

## **COURSE TITLE: Philanthropy Lab**

Sociology Department

Fall 2019

Instructor: Elizabeth George

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Time/Location: Mondays, 4 – 7 p.m.

Office Hours: By appointment at a mutually convenient place

### **Course Description**

This course is designed to give students a theoretical and practical understanding of philanthropy today. First, the course will lay out the sociological and historical roots of philanthropy in the United States, including where philanthropic dollars come from, how they are used, and the inherent tension between capitalism and philanthropy. The role of government in funding nonprofits and new philanthropic tools, such as donor advised funds will also be reviewed. The course will also look at philanthropy's role in addressing social issues, including new approaches that go beyond simply giving money such as the growing interest in and need for advocacy among institutional givers.

Secondly, the course will explore best practices in philanthropy. Readings and discussions will cover the need behind funding initiatives, the impact funding has on nonprofit organizations, nonprofits and the individuals they represent, and the structuring of grants for maximum impact.

Finally, this course is interactive. Over the course of the semester, students will use the theory and skills they are learning to research, solicit funding proposals from, vet, and select a nonprofit or group of nonprofits to fund. Through the generous support of the Gephardt Institute for Civic and Community Engagement and The Philanthropy Lab, the class will have up to \$40,000 to grant to one or more nonprofit (501c3) organizations. Students will be expected to visit nonprofits outside of class time.

Throughout the course, assignments will build on each other to lead to the final project.

While giving away money may appear easy, doing it well is not. Being strategic about how one gives and to whom is critical. Those who engage in philanthropy sit in a privileged position, however, and the power dynamics between philanthropist (institutional or individual) and grantee creates challenges. Core to this class is the recognition that as "difficult" as it is to give money away, it is far more difficult for the nonprofit organizations that are on the ground serving people and communities, and raising the funds that allow them to do so.

Finally, this syllabus is a living document and may be adapted during the semester. All changes will be announced in advance.

## Course Objectives

1. Understand the role that philanthropy plays in the United States, the historical background of philanthropy, and current debates about effective philanthropy.
2. Develop ability to analyze social issues and reflect on the civic role of philanthropy in addressing them.
3. Implement best practices of philanthropy in making grant decisions. These include identification of social problems, community needs assessments, and nonprofit organizational review.
4. Connect these practices to personal giving after the course concludes.

## Course Textbooks

- Crutchfield, L.R., Kania, J.V., and Kramer, M.R. *Do More Than Give: The six practices of donors who change the world*, Jossey-Bass, 2011
- Morino, M. *Leap of Reason: Managing to outcomes in an era of scarcity*, Venture Philanthropy Partners, 2011
- Reich, Rob. *Just Giving: Why philanthropy is failing democracy and how it can do better*. Princeton, NJ. Princeton University Press, 2018.

Throughout the course we will read several articles and blog posts which you will be able to find online. I will bring copies of any article that requires a password, such as the *Giving USA 2019* Infographic, though you are welcome to explore the sites and register yourself. Any password protected articles that have a paywall (Chronicle of Philanthropy, Stanford Social Innovation Review) will not have url's included.

## Course Assignments and Grading

Grading	Due Date	Assignment
15%	Sept 9 & three dates of student's choosing	<u>Reflections Journals</u> Four hardcopy 200 – 500 word reflections on readings, lectures, and class discussions OR four 5 – 8 minute recorded reflections. First journal/recording will be due on September 9. The other three may be submitted at the beginning of three class periods of your choosing. Reflections should answer questions such as, "why is this important? What surprises me about this? What do I agree with and why? What do I disagree with and why? Present analytic thinking with a touch of personal reaction to the course material.
10%	Sept 23	<u>Articles</u> Identify two scholarly, evidence-based articles that support the social need that you propose to address with funding. Submit two to three paragraphs on each article outlining why it was selected and what information in the article will be important as student considers the social problem being addressed.

Grading	Due Date	Assignment
20%	Sept 30	<u>Group Assignment: Needs Assessment</u> Groups submit one 5 - 8 page paper that contains the primary elements of a needs assessment: Understanding of the problem, data to support the need, description of who else is providing services, and external trends that are creating need. 10 – 15 minute in-class group presentation of the needs assessment
10%	Oct 7	<u>List of Potential Grantees</u> Five nonprofit organizations in the St. Louis area that address the identified need. List must include name, mission, website, CEO/EDs name, budget, description of program(s) that address the need, and a paragraph outlining the reasons for including this organization
5%	Oct 7 / Oct 21	<u>Group Assignment: Request for Proposal</u> The letter and document that groups will send to nonprofits to ask them to submit for funding.
5%	Nov 18	<u>Site Visit Reports</u> One page description for each site visit, including a description of the organization, analysis of organization's strengths and weaknesses, what initial perceptions you had that were confirmed, and initial perceptions that were challenged.
10%	Dec 2	<u>Group Presentation of Recommended Organization for Funding</u> Groups will present the organization they are recommending to the class with reasoning for the recommendation. Presentation should include description of organization, comparison to other organizations considered, report on the site visit, and criteria used for selection.
15%	Dec 9	<u>Final Group Project</u> Groups will submit a written document that outlines the social problem/need they are trying to address, the approach they selected to address it, the organization(s) they invited to apply and the reasons for choosing those organizations, a comparison of organizations based on site visits and organization's grant proposal, and reasons for selecting the organization they recommended for funding.
10%		<u>Class Attendance and Participation</u> , including classroom discussion, questions submitted in advance of visits by guest speakers, and role in planning the award ceremony on the last day of class. Each student will be asked to submit a short assessment of his/her/their contributions to group assignments.

Grammar, spelling, structure, and clarity of thought are important in writing. If the reader has to re-read a sentence more than once to figure out what it means, then it is a poorly written sentence. The quality of writing will affect grades assigned for written work.

## **Course Outline**

### **Class 1: August 26, 2019: Course Introduction**

*What is philanthropy? Who are funders? Who gives and what do they give to? Why do people give? How does philanthropy differ in the US from other countries?*

#### **Readings**

- The syllabus
- Lilly Family School of Philanthropy. *Giving USA 2019 Infographic*. <https://givingusa.org/tag/giving-usa-2019/> (Note: class handout, though there is more information on the *Giving USA 2019* website if you are curious.)
- Johnson, Paula D. Global Philanthropy Report: Perspectives on the global foundation sector. Hauser Institute for Civil Society, Cambridge: Harvard Kennedy School, 2018. [https://cpl.hks.harvard.edu/files/cpl/files/global\\_philanthropy\\_report\\_final\\_april\\_2018.pdf](https://cpl.hks.harvard.edu/files/cpl/files/global_philanthropy_report_final_april_2018.pdf) (Note: This is long – you don't have to read the entire thing, just be familiar with in general.)
- Gallup. 2018 The World's Most Generous Countries Report. <https://www.gallup.com/analytics/245165/worlds-most-generous-countries-2018.aspx>
- Lilly Family School of Philanthropy. Giving By and For Women: Understanding High-Net-Worth Donors Support for Women and Girls. January 2018 <https://scholarworks.iupui.edu/bitstream/handle/1805/15117/giving-by-and-for-women-update180131.pdf>

#### **Class Activities**

Small Group Discussion: What visual images do you conjure up when you think of a philanthropist? Who are today's philanthropists? How do those align? How are they different? How does that change how you think about philanthropy?

Exercise: Using the "Picture Your Legacy" cards developed by the consulting group 21/64, students will identify their philanthropic interests.

### ***September 2 – Labor Day***

### **Class 2: September 9, 2019: Philanthropy Past & Present**

*What are the roots of institutional philanthropy in the US? What does this tell us about how foundations work today? What are the different types of foundations and giving tools? Should foundations hold endowments or spend down their assets? How does "place" impact giving?*

Readings: (Note: I will bring a reading packet to the first day of class that includes all but the Crutchfield and Reich chapters)

- Carnegie, Andrew. “The Gospel of Wealth” pp. 4 – 49 in *The gospel of wealth, and other timely essays*. Garden City, NY: Doubleday, Doran & company, in., 1933.
- Carson, Emmet D. “The Future of Community Foundations.” Pp. 43 – 58. *Here for Good: Community Foundations and the Challenges of the 21<sup>st</sup> Century*, Terry Mazany and David C. Perry, editors. New York, NY: M.E. Sharpe, inc. 2014.
- Crutchfield, L.R., Kania, J.V., and Kramer, M.R. Chapters 1 & 2, pp 1 – 36. *Do More Than Give: The six practices of donors who change the world*, Jossey-Bass, 2011
- Fitzpatrick, Susan. “Attacks on Philanthropists Are Missing the Point.” Chronicle of Philanthropy. October 2018.
- Kolbert, Elizabeth: “The Gospels for Giving in the New Gilded Age,” The New Yorker, August 27, 2018.
- Reich, Rob. Introduction & Chapter 1 pp. 1 – 64. *Just Giving: Why philanthropy is failing democracy and how it can do better*. Princeton, NJ. Princeton University Press, 2018.

### Class Activities

Brainstorm grantmaking priorities / areas.

Create small groups based on grantmaking interests. Groups begin drafting mission & vision statement.

### Assignments

First reflections journal (hard copy) due in class.

### **Class 3: September 16: Determining Community Need, Part 1**

*How do we move from being interested in a social issue or cause to understanding the need for funding in that area? What is a Theory of Change? What do we mean by “data-informed giving?” What are some reliable data resources?*

### Readings:

- Gose, Ben. “Growth Spurt: The Ralph C. Wilson, Jr. Foundation has \$1.3 billion to give away in two decades. Expect the pace to pick up fast.” Chronicle of Philanthropy. July 2018. (Note: I will provide this article)
- Kettner, P.M., Moroney, R.M., and Martin, L.L. (2017). Chapters 4 & 5, pp 49 – 88. *Designing and Managing Programs: An Effectiveness-Based Approach*. (5<sup>th</sup> edition). Thousand Oaks, CA: Sage Publications
- Taplin, D & Clark, H: *Theory of Change Basics: A Primer on Theory of Change*, ActKnowledge, March 2012 <https://www.alnap.org/system/files/content/resource/files/main/tocbasics.pdf>

## Class Activities

Interest Groups a) finalize their mission and value statements and b) look for data / needs assessments together.

## Assignments

No assignments due – will distribute the Needs Assessment Assignment due on September 30.

## **Class 4: September 23: Determining Community Need, Part 2: Equity and giving**

### Readings:

- Grantmakers for Effective Organizations: Grantmaking with an Equity Lens
- D5 Coalition: Vision and Voice: The role of leadership and dialogue in advancing diversity, equity, and inclusion. 2014 [https://www.d5coalition.org/wp-content/uploads/2014/05/vision\\_and\\_voice\\_2014\\_final.pdf](https://www.d5coalition.org/wp-content/uploads/2014/05/vision_and_voice_2014_final.pdf)
- Bester, DeAngelo. A More Progressive Approach: recognizing the role of implicit bias in institutional racism. National Council for Responsive Philanthropy. 2015. <https://www.ncrp.org/publication/responsive-philanthropy-spring-2015/a-more-progressive-approach-recognizing-the-role-of-implicit-bias-in-institutional-racism>
- Council on Foundation's Diversity, Equity & Inclusion Statement: <https://www.cof.org/topic/diversity-equity-inclusion> (please click through to CoF's Policy on Inclusiveness as well)

## Class Activity

Guest speakers

## Class Assignments

Questions for guest speaker(s) due electronically September 22.

Each student identifies two articles that support the need for funding in their interest area. Must be scholarly and must include data.

## **Class 5: September 30: Identifying organizations to fund**

*How do you identify organizations in your funding area? What makes a strong nonprofit? How do you compare large, well-funded institutions to small, grassroots community-based organizations?*

Readings: (Note: I will provide the Crutchfield & McLeod and Kania & Kramer articles)

- Crutchfield, L. R. and McLeod – Grant, H. “Local Forces for Good,” Stanford Social Innovation Review. 2012.
- Kania, J and Kramer, M. “Collective Impact,” Stanford Social Innovation Review. 2011.
- Kramer, P. *Top Indicators of Nonprofit Financial Health*. Nonprofit Finance Fund. 2018. <https://nff.org/blog/top-indicators-nonprofit-financial-health>
- Leap of Reason Ambassadors Community. The Performance Imperative: A framework for social-sector excellence, 2.0. 2018. [file://gstlcf-fs1/Users/egeorge/Downloads/PerformancelImperative\\_2.0\\_2018\\_09%20\(2\).pdf](file://gstlcf-fs1/Users/egeorge/Downloads/PerformancelImperative_2.0_2018_09%20(2).pdf)
- Nguyen, V. *Lessons Learned from Our Small Grant Program*, Weingart Foundation, 2013. <https://www.weingartfnd.org/lessons-learned-from-our-small-grant-program>

### Class Activities / Assignments

Needs Assessment assignment due.

Group presentations: Flash talks outlining results of needs assessments

### **Class 6: October 7: Approaching Nonprofits**

*What tools do funders use to make funding decisions? How does this differ for institutional philanthropy vs individual philanthropists? How do funding levels make a difference? When is it appropriate to ask for a site visit?*

### Readings:

- Familiarize yourself with the Missouri Common Grant Application 2.0, long and short form and budget  
<http://www.centerforgiving.org/ProgramsEvents/Programs/CommonGrantApplication.aspx#.XG Ck21VKjIU>
- *Using Competitions and RFP's*, GrantCraft, 2014.
- Alarie-Leca, S. *Smarter Site Visits*. GrantCraft, 2015.  
<https://grantcraft.org/content/blog/smarter-site-visits/>
- *What You Need to Know: Comparing Grantmaking Strategies*, Council on Foundations, 2008.  
[https://www.inphilanthropy.org/sites/default/files/resources/What%20You%20Need%20To%20Know-Comparing%20Grantmaking%20Strategies-COF\\_0.pdf](https://www.inphilanthropy.org/sites/default/files/resources/What%20You%20Need%20To%20Know-Comparing%20Grantmaking%20Strategies-COF_0.pdf)

### Class Activity

Groups meet to narrow their lists of nonprofits to two or three nonprofits to invite to apply for funding

### Assignments

Identify and submit names of five nonprofits organizations in your focus area that you are interested in funding

Submit your “request for proposals” to selected nonprofits to apply for funding. Must include request for a site visit, application, and potential funding amount.

### **October 14 – Fall Break**

#### **Class 7: October 21: Government and Philanthropy**

*How do tax laws impact how people give? What is a donor advised fund, how do they work, and why are they so popular? What is an IRS Form 990 and why is it important? What is our political understanding of philanthropy and how does the “social contract” impact that understanding? What are the rules around advocacy and philanthropy / nonprofit organizations?*

#### **Readings:**

- Reich, Rob. Chapters 2 – 4 pp. 65 – 168. *Just Giving: Why philanthropy is failing democracy and how it can do better*. Princeton, NJ. Princeton University Press, 2018.
- Daniels, A and Lindsay, D. “Donor-Advised Funds Reshape the Philanthropy Landscape: Six ways the fast-growing charitable accounts are changing giving.” *Chronicle of Philanthropy*, October 27, 2016. (Note: I will provide)
- Familiarize yourself with the IRS 990 <https://www.irs.gov/forms-pubs/about-form-990>.

#### **Class Assignments**

Submit revised “request for proposals” (RFPs) with list of organizations to which it will be sent for distribution on October 23. Instructor will have final feedback and approval for distribution on October 22. **RFPs must be sent on October 23 with a due date of November 22. Please cc instructor.**

#### **Class 8: October 28: Philanthropic Best Practices**

*What are best practices in grantmaking? Why are these important? How do funder bad habits hinder nonprofit effectiveness and efficiency? What is “funderitis?”*

Readings: (Note: while there are many readings this week, many are very short. I will provide the Grantmakers for Effective Organizations readings)

- Beaudet, P. *Putting Grantees In the Center of Your Map*, Center for Effective Philanthropy, 2012. <https://cep.org/putting-grantees-in-the-center-of-your-map/>
- Bearman, J. *Drowning in Paperwork, Distracted from Purpose: Challenges and Opportunities in Grant Application and Reporting*, Project Streamline, 2008 <https://www.issuelab.org/resources/24872/24872.pdf>
- Bournes, J.C. *Do Nothing About Me Without Me: An action guide for engaging stakeholders*. Grantmakers for Effective Organizations, 2010. (Note: I will provide)

- Edwards, S. *The Benefits of Multiyear Grantmaking: A Funder's Perspective*, *Philanthropy News Digest*, 2013. <https://philanthropynewsdigest.org/commentary-and-opinion/benefits-of-multiyear-grantmaking>
- *The Smarter Grantmaking Playbook*, Grantmakers for Effective Organizations, 2014. <https://www.geofunders.org/what-we-offer/the-smarter-grantmaking-playbook>
- National Committee for Responsive Philanthropy. *Good Grantmaking Practices*. <https://www.ncrp.org/publications/good-grantmaking-practices>
- *Our Vision for Smarter Grantmaking* Grantmakers for Effective Organizations. <https://www.geofunders.org/about-us/our-vision-for-smarter-grantmaking>
- *Is Grantmaking Getting Smarter?* Grantmakers for Effective Organizations. 2017.

### Class Activity

Panel of nonprofits

### Assignments

Questions for panelists due electronically October 27.

## **Class 9: November 4: Outcomes & Impact**

*How do we know we are making a difference with our funding? What makes an effective nonprofit? Does a nonprofit have to be "at scale" to be effective? How can funders support grantees in determining their effectiveness?*

### Readings:

- Fruchterman, Jim. "Using Data for Action and for Impact." *Stanford Social Innovation Review*, Summer 2016. (Note: I will provide this reading)
- Morino, M. *Leap of Reason: Managing to outcomes in an era of scarcity*, Venture Philanthropy Partners, 2011

### Class Activities

Develop Theory of Change and Logic Model

Guest Speaker: Julie Russell from United Way

### Assignment

Questions for guest speaker(s) due electronically November 3.

Site visit schedule due electronically November 3.

## **Class 10: November 11: Developing selection criteria**

*How does a grantmaker select among excellent organizations? What criteria do grantmakers use? What rubrics are available for rating proposals? What if there are more good proposals than funding? How do grantmakers say no?*

No readings as students will be doing site visits

### Class Activity

Panel of Funders

### Class Assignment

Questions for funders due electronically on November 10

## **Class 11: November 18: Trends in Philanthropy**

*What is new in philanthropy? How are tools like funding advocacy and impact investing being used to shape how nonprofits work? How social change occurs? What is the impact on nonprofits when funding becomes scarcer?*

### Readings:

- Ranghelli, L. Leveraging Limited Dollars: How grantmakers achieve tangible results by funding policy and community engagement. National Committee for Responsive Philanthropy, 2012. <http://bjn9t2lhlni2dhd5hvym7llj-wpengine.netdna-ssl.com/wp-content/uploads/2016/11/LeveragingLimitedDollars.pdf>
- Global Impact Investing Network: <https://thegiin.org/impact-investing/>
- Cohen, R and Sahlman, W. *Social Impact Investing Will Be the New Venture Capital*, Harvard Business Review, 2013. <https://hbr.org/2013/01/social-impact-investing-will-b>
- Bannick, M, Goldman, P, Kubzansky, M and Saltuk, Y. *Across the Returns Continuum*, Stanford Social Innovation Review, 2017. (Note: I will provide this reading)
- *2019 Foundation Source Annual Report on Foundations*, Foundation Source Philanthropic Services, Inc. 2019 <file://gstlcf-fs1/Users/egeorge/Downloads/FS-Annual-Report-2019-06-05-19.pdf>
- Oldham, Jennifer. "The Local Communities Pioneering a New Path for Philanthropy." New America. August 2019 [https://www.newamerica.org/weekly/edition-258/local-communities-pioneering-new-path-philanthropy/?utm\\_medium=email&utm\\_campaign=New%20America%20Weekly%20258&utm\\_content=New%20America%20Weekly%20258+CID\\_25b28c25807ddcd780ef3daf7c2e80c0&utm\\_source=Campaign%20Monitor%20Newsletters&utm\\_term=The%20Local%20Communities%20Pioneering%20a%20New%20Path%20for%20Philanthropy](https://www.newamerica.org/weekly/edition-258/local-communities-pioneering-new-path-philanthropy/?utm_medium=email&utm_campaign=New%20America%20Weekly%20258&utm_content=New%20America%20Weekly%20258+CID_25b28c25807ddcd780ef3daf7c2e80c0&utm_source=Campaign%20Monitor%20Newsletters&utm_term=The%20Local%20Communities%20Pioneering%20a%20New%20Path%20for%20Philanthropy)

## Assignments

Site Visits Reports

### **Class 12: November 25: Pulling it All Together**

*This class session is designed to address the needs of students as we approach final presentations and grant selection. Time will be available for groups to work on their projects.*

#### Assignment

Submit questions by November 22 that you have regarding course material if you want additional information or if you feel needs more exploration and explanation.

### **Class 13: December 2: Presentations & selection**

*Who will we fund?*

Each group presents the organization they recommend for funding, including the need behind the organization's work, what the organization proposes funding, the leadership, the financials, and the rubric developed for selection/recommendation.

After presentations, course instructor will lead the class through a "open, narrow, and select" process to determine which organizations will be funded and for how much.

### **Class 14: December 9: Award "ceremony" with nonprofits**

*The final "activity" of the course is to present the grantees with their grant awards. Campus leaders such as the President, Provost, Director of the Gephardt Institute, Sociology faculty, and others will also be invited. It is the students' responsibility to plan and execute the awards ceremony.*

#### Class Activity

Craft your personal giving goals

Debrief the class and the complete course evaluation

#### **Awards Ceremony**

## Assignments

Final Project Due