

# **URBS 404/NPLD 797**

**Spring 2019**

## **PHILANTHROPY AND THE CITY: CHARITABLE GIVING AND ITS ROLE IN URBAN COMMUNITIES**

PLEASE NOTE THAT SYLLABUS IS SUBJECT TO CHANGES, EDITS, AND ADDITIONS. ADDITIONS TO THE CANVAS SITE WILL BE MADE PRIOR TO FIRST CLASS ON JANUARY 23 AND THROUGHOUT THE SEMESTER

**PLEASE NOTE: FIRST CLASS WILL MEET ON JANUARY 23**

### **Instructors:**

**Douglas Bauer, Executive Director, The Clark, Scriven and Fernleigh Foundations**

**Greg Goldman, Vice President, National Audubon Society, and Executive Director, Audubon Pennsylvania**

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**Office Hours: by appointment**

**Location: McNeil Hall--Room 169, and off-site in Philadelphia**

**Time: Wednesdays, 5:30 – 8:30 p.m.**

“To give away money is an easy matter in any man’s power. But to decide to whom to give it, and how large and when, and for what purpose and how, is neither in every man’s power nor an easy matter. Hence, it is that such excellence is rare, praiseworthy and noble.”

- Aristotle, 384-322 BC

“What is the use of living, if it be not to strive for noble causes and to make this muddled world a better place for those who will live in it after we are gone?”

- Winston Churchill, 1908

“I hear that in New York  
A man stands on the corner of Broadway and 26<sup>th</sup> Street  
Every evening during the winter months

And procures for the homeless who gather there  
By entreating passersby a place for the night.  
The world is not thereby made different.

Relations between human beings are not improved  
The age of exploitation is not thereby shortened  
But a few men have a place for the night  
The wind is kept away from them one night long  
The snow destined for them falls in the street.

Don't put the book down yet, you who are reading it, man!  
A few people have a place for the night  
The wind is kept away from one night long  
The snow destined for them falls in the street  
But the world is not thereby made different  
Relations between human beings are not thereby improved  
The age of exploitation is not thereby shortened."

- Bertolt Brecht, "Places for the Night", 1931

"Living just enough for the city..."

- Stevie Wonder, 1973

"Will our economic success make us more generous or more self-absorbed? More idealistic about the aspirations of the founding fathers and the work of our forefathers in making American life what we so comfortably inherit? Or will the diminished need to struggle as hard as other generations lessen our imagination about how to address the needs of others and fix what is still broken in our society? Either society is possible. One will build our society; the other will erode and slowly degenerate it over the first few decades of the twenty-first century."

- Claire Gaudiani, 2003

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There are many forces that keep cities vibrant and livable. There are many forces that are clearly visible and acknowledged – government and commerce – for the good that they provide. But there are other forces that are not so readily acknowledged, and yet, play a key role in ensuring that a city not only functions but is a strong community of civility, health, education, and culture.

It is the combination of nonprofits and philanthropic funds that fuels this latter work. In Philadelphia, nonprofits and philanthropy have had a long history of activity and action. Currently, there are 7,000 nonprofits in Greater Philadelphia (and over 1,500,000 in the U.S.) and over \$6 billion of endowed funds dedicated to philanthropic endeavors. Indeed, the largest employer in the City of Philadelphia is a nonprofit. Answer: The University of Pennsylvania.

Much is expected of this so-called third sector. Not only to provide shelter for the night for the homeless that Brecht describes, but also to tackle more complex issues such as alleviating poverty in urban communities today. Fair or unfair, nonprofits and philanthropy are being asked to try and fill the growing chasm between the haves and have-nots. In addition, the third sector is called on to tackle issues that government cannot address or is not willing to address, thanks to a maddening collision of current and prevailing political attitudes. This is quite a challenge. Some say it impossible; the challenge is far too steep. Others argue that this country's nonprofits are dynamic and resilient and can indeed meet the challenge – by being deeply connected to the communities they serve and being nimble enough to provide the services that are truly needed.

What sustains the nonprofit sector is revenue from government, business, and private individuals. For close to a century, federal, state and local governments have paid nonprofits to deliver services and programs of all kinds. Philanthropic support from corporations, foundations and private citizens has provided nonprofits with funds to nurture social, cultural and environmental innovations. The testing of new ideas -- entrepreneurial ideas -- that can positively change the way human beings are treated or help neighborhoods become transformed are fueled by philanthropy.

According to Giving USA, \$410 billion was given to charities in 2017 (and approximately \$500 million was given to Greater Philadelphia-based nonprofits). And while it may appear to be easy to give money away, it is, as Aristotle pointed out some 2300 years ago, not an easy matter, and ever more challenging today. The reasons for this are complex. Some are contextual: the nonprofit sector has dramatically changed since the recession of 2008. Some are analytical: Will poverty be alleviated through access to capital, education, health, or responsive government? Some are issue-based: How one supports K-12 education reform efforts is surely very different than how one supports the arts or environmental groups. And some of the reasons are very much determined by the ability (or lack thereof) of the nonprofit itself to deliver outputs, outcomes and/or impact – however those elements are to be defined by the nonprofit itself let alone other stakeholders.

This class explores philanthropy and its impact on urban communities. While much can be learned and gained from reading and reviewing various books, articles, and websites, the instructors strongly believe in bringing the class into the community and see various projects but also to meet and engage with the leaders behind these efforts. We hope (and plan) that the class is a bridge between theory and practice. Both inform each other. We are deeply fortunate that Philadelphia provides such a full array of organizations and programs that are committed to tackling and solving issues and problems that confront us as a community. And thanks to generous gifts from the Urban Studies Program, the Penn Nonprofit Leadership Program, and The Once Upon A Time Foundation via its Philanthropy Lab program, we are also fortunate that you will have the real challenge of making decisions about where \$40,000 (and possibly more) in grant money will be allocated to nonprofits in Philadelphia. The opportunity to provide grants in this manner is, indeed, unique. This class at Penn is only one of 15 universities in the United States that are provided resources of this kind so that the students can participate in philanthropy that is “real time/real life.”

The instructors hope that by the end of the class and the semester, students will know what it means when Stevie Wonder aurally describes “living just enough for the city.” And that there is a confederation of nonprofit managers, philanthropists, groups and organizations that are doing the best they can to ensure that, and perhaps, just a little bit more.

## COURSE FORMAT

This will be an active three-hour class. The instructors have knowledge and experience to impart, but very much see themselves as facilitators. We will keep lecturing to a minimum. In the course of the semester, we will read various books, articles, and documents and **discuss** them. Be ready to do so. You will meet leaders from the nonprofit and philanthropic community. Be ready to **engage** them. In the course of the semester, you will visit projects or programs in Philadelphia. Be ready to **observe**.

Again, we really want to use the class experience as a bridge between theory and practice. The readings we discuss in class and the speakers we invite into the class complement each other. We will spend time in each session exploring the readings and interacting with the speakers.

This course is not for the student who wants to receive information and then simply present it back in the form of papers. We are looking for students who want to engage with the material and the people in this vibrant sector. Class participation is vital and will count toward your overall grade (see next section). Get to know your classmates as the journey in this work is better understood and enjoyed by shared experience.

## COURSE REQUIREMENTS

There are three major components for this course.

1. **Class participation.** Class attendance and preparation are critical. All of us bring different perceptions and ideas to this dialogue about cities and how they function. Prepare for each class by reviewing the readings, and be ready to provide an open and comfortable atmosphere in which to share comments and participate. Also, for each class students will also submit to the professors via Canvas a brief synopsis (two to three paragraphs) of at least two readings. Each student will enter their submissions by noon the day of that particular class.
2. **Philanthropic Framework (March 13) See below.**
3. **Final project (due May 1)** Students in the class will be broken up into five teams. Each team will be tasked with establishing a “private foundation.” Each team will be allocated

\$8,000 to distribute in the form of a grant to a nonprofit based in the City of Philadelphia. Each team will have to develop a vision, mission and a set of grantmaking guidelines that will, in turn, help to focus the team on what issues and nonprofits they intend to support and why. This Philanthropic Framework will be due on March 13 and each group will have to present its framework to the rest of the class for feedback.

The second step of the project will be to identify a nonprofit to support. The nonprofit you intend to support must be reviewed by the team. All aspects of the nonprofit – mission, program effectiveness, capacity of management and board to lead the organization, and fiscal strength – must be considered before providing a grant. At the final class of the semester, May 1, each team will make a presentation on their foundation and what grant they have made and why. Each team will be allotted 30 minutes in which to make their presentation and defend their grants. Each team will provide to the instructors a copy of their presentation as well as a write-up of their grant recommendation. The grade on the final project will be based on the content of the memo AND the strength of the presentation. Each team member will receive the same grade so collaboration and esprit de corps will be essential.

Content of the write-up and presentations will be graded for clarity and sharpness of the ideas articulated. If you have some doubt about your ability to express your ideas appropriately, please see the instructors. We will make sure you are connected with a Penn writing fellow. We would also suggest reading two fine books on writing. Both are classics and indispensable when it comes to mastering the written word. They are Elements of Style by E.B. White and On Writing Well by William Zissner.

**Your final grade will be calculated as follows:**

- |   |            |
|---|------------|
| • <b>Final Project</b>                      | <b>50%</b> |
| • <b>Philanthropic Framework</b>            | <b>25%</b> |
| • <b>Class attendance and participation</b> | <b>25%</b> |

## **COURSE READINGS**

We have selected eight texts (all in paperback or as a PDF) for the course and they are as follows:

1. Bernholz, Blueprint 2019, Stanford PACS (PDF)
2. Callahan, The Givers: Wealth, Power, and Philanthropy in a New Gilded Age
3. Collins, Good to Great and the Social Sector
4. Crutchfield and McLeod, Forces for Good
5. Frumkin, The Essence of Strategic Giving: A Practical Guide for Donors and Fundraisers
6. Godeke with Bauer, Philanthropy's New Passing Gear: Mission-Related Investing (PDF)
7. Hunter, Working Hard and Working Well

8. Marino, Leap of Reason: Managing to Outcomes in an Era of Scarcity

Bernholz' "Blueprint 2019" can be downloaded for free at [www.pacscenter.stanford.edu/resources/blueprints](http://www.pacscenter.stanford.edu/resources/blueprints). Hunter' "Working Hard and Working Well" and Marino's "Leap of Reason" can be downloaded for free at [www.leapofreason.org](http://www.leapofreason.org). The Godeke/Bauer monograph can be downloaded for free at [www.rockpa.org](http://www.rockpa.org).

Various readings and handouts will be made available via Canvas. The additional readings are essential to comprehending the content of the class.

Finally, we urge you to stay on top of current events, especially anything related to philanthropy and non-profits by reading the Philadelphia Inquirer, the New York Times, and any additional sources you find useful. There will be topical events that will contribute to the richness of class discussions. We will use them and expect you to be aware of them.

***Statement on Academic Integrity:*** Students are expected to conduct themselves consistent with the University of Pennsylvania's Code of Academic Integrity, which presents standards regarding plagiarism, multiple submissions and other actions. Students are expected to be familiar with the Code, which can be found at <http://www.upenn.edu/academicintegrity/>.

**Spring 2019 – NPLD 797/URBS 404**

## **SYLLABUS**

Please note: Guest speakers and site visits subject to change and rescheduling

### **SECTION ONE: CONTEXT IS EVERYTHING**

#### **January 23 – Week One**

- Introductions and what you bring to the class
- What you hope to get out of the class
- Course overview
- Introduction to Philanthropy Lab (and pre-course survey)
- The \$10 exercise

#### **January 30 – Week Two**

##### **Topic: Overview on Nonprofits and Nonprofit Management**

- Collins, Good to Great and the Social Sector
- Morino, Leap of Reason (Introduction, Pages 1-74, 95-98, 105-110)
- Morino, "Relentless"
- Crutchfield and McLeod, Forces for Good, Pages 1-81 and Chapter 9

- Download: Fitz and the Tantrums, “Dear Mr. President”; Harold Melvin and the Bluenotes, “Wake Up Everybody”; and Jefferson Airplane, “Volunteers.”

### **February 6 – Week Three**

#### **Topic: Overview on the Third Sector**

- An abridged history of philanthropy and the nonprofit sector
- Sievers, “Tale of Three Cities”
- Singer, “Good Charity, Bad Charity”
- Post-grant evaluation assignment
- Download: Chicago, “Dialogue – Parts I and II”; Amos Lee, “Listen”

#### **Select Issue Areas and Teams**

### **SECTION TWO: GIVING IT AWAY**

### **February 13 – Week 4**

#### **Topic: Philanthropy 301 – Part I**

- Callahan, Prologue and Chapter 1
- Carnegie, “The Gospel of Wealth”
- Giridharadas, “Beware Rich People Who Say They Want to Change the World”
- Soros, “My Philanthropy”
- Specter, “What Money Can Buy”
- Zaki, “The Feel-Good School of Philanthropy”
- Debate on establishing a personal giving goal

#### **Teams Meet and Begin Initial Discussion of Foundation Structure**

### **February 20 – Week Five**

#### **Topic: Philanthropy 301 – Part II**

#### **Guest Speaker: Roy Michael Roman, Student from Spring 2018 Class**

- Bernholz, “Philanthropy and the Digital Civil Economy: Blueprint 2019”
- Callahan, Chapters 3-7
- MacFarquhar, “What Money Can Buy”
- Reich, “Philanthropy in the Service of Democracy”
- Reich, “What are Foundations For?”
- Stid, Powell, and Ditkoff, “Philanthropy in the New Age of Government Austerity”

### **February 27 – Week Six**

**Topic: Foundation Workshop I--Outline Framework**

- Develop a Mission Statement and Giving Guidelines
- How to Develop Proposals and Conduct Site Visits
- Develop Schedule to Accomplish Work
- Review websites of William Penn Foundation, The Philadelphia Foundation, The Lenfest Foundation and The Fels Fund

**Teams meet to outline Philanthropic Framework for March 13**

**March 6--Spring Break--No Class**

**March 13 – Week Seven -- Philanthropic Framework Presented in Class**

**March 20 – Week Eight**

**Topic: Strategic Philanthropy and Impact Investing**

**Guest Speaker: Peter Frumkin, Professor of Public Policy, School of Social Policy and Practice**

- Callahan, Chapter 10 and Epilogue
- Eisinger, “How Zuckerberg’s Altruism Helps Himself”
- Frumkin, Strategic Giving: The Art and Science of Philanthropy
- Godeke with Bauer, Philanthropy’s New Passing Gear: Mission-Related Investing, Pages 8-17, 17-26, 52-69, Appendices 3 and 4
- Goel, “Zuckerberg Defends Structure of his Philanthropic Gift”
- Miller, “Building a Foundation for the 21<sup>st</sup> Century”
- Porter and Kramer, “Philanthropy’s New Agenda: *Creating Value*”
- Roy, McHugh, and Sinclair, “A Critical Reflection on Social Impact Bonds”
- socialfinanceus.org, “What is a Social Impact Bond?”

**Teams need to identify non-profits and issue their RFPs no later than this class**

**SECTION THREE – CURRENT REALITIES (VIA REAL LIFE CASE STUDIES)**

**All are tentative and subject to change**

**March 27 – Week Nine**

**Topic: Case Study #1 – Homelessness**

**Class Location: Hub of Hope, Suburban Station.**

**Meet at SEPTA ticket booth in Suburban Station promptly at 5:30.**

**Guest Speakers: Dave Holloman, Director of External Affairs, City of Philadelphia Office of Homeless Services; and Carol Thomas, Director of Outreach and Homeless Services, Project Home**

**April 3 – Week Ten--Proposals Due from Non-Profits**

**Topic: Case Study #2 – Environment**

**Class Location: The Discovery Center/Audubon Society**

**3401 Reservoir Drive, Fairmount Park**

**Strawberry Mansion/North Philadelphia**

**Guest Speaker: Damian Ruffner, Center and Education Manager**

**Arrive promptly at 5:30 pm. Wear comfortable walking shoes and be prepared for short walk that could be muddy.**

**By April 5, Proposals are due from nonprofits**

**From April 8-24, Teams will conduct site visits**

**April 10 -- Week Eleven**

**Topic: Case Study #3: Culture**

**Class Location: Fleisher Art Memorial**

**719 Catharine St, Philadelphia**

**Guest Speakers: Jamie Hughes, Director of Development and Magda Martinez, Director of Programs**

**Please arrive promptly at 5:30.**

**April 17 – Week Twelve—Small Group Site Visits are completed by this date**

**Debrief/Reflect Class Site Visits**

Class Reflections and Understanding the Essential Themes/Ideas/Concepts about Philanthropy

**Team Time**

**April 24 – Week Thirteen**

**Foundation Workshop II**

- Review Proposals and Notes from Site Visits
- Develop System of Voting and Selecting Grantees
- Outline Presentation and Final Write-ups
- Assign Work to Team Members
- Download: Sam Cooke, “A Change is Gonna Come”; Gil Scott-Heron, “The Revolution Will Not Be Televised”; and Marvin Gaye, “Inner City Blues (Make Me Want to Holler)”

**Team Time to Prepare for Final Presentations**

**May 1 -- Week Fourteen – Final Class**

**Class Presentation of your team’s pop-up foundations and its grant recommendation**

- Team Presentations (**Write up due by May 3**)
- Post-course survey
- Final Thoughts and Closing Comments

## About the Instructors:

**Doug Bauer** is Executive Director of The Clark Foundation. The Foundation focuses on helping individuals out of poverty and then leading independent and productive lives, and supports nonprofits and programs in New York City and Cooperstown, NY. Doug manages not only the Clark Foundation but is also executive director of the Scriven and Fernleigh Foundations and a Senior Vice President of The Clark Estates, Inc. Together, the three foundations have assets over \$750 million and provides over \$35 million in grants, scholarships and programs annually. Prior to Clark, Doug was a Senior Vice President with Rockefeller Philanthropy Advisors (RPA) from 2002 to 2009 and led the organization's Strategic Initiatives Team. Prior to joining RPA, he was a Vice President at Goldman Sachs and President of the Goldman Sachs Philanthropy Fund, the firm's charitable gift fund. From 1997 to 2000, Doug was Director of Community Partnership at SmithKline Beecham (now GlaxoSmithKline) and Executive Director of the SmithKline Beecham Foundation, where he focused on community-based health care around the world. From 1992 to 1996, Doug was a Program Officer for Culture at the Pew Charitable Trusts. And from 1988 to 1992, he managed the Scott Paper Company Foundation.

Doug's opinions and ideas on philanthropy have been featured in the *Associated Press*, *The Chronicle of Philanthropy*, *Contribute*, the *Financial Times*, the *Los Angeles Times*, *The New York Post*, *Stanford Social Innovation Review*, *The Wall Street Journal* and on CNBC, NPR and PBS. Doug co-authored, with Steven Godeke, *Philanthropy's New Passing Gear: Mission Related Investing, A Policy and Implementation Guide for Foundation Trustees*. Doug is a past chair of Philanthropy New York and current co-chair of its Public Policy Committee and also serves on boards of The Leatherstocking Corporation, The Melalucca Foundation, the National Council of Nonprofits, Partners for Health Foundation, the Rockefeller Institute of Government and is a member of the Leap of Reason Ambassadors Community. He is also an adjunct faculty member at the Columbia Business School.

Doug is a graduate of Michigan State University. He also has a M.S. from Penn and a M.J. from Temple University.

**Greg H. Goldman** is a Vice President of the National Audubon Society and Executive Director of Audubon Pennsylvania. He was Vice President, Development, and a member of the Philadelphia Zoo's senior management team from 2011 through 2016. Prior to joining the Zoo, Greg served as a Federal Program Officer for the US Commerce Department's Broadband Technology Opportunity Program (BTOP), where he directed millions of dollars to broadband expansion and digital literacy programs across the US. From 2006-2010, he was CEO of The Digital Impact Group (previously known as Wireless Philadelphia), a major City-wide effort designed to close the digital divide by extending Internet access to low income families and small businesses across Philadelphia. Other executive positions include Executive Director of the Delaware Valley Regional Economic Development Fund, Vice President of Korman Communities, a Philadelphia-based residential real estate company, and Executive Director of MANNA, a local organization that delivers nourishment to people living with HIV/AIDS and other illnesses. During his six-year tenure there, the organization's service capacity and budget more than doubled, and its reach extended to include all 11 counties of the tri-state region. was

From 1992 to 1998, Greg was the Senior Program Officer at The Philadelphia Foundation, where he directed financial resources to dozens of community based organizations throughout the City and region. He directed the \$1.5 million Summer Career Exploration Program, coordinated the selection process for the Williams Award for Organizational Excellence, and served as the Chair of the Skills Building Working Group of Delaware Valley Grantmakers, now known as the Philanthropy Network.

Goldman also served as Program Officer at the Field Foundation of Illinois, and as a consultant to several philanthropic organizations in Chicago, including the Lawyers Trust Fund of Illinois, the Illinois Facilities Fund, and the corporate giving program of Marshall Field's, Chicago's leading retailer. He was chair of the Poverty Task Force of the Donor's Forum of Chicago.

A Phi Beta Kappa graduate of Northwestern University, Greg holds a Master's Degree in public policy from the University of Chicago. He is also the recipient of the prestigious Eisenhower Fellowship, an international professional development program for emerging community leaders.

# 2019 Pop-Up Foundation Process/Timeline NLPD 797/URBS 404

- February 6 – Select issue areas and teams;
- February 13 – Teams meet and begin discussion of issue areas and foundation structure;
- February 27— Pop-up Foundation Workshop I – Outline Framework;
- March 6 – Spring Break
- March 13--In-Class Presentations of Philanthropic Frameworks;
- By March 20 -- ID and contact NPOs; request proposals;
- By April 5 —Proposals due from Non-profits;
- April 8 –April 24 – Site visits with NPOs (at their offices);
- April 24 – Pop-up Foundation Workshop II -- Complete all due diligence on proposals; determine funding recommendation;
- May 1 – Class Presentation of Foundations and your team’s grant recommendation; and
- May 3 – Write up to Profs on Final Recommendation.