

TABLE OF CONTENTS

ACKNOWLEDGMENTS	iii
TABLE OF CONTENTS	v
PREFACE	ix
INTRODUCTION	xi
1 LET'S GO SHOPPING: OPTIONS FOR ORGANIZING YOUR GIVING	1
Bequests and Planned Giving.....	2
Checkbook Philanthropy.....	2
Donor Advised Funds	2
Giving Circles	3
Public Foundations	4
Supporting Organizations	4
Private <i>Operating</i> Foundations.....	5
2 AND IN THIS CORNER, THE PRIVATE FOUNDATION..	7
A Confusing Term.....	7
Tax Deductibility	8
Distribution Requirements.....	8
The Cost Factor	9
Excise Tax on Investment income Yes, you have to pay taxes.....	10
Others Are Watching.....	10
Time Consuming	11
After All This, There <i>Are</i> Reasons to Start a Private Foundation	11
3 HOW TO CHOOSE?	17
First Practice, Then Reflect	17
OK, Just What <i>Is</i> Your Goal?.....	17
Are You In This For the Long Haul?	19
How Much Money Do You Plan to Commit to Philanthropy?	19
Do You Want Other Family Members to Be Involved?	20
Do You Only Want to Give Scholarships?.....	20
How Much Time and Effort Do You Want to Put Into Philanthropy?	21
Do You Want to Play With Others Or Go It Alone?	22
4 IT'S TIME TO PICK YOUR GIVING VEHICLE	27
5 GRANTMAKING: AN OVERVIEW	30
Start With Values and Goals.....	30
Goal-Setting.....	31
For You, the Philanthropist.....	31
For Your Community	32
Next, Figuring Out the Best Strategies	33

Administrative Challenges	37
6 FINDING YOUR FOCUS	45
7 WHERE IN THE WORLD SHOULD YOU FUND?	49
Limiting Your Grantmaking to a Specific Geographic Place	49
Legacy Grantmaking	51
Nationwide Grantmaking	51
Giving Internationally: Does It Accomplish More?	51
8 TYPES OF GRANTS YOU CAN MAKE	57
General Operating: Keeping the Lights On	57
Capacity Building: Training, Equipment and R & D	59
Project/Program Support: Increasing the Number Served, Improving the Service Provided	60
Seed/Start-Up Funding: The Joys and Downsides of Risk-taking	61
Capital Giving: Bricks and Mortar	62
Naming Opportunities: In Honor of	63
Giving Anonymously	63
Multi-Year Giving	64
Loans	65
Mission-Related Investments	66
9 FUN AND EASY GIVING STRATEGIES	69
Responsive vs. Targeted Grantmaking	69
Find Out What Works	70
Sorry, Online Charity Evaluators Are Not (Yet) a Short Cut	72
A Lesson About “Overhead”	73
Fix the System Rather Than Band-Aid® the Result	75
What’s “New” in Philanthropy?	76
Evaluate Your Results	79
Experiment!	80
10 APPLICATIONS AND THE ART OF CHOOSING A GRANT RECIPIENT	83
Accepting All Proposals vs. Inviting Proposals Only	83
Questions You Should — and Shouldn’t — Ask	84
OK, What Do I Need to Know?	85
But Don’t Ask All These Questions All the Time!	86
Those Pesky Financials	87
Learning From Financial Statements: Good Information or Gobbledygook?	89
Proof of 501(c)(3) and Public Charity Status	91
Did They Do What They Said They Would With the Donation?	91
Other Applications: RFPs, RFQs, LOIs	91
11 ONCE UPON A TIME... WHY TELLING YOUR STORY IS IMPORTANT	94
You Should Probably Have a Website	95

Be Polite	96
How to Say “No”	96
How to Say “Yes” Without People Fawning All Over You	97
12 MAKING A DIFFERENCE: CAN I REALLY KNOW?	99
Here’s What You Can Know	100
Evaluation Is Important, But	101
13 STAYING OUT OF JAIL	103
The Legal Stuff — Warning! I Am Not An Attorney!	103
Self-Dealing	103
More Details On Distribution Requirements	106
Lobbying Restrictions	107
14 BE(A)WARE: PUBLIC CHARITIES ARE A DIFFERENT BREED	111
How Many Nonprofits Are There, Anyway? And Other Stats	111
How Are They Funded? Where Does That \$316.23 Billion Come From?	112
Which Causes Receive What Income?	114
But I’ve Seen Nonprofit Annual Reports That Show They Have Money in the Bank, Sometimes More This Year Than Last. Isn’t That a Profit?	114
I Just Joined the Board of Directors of a Nonprofit and it Seems Very Different From How Things Are Done at My Business	115
What is the Biggest Difference Between For-Profit and Nonprofit Culture?	116
How Else Are Nonprofits and For-Profits Different?	117
What Does a Nonprofit Executive Director Do?	117
What Does the Board of Directors Do?	118
What Are the Major Barriers to Success Faced By Nonprofits?	119
What About Lobbying?	120
15 A SUCCESSFUL FAMILY FOUNDATION	123
ABOUT THE AUTHOR	130