

PPOL 4740
Philanthropy: Private Initiatives for the Public Good
Spring 2012

Class Meeting: Tuesdays (Lower Seminar Room) & Thursdays (2nd floor Commons Room) from 11:00 a.m.-12:15 p.m., Garrett Hall

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This is a course on the philanthropic sector, comprising a set of private actors – foundations, nonprofit organizations, and private citizens – engaged in work to promote the public good. While interacting with government and the business community, this sector operates differently than either, with its own ethics, goals, standards, and practices.

The goals of this course are threefold. The first is to give students a better understanding of the primary actors in the philanthropic sector, with an emphasis on providing practical knowledge about how foundations and non-profit organizations are governed and function. A second is to give students hands-on experience with grant-making, one of the central practices of this sector. Through a generous gift from an anonymous donor, students in this class will serve as the “directors” of their own “micro-foundation.” In addition to drafting a mission statement and establishing related goals, ultimately they will be able to offer grants to the nonprofit community. The third goal, drawing upon the first two, is to encourage a thoughtful discussion of the role of philanthropy within the broader public policy community in contemporary democracies.

Course requirements and structure

Because of the time involved in running a grant program – structuring the grant guidelines, soliciting grant proposals from nonprofits, evaluating proposals, conducting site visits, and making grant decisions – at least half of our time together will function as an active workshop. The remaining portion of the class will operate as a traditional upper-division seminar, with an emphasis on class discussion of assigned readings.

Evaluation of your work will reflect this roughly 50/50 split in your efforts.

Seminar requirements: 50%

- Weekly response papers: 25%. All students will submit via email a one-page critical response to the assigned readings for the Thursday class by 9 pm the prior evening to pmartin@virginia.edu and jill.rockwell@virginia.edu.
- In-class discussion: 10%
- Midterm covering early material: 15%

Grant-making workshop: 50%. This part of your grade entails a more holistic assessment of your individual and group contributions to the larger class project.

Requirements include, but are not limited to:

- Crafting a “Request for Proposals” (RFP)
- Group reports evaluating solicited proposals
- Group reports (written and oral) from site visits
- Pre-deliberation/final allocation memos: each individual student will write a 2-page memo explaining how our grant money should be allocated and why.
- Stewardship report: Each student will write and revise a memo to the donor explaining how we spent their money. The instructors will select the top memos and send them to the foundation as a part of our final report.

Doing the math on the final grades:

We expect all the groups to get high grades on the grant-making workshop. Indeed the only way to do poorly is if you miss deadlines or turn in poor quality work. The real grade differentiation will likely occur on the writing assignments, in-class discussion, and exam. If you excel at the project and neglect the other half, you will earn a poor grade.

Required Books (available at the UVa Bookstore)

Brest, Paul and Hal Harvey. 2008. *Money Well Spent: A Strategic Plan for Smart Philanthropy*. New York: Bloomberg Press. (MWS)

Fleishman, Joel L. 2009. *The Foundation: A Great American Secret; How Private Wealth is Changing the World*. PublicAffairs.

Zunz, Olivier. 2011. *Philanthropy in America: A History*. Princeton, NJ: Princeton University Press.

Caveat Emptor: This class differs from many courses you are accustomed to taking. First, we will be working directly with community organizations. Second, we have an obligation to allocate \$100,000 in grant money responsibly. Accordingly, the usual expectations for professionalism and timeliness are heightened. Our collective success has consequences for both the university and the community.

The class is also different because there is, at best, only a nascent field of study called “philanthropy.” While we have selected readings we think will work and engage you at the appropriate level, we may be wrong. Furthermore, the authors of the readings may be wrong.

Students who enjoy responsible freedom to create and take chances will do well in this course. Students looking for clear structure will be frustrated. Indeed, given the responsibilities we have assumed, as well as the trying times that nonprofits are facing, we may need to change the syllabus half-way through the semester!

Our stewardship of this \$100,000 gift will require hard work. Consequently, we will hold you to high standards. Your writing must be crisp and clear. Your work must be submitted on deadline. Repeated failure to read will become obvious in discussion and will not be tolerated.

As you plan your workload, be prepared to complete a significant part of the grant project in advance of Tuesday meetings and to complete about 100 pages of reading with a short writing assignment in advance of Thursday meetings.

Seminar discussion and reading topics

Thursday, January 19: What is philanthropy? How does it intersect with public policy?

- Read both of these short pieces for their broad conceptual use. Note that they are 20 years old and the numbers will be out of date.
- Gurin, Maurice G. and Jon Van Til. 1990. "Philanthropy in its Historical Context," in Jon Van Til and Associates, eds., *Critical Issues in American Philanthropy: Strengthening Theory and Practice*. San Francisco, CA: Jossey-Bass. (Collab)
- Jon Van Til. 1990. "Defining Philanthropy," in Jon Van Til and Associates, eds., *Critical Issues in American Philanthropy: Strengthening Theory and Practice*. San Francisco, CA: Jossey-Bass. (Collab)

Listen to Bill Gates' 2007 Graduation Speech at Harvard

- Part 1: http://www.youtube.com/watch?v=AP5VIhbJwFs&feature=mfu_in_order&list=UL
- Part 2: http://www.youtube.com/watch?v=X_YQmRD_q9Y&feature=related
- Part 3: http://www.youtube.com/watch?v=vwdMXquKTzM&feature=mfu_in_order&list=UL
- Part 4: <http://www.youtube.com/watch?v=YzIMxltEAWk&feature=related>
- Part 5: <http://www.youtube.com/watch?v=1ZKW5Gs6z7o&feature=related>
- *Ali G's 2004 graduation speech at Harvard is certainly funnier, though (find it on youtube).*

Read to get started on the practical side:

- Brest, Paul and Hal Harvey. 2008. *Money Well Spent: A Strategic Plan for Smart Philanthropy*. New York: Bloomberg Press. (Afterward: pages 269-280)

January 24: Workshop

- *Money Well Spent (MWS)*, Chapters 1 & 2

January 26: The History and evolution of the philanthropy (pre 1865)

- Friedman, Lawrence J. 2003. "Philanthropy in America: Historicism and its Discontents." In Friedman, Lawrence J. and Mark D. McGarvie, (eds.) 2003. *Charity, Philanthropy, and Civility in American History*. Cambridge, UK: Cambridge University Press. (Collab)
- Gross, Robert A. 2003. "Giving in America: From Charity to Philanthropy." In Friedman, Lawrence J. and Mark D. McGarvie, (eds.) 2003. *Charity, Philanthropy, and Civility in American History*. Cambridge, UK: Cambridge University Press. (Collab)
- McCarthy, Kathleen D. 2003. *American Creed: Philanthropy and the Rise of Civil Society, 1700-1865*. Introduction & Chapter 1. (Collab)

January 31: Workshop

- MWS, Chapters 3-5

February 2: Dawn of philanthropy as we know it

- Zunz, Olivier. 2011. *Philanthropy in America: A History*. Princeton: Princeton University Press. Chapters 1 & 2

February 7: Workshop

- MWS, Chapters 7-9

February 9: Nuts and bolts of foundations

- *Guest Speaker: Holly Hatcher, Program Director, Charlottesville Community Foundation.*
- Fleishman, Joel. 2009. *The Foundation: A Great American Secret*. New York: Public Affairs. Pages 1-31; 45-54; 71-116.
- Roelofs, Joan. 2003. "What are Foundations?" in *Foundations and Public Policy: The Mask of Pluralism*. Albany: SUNY Press.
- Zunz, Chapter 3

February 14: Workshop

- MWS, Chapters 10 & 11

February 16: Nuts and bolts of nonprofit organizations

- Peter Frumkin, "The Idea of a Nonprofit and Volunteer Sector," in *On Being Nonprofit: A Conceptual and Policy Primer*. Cambridge University Press.
- Light, Paul. 2002. *Pathways to Nonprofit Excellence*. Washington, DC: Brookings. (collab)
- Zunz, chapter 4

February 21: Workshop

- MSW, Chapter 12

February 23: Why do people do good?

- Monroe, Kristen Renwick. 1998. *Heart of Altruism*. Selections (collab)

NB: The readings for the next two weeks are lighter and more focused on the substantive areas of our grant-making. Don't underestimate how much time it takes to carefully read proposals.

February 28: Workshop – Evaluating proposals

- Smith, Steven Rathgeb. 2002. "Social Services." In Salamon, Lester M. (ed)'s *The State of Nonprofit America*. Brookings: Washington, DC.

March 1: Workshop – Evaluating proposals

- Takanishi, Ruby. "Children in Poverty: Reflections on the Roles of Philanthropy and Public Policy." In Clotfelter, Charles T. and Thomas Ehrlich (eds)'s *Philanthropy and the Nonprofit Sector in a Changing America*. Bloomington: Indiana University Press.

Spring Break

March 13: Workshop – Evaluating proposals

- Schuyler, Ridge and Meg Hannan. 2011. *A Declaration of Independence: Family Self-Sufficiency in Charlottesville, Virginia*. The Orange Dot Project.

March 15: Workshop – Evaluating proposals

- Roelofs, Joan. 2003. “Market Supplement: Social Welfare and the Economy” in *Foundations and Public Policy: The Mask of Pluralism*. Albany: SUNY Press.

March 20: Flex day to make up any lost ground

March 22: Philanthropy at mid-century

- Zunz, Chapters 6 & 7

March 27: Nonprofits and government (NOTE THESE READINGS MAY CHANGE)

- Boris, Elizabeth T. and C. Eugene Steurle. 2006. *Nonprofits and Government: Collaboration and Conflict*. Washington: Urban Institute.
- Gronbjerg, Kirsten and Lester M. Salamon. “Devolution, Marketization, and the Changing Shape of Government-Nonprofit Relations. In *The State of Nonprofit America*.
- Najam, A. 2000. “The Four C’s of The Third-Sector-Government Relations: Cooperation, Confrontation, Complementarity and Co-optation.” *Nonprofit Management and Leadership* 10(4) 375-397.

March 29: What should we fund?

- Fleishman, Chapters 5 & 6
- TBA

April 3: Nonprofits and local implementation

- Nonprofits & Government (selection)

April 5: Transparency

- Fleishman, Chapter 9
- TBA

April 10: Nonprofits and Markets

- Porter, Michael E. and Mark R. Kramer. 1999. "Philanthropy's New Agenda: Creating Value," *Harvard Business Review*, November-December, 121-130.
- Letts, Christine W., William Ryan, and Allen Grossman. 1997. "Virtuous Capital: What Foundations can Learn from Venture Capitalists," *Harvard Business Review*, March-April, 36-44.

April 12: Crafting boundaries

- Fleishman, Chapter 13

April 17: "Public Policy" Philanthropy

- MSW, Chapters 13 & 14

April 19: Accountability & Impact

- Brody, Evelyn. 2003. "Accountability, Effectiveness, and Public Perceptions," In *The State of Nonprofit America*.
- Anheier, Helmut K. 2005. "Stakeholders, Governance and Accountability," in Helmut K. Anheier, ed., *Nonprofit Organizations: Theory, Management, Policy*. London: Routledge.
- Sawhill, John, and David Williamson. 2001. "Measuring What Matters in Nonprofits," *McKinsey Quarterly* 2001.pp. 98-107
- Snibbe, Alana Connor. 2006. "Drowning in Data," *Sanford Social Innovation Review*. Pp. 39-45.

April 24: *Deciding who gets what*

- Clotfelter, Charles. 1992. "The Distributional Consequences of Nonprofit Activities," in Charles T. Clotfelter, ed., *Who Benefits from the Nonprofit Sector?* Chicago: University of Chicago Press.
- Diaz, William. 2003. "For Whom and For What? The Contributions of the Nonprofit Sector" in Lester M. Salmon, ed., *The State of Nonprofit America*. Washington: Brookings Institution.

April 26: Workshop – Final deliberations and dollar allocations

- Zunz, Chapters 8 & 9

May 1: Luncheon presentation

- MSW, Chapters 15 & 16
- Kramer, Mark and Sarah Cooch. 2007. "The Power of Strategic Mission Investing," *Stanford Social Innovation Review*, Fall pp 43-51.