fund in the low-income households, the poor and the disabled is more in line with the mission of community fund as a charitable micro-fund. Purpose. However, for community funds, we often talk about three dimensions of community funds: community funds can be used in three dimensions, the bottom line is for poverty alleviation, the middle line is for community services, and the high line is for community governance. At present, most community workers only use good money at their bottom line, and few communities use it in the high line. However, the use and maintenance of community fund Highline is the future direction of community fund and the only way to promote community self-organization, self-service, self-development and self-governance.

### *c) Lack of experience in the use of community funds*

Community funds are seldom studied in theory and seldom in practice. For the vast majority of community workers in Chengdu, as a new thing, its development history is still very short, basically no advanced experience worth learning, communities can only explore and innovate constantly in the process of exploration, however, this situation dooms the development of community funds to be a slow process.



Therefore, for the current development of community funds, whether it is the preparation of community fund activities, the development and implementation of community fund activities, the collection and access of community fund funds, the use process of community funds, the preparation and provision of community fund information, there will be more or less problems, which need further accompanying and guidance from the government and professionals.

### *C. Countermeasures and Suggestions for Optimizing the Development of Community Funds*

#### *a) Fostering Micro-team of Community Fund*

"If someone undertakes, things will start." Man is the first factor of production, and everything comes with man. Man is the main force in all social activities. All governance practices at home and abroad have proved that only by fully respecting people's subjective status, value and initiative can community funds help community development and governance be realized. Therefore, each community establishes a community micro-fund self-organization to teach them how to tap resources, how to package projects, and how to use funds. For the development of community funds in Chengdu, it is not only the raising of funds, but also the realization of the purpose of "raising people, raising money and raising rules". In this process, the most important thing is how to make people really play their subjective initiative. Only by making people really move, can local affairs be governed accordingly. The operation of community funds is good or bad and sustainable, which requires the participation of a local community social organization. After the establishment of community funds, communities and streets are encouraged to use community funds to purchase professional social organization services, cultivate self-organizing teams of local community funds, and gradually participate in the daily management and operation of community funds by self-organizing community funds.

#### *b) Set an Example from Point to Point*

Focusing on communities and streets, we should focus on cultivating demonstration models, forming self-organizing demonstration volunteer teams of community and street-level community funds, so as to effectively utilize the awareness of community residents' propaganda drivers, let more community participants participate, guide more self-organizing declarations of community funds, and carry out community fund activities. In the context of community governance, fund-raising is not the only criterion. The key is to see whether it has community leadership, whether it can promote the cooperation of various organizations in the community, through setting an example from point to area, vigorously publicizing and mobilizing, forming a joint effort to build a good community fund, forming a model to promote. For poor communities, other resources (volunteer resources) can be considered to achieve their goals.

#### *c) Training and Promoting Professional Ability*

Technical support is essential for the development of community funds and the improvement of community governance. Community fund management committee and community staff need to receive relevant training to acquire professional skills, including how to interact effectively with

the community, how to make the management committee fully participate in fund management, how to develop donors, how to select funding projects, and how to evaluate the effectiveness of funding.

### III. CONCLUSION

The purpose of establishing community fund is to transfer love, promote charity culture, tap local resources, cultivate community self-organization, support community public welfare projects, establish a long-term, normative and transparent governance mechanism of multi-subject consultation, joint construction, sharing and integration, enhance the awareness and ability of community residents to participate in community public service and management, and ultimately build community into a community. It is a good and livable community with abundant social capital, harmonious community emotions, consensus community culture and spontaneous initiative.

As local funders, local problem responders, community issue advocates, charitable resource management, and cross-border cooperation promoters, community funds need to assume more responsibilities and play different roles. We should make use of the community's own resources to solve the community's own problems, so as to build a continuous source of socialized funds, establish community common interests, and jointly build a warm and happy community home with everyone's participation, everyone's best efforts and everyone's sharing.

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