Accenture: Building Momentum through Skills to Succeed in Southern California

Skills to Succeed is Accenture’s corporate citizenship initiative, focused on building skills that enable people around the world to participate in and contribute to the economy and society. To date we have equipped more than half a million people with the skills to get a job or build a business.

Committed to Building Skills in the Community
While our Skills to Succeed goal is large and global, its impact is felt personally and locally through the lives we touch in our communities.

In Southern California, we work with partners like the Los Angeles Community College District that share our skill-building goals. By hosting job readiness workshops, our employees help students and recent alumni sharpen their job skills by providing instruction on interview techniques and resume writing.

“Skills are a primary driver of economic empowerment and more than ever people need the right skills to build confidence and capabilities that will open doors to employment and independence here in Southern California and around the world.”

TREY THORNTON
Southern California Managing Director, ACCENTURE

We also support work readiness programs for Chrysalis, Homeboy Industries, and the Center for Employment Opportunities. By teaming, we are enabling more than 5,000 students and clients of these organizations to gain the skills to secure employment and build a career plan. Through initiatives like these, Accenture is actively involved in making a substantive, meaningful and sustainable difference in the lives of individuals, families and communities across Southern California.

Read more at www.accenture.com/uscorporatecitizenship.
Here's to those who help others build skills.

High performance. Delivered.

Through our Skills to Succeed corporate citizenship initiative, Accenture will equip more than 700,000 people globally by 2015 with the skills to get a job or build a business. In Los Angeles, we are working with Chrysalis, Homeboy Industries and the Los Angeles Community College District to help students prepare for the workforce. To learn more about our efforts globally, visit accenture.com/skillstosucceed

Strategy | Digital | Technology | Operations

accenture
Corporate, Individual Donations Enhance Care at Providence Health & Services

For more than 150 years, Providence Health & Services has built a tradition of caring for the sick, reaching out to our neighbors, keeping our doors open to the vulnerable and providing the quality and compassionate service that is our trademark.

Gifts from individuals, businesses and philanthropic foundations have helped Providence enhance care and services at its six Los Angeles area hospitals and auxiliary programs including Providence TrinityCare Hospice and Trinity KidsCare Hospice.

Through the generosity of donors, Providence Foundations enable the Catholic not-for-profit health care organization to keep pace with advances in technology while responding to the unique needs of its individual communities.

“Across Providence we are very fortunate to be supported by a wide variety of gifts that are helping us partner to create healthier communities, our core strategy,” said Patricia Modzelewski, chief development officer and president of philanthropic foundations for Providence Southern California. “Donations to our hospitals have provided lifesaving technology and healing to heart, stroke and cancer patients and funded programs to help the most vulnerable, the poorest of the poor who come to our Emergency Departments.”

Last year Providence Southern California Foundations received a total of more than $23 million in gifts and pledges, primarily from individual donors, to support Providence Holy Cross, Providence Saint Joseph and Providence Tarzana medical centers in the San Fernando Valley; Providence Little Company of Mary Medical Centers in Torrance and San Pedro; and Providence TrinityCare and Trinity KidsCare hospices.

The newest member of the Providence family, Providence Saint John’s, is supported by the Saint John’s Health Center Foundation, which last year allocated more than $6.2 million of the donations it received to hospital programs, the building fund and cancer research at the hospital’s John Wayne Cancer Institute. Among the recent corporate contributions to Providence Saint John’s are funding for the Preventive pet therapy program; Bank of America for the Child and Family Development Center’s Partnerships For Families: Birth To One Program; and Terris’ and Live Nation Entertainment, Inc.’s contributions to the Margie Petersen Breast Center.

At Providence Saint Joseph, Lee and Chloe Ross have committed $1 million to support the genetics program at the Roy and Patricia Disney Family Cancer Center. Chloe Ross said her husband, a CPA, did well investing in oil and wanted to share his success.

“Dr. (Raul) Mena, medical director of the Disney Cancer Center, saved my husband’s life! He’s been so wonderful, so giving. He’s what all doctors should be like. When we told him we wanted to make a donation he told us about some possibilities and we chose the new genetics research program.”

CHLOE ROSS
Donor

Earlier this month, the Providence Little Company of Mary Foundation held its bi-annual gala, a fundraiser for both South Bay hospitals. Sponsors donated almost $500,000 in cash. In addition, presenting sponsor American Honda also donated some big-ticket live auction items – a weekend Superbowl package in Phoenix for two and two floor-seat tickets to this month’s Justin Timberlake 20/20 World Tour Concert at the Honda Center in Anaheim. Proceeds will benefit critical care at the San Pedro hospital and cardiovascular care in Torrance.

“We have an ongoing $35 million fund-raising campaign for our cardiovascular program at Providence Little Company of Mary Medical Center Torrance, and it’s wonderful how the business community, foundations and individual donors have come forward to help make this the premier center in the South Bay,” said Marlene Young, senior development officer for the Providence Little Company of Mary Foundation.

Last year, Toyota donated a van, fully outfitted for disabled passengers, for use by Trinity KidsCare pediatric hospice to help transport young patients and their families not only to doctor appointments as needed, but on much needed excursions.

Providence Tarzana Medical Center received a $2 million corporate donation to expand and enhance its pediatric ICU while Providence Holy Cross received $100,000 from the Good Hope Foundation to ensure care for under-served or under-insured patients.

Last year, Providence Holy Cross received its largest ever financial gift - a more than $7 million trust left by the late Julian and Gladys Saunders to be received over time. Julian Saunders established Saunders Ford and two self-storage warehouses in the northern San Fernando Valley. A pilot, he was a member of the Flying Samaritans and flew medical professionals to Mexico to help those with no access to health care.

“This is a tremendously generous donation from a family that contributed so much to our community. It is being put to very good use to improve care for our patients, fulfilling the Saunders’ wish,” said Bernard Klein, M.D., the Mission Hills hospital’s chief executive.

Information for this article was provided by Providence Health & Services. For more information, call 1-888-HEALING (432-5464) or go to california.providence.org

Donor Motivations For Giving Vary With Income And Education

Despite some longstanding perceptions that people in different regions of the United States are more or less motivated to give to charity based on differing underlying values that might be specific to a region, a new analysis by the Center on Philanthropy has revealed that regional trends and values have less of an impact on donor motivation than income and education do.

Nearly one in five donors says that the most important reason to give to charity is to help meet people’s basic needs. However, a key finding of the research is that, while there are differences in the percentage of people who select different motivations within each region of the country, those variations can be explained by regional differences in income and education, not underlying values specific to the region.

Understanding Donor Motivations was funded by CCS, a national fundraising, consulting and management firm. The report draws on data from more than 10,000 households to examine charitable giving and donor motivation for giving.

The study finds that 18 percent of donors said that the single most important reason for giving to charity is to help meet people’s basic needs, such as for food, shelter, clothing and heat. That motivation was followed by “making the world a better place,” which was identified by 17 percent of donors as their most important reason for giving.

“Research repeatedly shows that higher income and higher education levels are associated with a greater likelihood of giving to charity and with higher average gift amounts,” said Patrick M. Rooney, executive director of the Center on Philanthropy. “With this study, we find that the ways donors describe their giving motivations also vary with income and education. This has implications for fundraising messages in all their forms.”

One of the most significant findings is that donors in different income groups identified different motivations for their giving:

- Among lower-income donors (income less than $50,000), the phrases that resonated as a motivation for giving were helping to meet basic needs or helping the poor help themselves.
- Among middle-income donors (income of $50,000 to $100,000), the phrases selected as motivations for giving included “those with more should help those with less” and “making my community better.”

These income differences in the motivations selected were statistically significant and took into account differences in education level, marital status, and age as to isolate the effect of income differences on motivations.

“AC3, we advise nonprofit organizations to strengthen their donor cultivation and stewardship initiatives, including increasing their understanding of how they can best relate to donors of different backgrounds,” said Robert Kissane, President of CCS.

“Donors are individuals and personalized strategies for engagement are crucial. Today’s donors want to make a difference, see real impact, and understand the return on investment of their gifts. The overall objective of giving doesn’t necessarily change as a result of geography, but this study shows that the way donors describe their reasons for giving often varies, therefore the messaging and case for support needs to appeal to that particular constituency’s motivation.”
This holiday season, give someone the gift of a healthier tomorrow.

The power of giving is extraordinary. And there is no better feeling than giving from the heart to improve the health of others.

For more than 100 years, Providence Health & Services has been built on the generosity of people like you. Your help allows our not-for-profit hospitals and hospice to respond to the unique needs of the community and to make a difference in our neighbors’ lives. Your gift can support medical center programs or hospice services, fund state-of-the-art facilities, or provide health services to the growing number of people who can’t afford care. You choose how your gift will be used. And when you give to Providence, you’re helping create not only better medical facilities but also a better community – one person or one family at a time. You may not know them. But your generosity will change their lives for the better. Forever. That’s the power of giving.

This holiday season, support our mission for good health with a tax-deductible donation to the Providence Foundation in your community. Make your gift at ProvidencePowerOfGiving.org or call our Foundation offices at 818-847-4673 for our Valley medical centers or 310-303-5340 for our South Bay medical centers. To make a donation to Providence TrinityCare Hospice or Providence TrinityKids Care for our hospice services, please call 310-257-3535.
Americans Give $335.17 Billion to Charity in 2013

Total Approaches Pre-Recession Peak

An estimated $335.17 billion, or 2.3 percent, of the total charitable giving from U.S. individuals, corporations, foundations and bequests in 2013 approached the all-time high set before the start of the Great Recession, adjusted for inflation, according to research released recently by Giving USA Foundation and its research partner, the Indiana University Lilly Family School of Philanthropy.

When measured in current dollars, 2013 marked the fourth straight year of increased giving. As reported in Giving USA 2014: The Annual Report on Philanthropy for the Year 2013, total giving has increased 22.0 percent since the official end of the recession in 2009 (12.3 percent when adjusted for inflation).

The 59th consecutive edition of Giving USA, the seminal annual report on charitable giving in America, confirms through data what people across the country seem to feel, said L. Gregg Carlson, president of Henderson, Nevada-based Carlson Fund Raising and chair of Giving USA Foundation, which publishes the report. “While this has been a particularly slow recovery, many charities are beginning to see the light at the end of the tunnel. Donors are increasingly more comfortable giving to the causes they care about and at a level in keeping with the impact they would like to make.”

Donations in 2013 increased 4.4 percent over the revised estimate of $320.97 billion for 2012. Adjusted for inflation, total giving rose 3.0 percent over the 2012 estimate.

Carlson added, “We are seeing clear gains in the total amount given by individuals in the last couple of years. In fact, the rise in contributions by individuals between 2011 and 2013 represents 73 percent of the growth in total giving during that period.”

Giving by individuals in 2013 was bolstered, according to the report, by the fact that many households have experienced in the last two years, driven by persistent—albeit modest—economic recovery, rising disposable income, personal consumption expenditures and personal disposable income. The Standard & Poor’s 500 Index (S&P 500), which impacts the financial outlook of wealthier donors more than the finances of the middle class, rose from 1,139.96 in 2012 to 1,438.05 in 2013 and likely catalyzed giving by these donors.

David H. King, CFRE, president of Atlanta-based consulting firm Alexander Haas and chair of The Giving Institute, the trade association that created Giving USA and its foundation, noted that while total giving in 2013 was the highest seen in more than four years, growth by individual and indi- vidual giving is gaining strength, all types of organizations are not participating equally in this recovery, and possibly reflect- ing the rates at which donors of different types are recovering financially.

“While we are beginning to see growth in the arts, health, the environment and education has been consistently rising in the last three years,” King said. “These types of organizations, perhaps with a slight exception for health, are those for which donors recognize their superior benefit from the recession when they tended to give to organi- zations serving what they may have considered more urgent needs, such as food pantries, homeless shelters and even international relief, but as the economy recoveries donors are restoring funding to those causes in a strong way.”

According to Carlson, a 1.9 percent decline (in current dollars) in giving by corporations, which includes businesses of all sizes, in 2013 tempered a stronger increase in total giving overall. And, “with this decline,” Carlson said, “it makes clear how closely linked economic factors are to giving. While the S&P 500 was strong in 2013, corporate profits slowed substantially compared with 2012. Corporate profits are directly linked with corporate giving.”

Over the past five years, giving by corpora- tions has risen much faster than overall giving, at 19.4 percent compared with 12.3 percent (adjusted for inflation). In 2012, corporate giving grew rapidly at 16.9 percent (in current dollars), driven by soaring corporate profits that year. The 2012 jump in corporate giving also helps explain why 2013 corporate giving appears subdued.

Although corporate giving decreased in 2013, the year saw considerable growth in very large gifts of $80 million and up from individuals, couples and estates.

“We witnessed a number of these very large gifts from households and estates, which may be signaling growing confi- dence among wealthy donors in making larger commitments,” said Gene Tempel, Ed.D., CFRE, director and dean of the Indiana University Lilly Family School of Philanthropy.

In several examples, the resurgence of high-dollar capital campaigns, including those with billion-dollar goals at the largest nonprofits, suggests that the confidence organizations have in the giving environment is growing as well,” Tempel said.

Rising confidence and sustained increases in overall charitable giving raise the possibility that giving could recover to prior recession levels earlier than many have projected. “With this decline,” Carlson said, “it makes clear how closely linked economic factors are to giving.”

“Generally, these investments yield more far-reaching results beyond the social impact of their missions,” said Charles F. Babcock, director of research at the Foundation Center and the report’s principal author. “The rise in giving to foundations is strong in 2013, over 2012, was an increase of $9.69 billion in giving by individuals (in current dollars).”

• Giving increased for three of the four sources of giving. Only giving by corpora- tions declined slightly in 2013, the result of the slow rate of growth in pre-tax cor- porate profits in 2013, at 3.4 percent.

• Total giving was given a lift by several very large gifts made by individuals, couples and estates in 2013.

• In 2013, giving by foundations increased an estimated 5.7 percent (4.2 percent adjusted for inflation) and giving by bequest increased an estimated 8.7 percent (7.2 percent adjusted for inflation), according to Giving USA. Giving by foundations has increased for the last three years (adjusted for inflation), generally reflecting increases in assets and the increased confidence of grant makers concerning their finan- cial recovery. (Data for giving by foun- dations are provided by the Foundation Center.)

A Closer Look at the Data:  
• Giving by individuals increased 4.2 percent (2.7 percent adjusted for infla- tion) from the revised estimate of $230.91 billion in 2012.

• Giving by corporations decreased 1.9 percent (-3.2 percent adjusted for infla- tion) from the revised estimate of $18.22 billion in 2012.

• Giving by foundations increased 5.7 percent (4.2 percent adjusted for infla- tion) from the revised estimate of $46.34 billion in 2012.

• Giving by bequest increased 8.7 per- cent (7.2 percent adjusted for inflation) from the revised estimate of $25.50 bil- lion in 2012.

Continued on page 56

More Foundations Use Investment Assets to Achieve Their Missions

The number of charitable founda- tions employing their invest- ment portfolio to achieve a social benefit is on the rise, according to a new Foundation Center report, Key Facts on Mission Investing finds that one-in-seven surveyed founda- tions are directing their assets to mar- ket-rate mission-related investments and/or below-market-rate program- related investments.

By investing endowment dollars to further their charitable missions, these grantmakers — who hold 20 percent of all U.S. foundation assets — can extend the public benefit of their resources.

The Foundation Center has tracked program-related investment activity for years, but its latest report benchmarks the first time foundation engagement with mission-related investments. It finds that more than half of surveyed foundations say they have made program-related investments during the past five years, and 28 percent within just the past two years.

“Foundations are striving for greater impact,” said Steven Lawrence, direc- tor of research at the Foundation Center and the report’s principal author. “Mission investing puts foundations in the driver’s seat of advancing their organizational goals and/or below-market-rate program-related investments that have the potential to go far beyond the social impact of their grantmaking dollars.”

The report also offers perspective from Stephen Viederman, former pres- ident of the Jesse Smith Noyes Foundation and a proponent of mission investing, who argues that founda- tions’ investment strategies should be guided by their broader purpose to benefit the public and that social investing equating to financial under- performance is a myth.

By law, foundations are allowed to make program-related investments — often loans, loan guarantees, or equity investments — that are derived from their assets but count toward their charitable distribution requirement. Generally, these investments yield below-market-rate returns. By compar- ison, market-rate mission-related investments may broadly support a foundation’s programmatic goals but do not count toward its charitable dis- tribution requirements. The potential for mission-related investments is sig- nificant: America’s foundations made a combined total of $15 billion in grants in 2010, whereas their assets totaled more than $600 billion.

Key Facts on Mission Investing (in PDF format) can be downloaded at no charge from the Gain Knowledge area of the Foundation Center’s web site.

Established in 1956, the Foundation Center is the leading source of information about philan- thropy worldwide. Through data, analysis, and training, it connects people who want to change the world to the resources they need to succeed. The Center maintains the most comprehensive database on U.S. and, increasingly, global grant- makers and their grants — a robust, accessible knowledge bank for the sector. It also operates research, educa- tion, and training programs designed to advance knowledge of philanthropy at every level. Thousands of people visit the Center’s web site each day and are served in its five regional library/learning centers and its net- work of more than 450 funding information centers located in public libraries, community foundations, and educational institutions. Nation- wide and around the world. For more information, please visit foundationcenter.org or call (212) 620-4230.
AMERICAN CANCER SOCIETY
CEOs Against Cancer of California

"Why did I join the American Cancer Society CEOs Against Cancer program? It’s simple. We as leaders can make a real difference. Our bottom lines are no more immune to this disease than our employees or anyone we know."

— Gary D. Radine, President & CEO
Delta Dental of California

CEOs from the world’s top companies are uniting with the American Cancer Society to change the course of cancer. It’s a unique and powerful group of executives who are committed to saving lives and improving their companies’ bottom lines.

Join us for our annual chapter meeting on March 5, 2015, in Los Angeles. For more information contact Jennifer Berg Sobotka at 619-682-7471 or jennifer.sobotka@cancer.org.

Visit us at cancer.org/ceos
Charitable Donors Give More When Asked Personally

The study, *Significant Gifts: Where Donors Direct Their Largest Gifts and Why,* which is based on a national sample of more than 8,300 donors, confirms what nonprofit organization fundraisers have often observed: people give to people, and especially to people they know. The study examined characteristics of and factors influencing a donor household’s single largest gift.

Donors who were asked to give in person by someone they knew donated 19 percent more ($987) to secular (non-religious) charities, when compared with telephone, mail or email requests from someone they knew ($799). For religious organizations, when the donor was asked in person by someone he or she knew, the average donation was 42 percent higher ($2,904) than when someone the donor knew made the request using a different tactic ($1,698).

“Volunteers sometimes are reluctant to ask their own friends for donations, but this research confirms that donors are even more willing to give when someone they know asks them personally. By using the best practices of actively requesting support and involving volunteers the donors know, nonprofits can raise even more money.”

**EDITH H. FALK**
Chair and CEO of Campbell & Company

The study also found a relationship between gift amounts and the level of recognition donors received. Although greater levels of recognition do not necessarily motivate donors to make larger gifts, donors who reported receiving substantial recognition for their contributions made larger gifts ($1,132) than those receiving minimal ($926) or moderate ($851) recognition.

Additionally, donors who received token gifts as recognition had the second lowest average gift. “This finding is particularly interesting because it speaks to the way donors perceive the value of their giving,” said Campbell & Company President Peter Fissinger. “With token recognition, donors may see their contributions as transactions, but donors who receive more personal recognition better understand how their gift impacts an organization’s work. That moves them away from transactional giving to larger philanthropic contributions.” Among other findings from the study:

- The average largest gift amount for donor households was $1,698. Among all donors, 43 percent directed their largest gifts to religious organizations, which includes donations to congregations for relief work and other community programs.
- For higher-income households (income of $150,000 or more), the average largest gift of $2,486 was more than twice the overall average. Among these higher-income donors, a greater share of the number of the largest gifts and of the dollar amount of these gifts went to educational, health, and arts and cultural organizations than was the case in the general population.
- Members of the general population were more likely to select providing for the basic needs of the very poor as their main motivation for giving than any other reason. Among higher-income households (those with incomes of $150,000 or more), the most common motivation was the belief that those with more should help those with less.

This study used data collected from a nationally representative sample of 27,261 households by Knowledge Networks. Approximately 10,000 individuals responded to the survey, and more than 8,300 reported their largest gift. To request a copy of the full report, please e-mail or visit www.cmpbellcompany.com.

Continued from page 54

Topline Considerations from Giving USA 2014 about Charities:

- Most subsectors (types) of charities saw increases in giving in 2013 compared with 2012.
- Five subsectors have reached or surpassed their all-time-high giving levels (in inflation adjusted dollars) since the recession officially ended in mid-2009: education, human services, health, environmental protection, and arts.
- Giving to foundations, which tends to be volatile from year to year due to the very large gifts foundations receive, fell 15.5 percent in 2013.
- Giving to international affairs has become more volatile in recent years and showed a decline of 6.7 percent, which could be attributable partially to lower overall corporate support for charities in 2013.

Other factors affecting giving to international affairs may have included lower levels of support to U.S.-based nonprofits providing international disaster relief. Some donors are choosing to give directly to overseas organizations working in that arena.

Uns Osiul, Ph.D., director of research at the Indiana University Lilly Family School of Philanthropy, noted that many church and religious subsectors are enjoying the return of giving at levels seen prior to the Great Recession. “Giving to education, health, and environmental and animal welfare organizations, in particular, have shown robust giving patterns in recent years.” More specifically, Osiul said that “people are giving to education, including higher education and K-12 institutions at record levels, across the board. Also, campaigns that appeal to different generational groups are doing very well. We have seen sustained levels in giving to health in support of hospitals, medical research and public health policy initiatives, as well as a growing number of gifts in support of environmental protection.”

“Giving to culture, and humanities organizations, too, are seeing strong results as donors appear to be attempting to make up for the lost in funding to these organizations during the recession years.”

A Closer Look at the Data:

- Giving to religion was flat (±0.2 percent) between 2012 and 2013, with an estimated $305.53 billion in contributions. Inflation-adjusted giving to the religion subsector declined 1.6 percent.
- Giving to education is estimated to have increased 8.9 percent between 2012 and 2013, to $32.07 billion. Adjusted for inflation, giving to education organizations increased 7.4 percent.
- Giving to human services increased by an estimated 2.2 percent in 2013, totaling $41.51 billion. Adjusted for inflation, giving to human services organizations increased by 0.7 percent.
- Giving to foundations is estimated to have declined by 15.5 percent in 2013, to $35.74 billion. Adjusted for inflation, giving to foundations declined 16.7 percent.
- Giving to health organizations is estimated to have increased 6.0 percent between 2012 and 2013 (an increase of 4.5 percent, adjusted for inflation), reaching $85.96 billion.
- Giving to public-society benefit organizations increased by an estimated 8.5 percent between 2012 and 2013, to $23.89 billion. Adjusted for inflation, giving to public-society benefit organizations grew 7.0 percent.
- Giving to arts, culture, and humanities is estimated to have increased 7.8 percent between 2012 and 2013, to $6.66 billion. Adjusted for inflation, giving to the arts, culture, and humanities subsector increased 6.3 percent.
- Giving to international affairs is estimated to have increased 7.5 percent between 2012 and 2013, to $9.72 billion. Adjusted for inflation, donations to the environment/animal subsector increased 6.0 percent.
- Giving to religious organizations is estimated to have increased 7.5 percent between 2012 and 2013, to $9.72 billion. Adjusted for inflation, donations to the environment/animal subsector increased 6.0 percent.
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This amount can be considered as the difference between giving by source and by use in any particular year. This amount includes the difference between itemized deductions by individu- als (and households) carried over from previous years. The tax year in which a gift is claimed by the donor (carried over) and the year in which the recipient organization reports it as revenue (the year in which it is received) may be different.

About Giving USA Foundation
Advancing the research, education, and public understanding of philanthropy is the mission of Giving USA Foundation, founded in 1985 by The Giving Institute. Headquartered in Chicago, the Foundation publishes data and trends about charitable giving through its seminal publication, Giving USA, and quarterly reports on topics related to philanthropy. Visit www.givingusa.org for more information.

About the Indiana University Lilly Family School of Philanthropy
The Indiana University Lilly Family School of Philanthropy is dedicated to improving philanthropy to improve the world by training and empowering stu- dents and professionals to be innovators and leaders who create positive and last- ing change. The comprehensive approach to philanthropy—volu- nteer action for the public good—through its academic programs and international programs and through The Fund Raising School, Lake Institute on Faith & Giving, and the Philanthropy Producing Ideas Institute. For more information, visit www.philanthropy.iupui.edu.
Philanthropy Benefits When Those Affected by a Problem Determine the Solution

The National Committee for Responsive Philanthropy (NCRP) recently released its “Responsive Philanthropists” research, piecing together top voices in the philanthropic sector and their efforts to improve their communities. This edition of the journal offers tools and tips for grantmakers who are interested in learning how they, too, can have greater, positive impact on their issues and the world today.

Now, more than ever, is the time for philanthropy to prioritize and empower those with the least wealth and opportunity. If we do, together we will build a more fair and just society. Our writers share stories from their organizations’ challenges and successes to build a picture of a thriving philanthropic community that prioritizes giving help to those who need it the most.

Organizing for Educational Justice: Parents, Students and Labor Join Forces to Reclaim Public Education

In the cover story, the Alliance to Reclaim Our Schools explains how it’s been able to bring together historically disparate groups to push back against market-driven education reform. By tapping into long-standing, but previously unlinked, networks in the education community, such as leading teachers unions and other community organizations, and through financial assistance from grantmakers such as the Schott Foundation, AROS has already achieved key victories after just a year in the field.

The Ben & Jerry’s Foundation: Maximizing Impact Through Employee-Led Philanthropy

Rebecca Golden, director of programs at the Ben & Jerry’s Foundation, tells the story of the foundation’s adoption of an employee-led structure, and offers tips for other organizations looking to align its missions and values with its nonprofit partners and processes. Their innovative approach mirrors the foundation’s commitment to social justice causes, and the idea that those with the least power should be in positions to determine the solutions.

Of Data, Impact and Buckyballs in Philanthropy

The foundation Center’s Larry McGill describes his organization’s innovative approach to data sharing, explaining that just like grantees, grantmakers should collect and share data about their work. McGill visualizes the philanthropic sector as a buckyball – an interconnected globe of relationships – that only benefits from increased transparency and accountability.

Member Spotlight: The Unitarian Universalist Veatch Program at Shelter Rock

This edition’s Member Spotlight showcases the Unitarian Universalist Veatch Program at Shelter Rock, a Manhasset, New York-based grantmaker. Veatch Program staff relates how its roots in a Unitarian Universalist faith, focus on community organizing focus and rejection of grantee budgets have strengthened its mission.

These articles, along with articles from previous issues, are available for free. Hard-copy subscriptions to “Responsive Philanthropy” are complimentary for NCRP members and cost $25 for non-members.

Gaps in Financial Knowledge Challenge Mid-Size Nonprofits

Now, more than ever, is the time for investment in financial literacy at mid-size nonprofit organizations. A new survey of financial managers at mid-size nonprofit organizations reveals gaps in their financial knowledge, even as they grapple with economic challenges.

The study was conducted by the Center on Philanthropy at Indiana University to help nonprofits understand and increase their financial knowledge levels and improve their effectiveness. Nonprofits’ knowledge, policies and procedures were studied; some results were positive, while others revealed a clear need for financial education.

More than 500 nonprofit professionals were most responsible for their organization’s overall financial management were surveyed. The study is a random sample of primarily human services nonprofits, as well as health, civic, environmental, and arts and education nonprofits (excluding hospitals and higher education institutions) with revenues of $1 million to $10 million. The Moody’s Foundation funded the study.

“Seventy-six percent of financial managers at mid-size nonprofits said they are knowledgeable about financial principles, but only a third correctly answered all three financial literacy questions asked,” said Usha Nayar, director of research at the Center on Philanthropy. “This disconnect has potentially significant implications for nonprofits and the donors who place their trust in them. Solid financial knowledge is critical to sound decision making as nonprofits strive for financial well-being and greater impact.”

The survey is among the first to show a shift in financial priorities. Until recently, nonprofits this size often focused on just breaking even. The findings indicate they are now putting more emphasis on longer-term planning and sustainability. The top three financial objectives among nonprofits surveyed were:

- Maintaining a targeted level of cash reserves and financial flexibility (38 percent).
- Assuring an annual surplus so the mission can be achieved in down years (27 percent).
- Breaking even financially (24 percent).

“Nonprofit managers and board members need a high level of financial literacy to establish a sustainable, long-term financial plan, maintain a healthy cash balance and fulfill their missions effectively,” said Patrick M. Rooney, executive director of the Center on Philanthropy.

“Nonprofit managers and board members need a high level of financial literacy to establish a sustainable, long-term financial plan, maintain a healthy cash balance and fulfill their missions effectively.”

Nearly half (49 percent) of mid-size nonprofits had less than three months’ worth of cash reserves for operating expenses available. A quarter (25 percent) had four to six months’ worth on hand, while another quarter had more than seven months of operating expenses.

Other key findings:

- Respondents said they were knowledgeable about negotiating with banks or lenders (78 percent), cash flow projections (75 percent) and financial scenario planning (72 percent).
- Only 46 percent reported knowing about debt restructuring.
- Financial literacy increased with the number of courses taken in accounting, economics, operations, and financial management, and with the nonprofit’s revenue.
- Boards were involved in accountability (66 percent), but less so in managing investment and endowment budgets (30 percent) and scenario planning (27 percent).
- Less than 40 percent of nonprofits surveyed had an audit committee.
- “There are strengths in these nonprofits’ financial knowledge and management, but there’s room for improvement,” Nayar said. “Increasing financial training for board members and recruiting financial leaders to serve on boards, using audit committees and greater use of external financial indicators would help nonprofits improve their financial planning and performance.”

With 526 respondents, the Financial Literacy and Knowledge in the Nonprofit Sector Study is a random sample of medium-size nonprofits, i.e., those with organizational revenues between $1 and $5 million. It is not meant to be a comprehensive study of all nonprofits in the U.S.