

GIVING TOGETHER

NEW VENTURES IN PHILANTHROPY

Giving Together

A National Scan of Giving Circles and Shared Giving

THE GUIDEBOOK TO GIVING CIRCLES



FORUM
OF REGIONAL
ASSOCIATIONS OF
GRANTMAKERS



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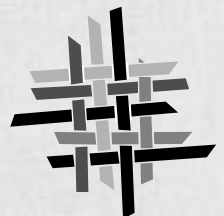


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On the Cover

Members of the Clarence Foundation's Global Giving Circle meet with a grantee; members of the Washington Women's Foundation at a giving circle event; and Allan Paulson, of the World Venture Partners, accompanied by local youth on a site visit to Nicaragua.

Introduction

New Ventures in Philanthropy has a vision of dramatic growth in philanthropic giving that strengthens communities. The New Ventures initiative, a project of the Forum of Regional Associations of Grantmakers, was created to grow new philanthropic giving. Our primary strategy is to foster active knowledge sharing across networks and organizations that are growing philanthropy, particularly among emerging philanthropic communities such as women, rural communities, and racial and ethnic donors.

New Ventures in Philanthropy's work is supported by a group of national foundations, including the Ford Foundation and the W.K. Kellogg Foundation. In our first five years, New Ventures invested \$14 million, and leveraged an additional \$7 million, in 41 community-based coalitions that developed programs to reach and inspire new donors. These coalitions led to the creation of more than \$527 million in community related endowments. Perhaps more importantly, they produced meaningful knowledge about the landscape of new giving, and developed strategies and materials that now can be applied to grow philanthropy on a large scale. Giving Circles emerged from this phase as an especially promising strategy for donors who were moving from individual "checkbook" giving into organized, strategic philanthropy.

Why Giving Circles? Giving circles have gained visibility across the country in the last ten years — in some cases as a result of New Ventures coalitions' work, in many other cases, apart from our work entirely. Giving circles exemplify a face of individual philanthropy in their diversity, flexibility, passion, and spirit. As one giving circle participant commented, giving circles are the "Home Depot of philanthropy because they allow you to do it your own way."

Giving circles have not been widely studied. In this report, New Ventures describes the results of a national scan of giving circles, explores the unique characteristics of these circles, and discusses the significance of the phenomenon in the context of today's philanthropic landscape. By no means did we capture all the circles alive in the country in our sample. The Web-based Giving Circles Knowledge Center exists to provide information and resources to new or established circles and to grow and share new knowledge about giving circles.

www.givingforum.org/givingcircles

We look forward to continuing to learn about, support, and promote giving circles!

New Ventures Today

New Ventures builds knowledge to grow giving. The initiative concentrates this work on networks with strong potential to engage both high wealth and emerging donors.

Core activities are:

Knowledge Gathering

Share and build knowledge about what works to increase philanthropy: Convene leading practitioners across networks to identify, share, and create the tools and resources communities need to grow giving.

Knowledge Management

Use a Web-based "hub" to become a trusted source for knowledge about new giving: Share practical knowledge and tools with organizations and networks that want to grow philanthropy as part of their work.

National Engagement

Connect people, organizations, and networks to the value of new and lasting giving: Expand public understanding of the value of new and lasting giving through media outreach, conferences, sponsored research, and other activities.

Giving Together: A National Scan of *Giving Circles* and Shared Giving

Giving Circles and Shared Giving

Giving circles, a highly participative form of collective philanthropy, have gained visibility across the United States in the last ten years. Giving circles are characterized by their independent spirit and collaborative operations. People join giving circles to magnify the power of their philanthropy. They join to learn about philanthropy and about their communities. And they join to become part of a community of givers. Giving circles require significant commitment and energy, yet they promise to provide value for the community and the donor.

Although individual giving predominates today in terms of total dollars, and established philanthropy looms large in public perception, our research confirms that collective giving is emerging as a new force in philanthropy.

More donors are coming together to give — agreeing on the cause, issue, or organization to support and directing their charity accordingly, often by creating affiliations or organizations to best meet their charitable goals. At one end of the spectrum are informal, group-based giving opportunities, often organized around an event, such as a potluck dinner or a wine tasting. This type of giving brings together like-minded individuals to support a cause or causes, while also providing an opportunity for networking and social activity. By giving together, members are able to be part of a larger effort to effect social change and can accomplish jointly that which can not be done alone. We found numerous examples of this somewhat informal, but usually organized form of philanthropy, which we call *shared giving*.

At the other end of the spectrum are highly organized formal giving circle structures and independent organizations, which we characterize as *giving circles*. Frequently described as a “social investment club,” a giving circle is a pooled fund, often hosted or sponsored by a charitable organization such as a community foundation, through which members make grants together. Circles are typically organized around a particular issue, area of interest (such as women’s issues, quality of life, or the environment) or geographic region.

Giving circles are a high-engagement form of philanthropy because donors engage in collective decision-making and educational activities. The circle’s grantmaking functions, which may include issuing a formal *Request for Proposals*, proposal review, and site visits, also offer a more enriching and rewarding philanthropic experience than more passive “checkbook” forms of philanthropy. This participatory process, combined with the increased impact of pooled charitable dollars, has strong appeal to many donors.

Because they are an emergent and flexible form of philanthropy, giving circles take a variety of structures and sizes, ranging from informal potluck dinners to highly organized circles requiring minimum contributions of thousands of dollars and multi-year commitments. We endeavored to capture a full picture of this phenomenon through multiple lines of inquiry.

Purpose of the Research and Methodology

The focus of the study was ambitious — to document and describe the range and types of giving circle-related activity nationwide. A more detailed accounting of our methodology can be found in Appendix B; however, a brief explanation of the research is necessary to provide context to our findings.

The research plan included five staged components:

- (1) a review of the available literature on giving circles, including Web-based resources and the press;
- (2) an extensive search for giving circles to cultivate the survey sample;
- (3) a comprehensive, Web-based survey;
- (4) additional data collection as necessary via telephone interviews with select giving circle and community foundation representatives; and
- (5) a convening of giving circle experts, staff, founders, and donors to review the findings and further explore the issues affecting giving circle growth and sustainability.

In addition, throughout the course of this research we have continued to build on the database developed for the survey research by including circles that have come to our attention. At the time this report went to press, New Ventures' national database of giving circles totaled 220 and the list continues to grow. The database undercounts the true population, particularly more informal circles not connected to mainstream philanthropy. At best, we estimate that we located only one out of every two or three giving circles nationally.

The Parameters for Our Research

There are many forms of collective philanthropy that might satisfy a broad definition of a giving circle. After careful consideration, we developed the following criteria for inclusion in the study:

- (1) Donors pool their resources in some manner;
- (2) The donors decide how and where the funds are distributed;
- (3) There is an educational and/or community building component to the circle.

Following this definition, funder collaboratives (which engage grantmaking institutions) are excluded from our research as are fundraising efforts described as giving (or donor) circles that allow donors no voice in how the funds are used. However, following these criteria, funds that do not necessarily call themselves giving circles yet operate as such are included, such as the Washington Women's Foundation and Social Venture Partners. We directed our limited resources toward gathering information about community-based giving circles. Accordingly, we acknowledge the importance of institutionally-based circles or host-driven circles/funds, but we limited our efforts to identify and document the full range of institutions and funds that engage donors collectively.

Cultivating the Survey Research Sample

Despite the many philanthropic infrastructure organizations, such as the Council on Foundations, the Forum of Regional Associations of Grantmakers, and the numerous network and affinity groups, there is no national repository of information about this new type of philanthropy. As a result, we sought to cast as wide a net as possible to identify as many giving circles as we could. We cultivated the database through an array of techniques, including Internet and Lexis-Nexis research, email

messages through philanthropic listservs and e-newsletters, public calls for participation in trade journals, and through extensive networking via colleagues and at conferences and events. Given the challenges of identifying grassroots giving circles and obtaining contact information for their founders/representatives, the sample likely undercounts the true giving circle population, particularly those circles not connected with mainstream philanthropy.

The Survey

A Web-based survey was developed to conduct a broad scan of the giving circle landscape by gathering descriptive information about giving circle origins, operations, administration, and philanthropic activity. The survey was distributed to all known giving circles for which we had complete information and via viral distribution strategies including listservs and Web-based posting. Follow-up with nonresponders, personal outreach to select circles and partnership organizations, and elimination of duplicate surveys yielded a final total of 61 complete surveys. Further information was gathered about Social Venture Partners affiliates from Social Venture Partners International, giving us information on a total of 77 circles. A copy of the survey is provided in Appendix C.

Telephone Interviews and Stakeholder Convening

To further supplement the survey data, we conducted 15 telephone interviews with respondents selected to represent a cross-section of giving circles — from the informal to formal, large to small, women-only to mixed, start-up to mature, and ethnically diverse. The purpose of the interviews was to further capture the story of how circles emerge and mature over time, and to solicit input regarding the next phase of New Ventures' work to grow community-based giving. A copy of the interview protocol is provided in Appendix F.

Finally, we convened 22 giving circle experts, staff, founders, and donors to review the findings and further explore the issues affecting giving circle growth and sustainability. For more details on the convening, see Appendix H.

Survey Research Findings and *Results from our Scan*

New Ventures' study of giving circles across the country supports our belief that giving circles and shared giving represent an important and growing trend in modern American philanthropy. In our survey sample of 61 giving circles — a small fraction of the giving circles that exist — we found more than 5,300 engaged donors who have raised nearly \$32 million and given approximately \$23 million in grants. Including the Social Venture Partner Affiliates brings this number to more than 5,700 donors and \$44 million for community needs. Many circles have an eye on the future; roughly one third of the circles in our survey are retaining some funds to build a larger philanthropic fund or endowment¹

Giving circles exemplify core American values of democracy and equality — they are broadly accessible across wealth levels and they offer opportunities for learning, growth, collaborative decision-making, and community building. While the traditional philanthropic infrastructure of foundations can seem intimidating to an individual, giving circles allow easy access for people of all ages and affiliations. While individual philanthropy can be seen as the purview of the very wealthy, giving circles allow donors to leverage their assets by pooling their gifts for greater impact. Most giving circles provide each donor with an equal voice in the decision-making process. Donors in giving circles connect — often powerfully — with each other and with their community as they learn about community needs and practice community leadership.

¹ Note: close to 1/3 had not completed their first round of grantmaking at the time of the survey.

A Promising New Vehicle for Giving

Giving circles, although rooted in other forms of mutual giving throughout time and across the globe, are a relatively new phenomena in contemporary philanthropy. Although we discovered circles organized in the 1990s, the majority (nearly 80%) of survey respondents indicated that their circle was formed in 2000 or later. Our research indicates that giving circles take many forms and range in style and operation from very informal “parties for a purpose” to highly organized circles that do not call themselves such, the Washington Women’s Foundation or Social Venture Partners (SVP) for example. Our scan identified giving circles in 39 states plus the District of Columbia. They are spread across the country in places such as Angleton, Texas, and Sioux City, South Dakota, but tend to be concentrated in population centers on the East and West Coasts, Illinois, Michigan, Wisconsin, and Indiana.

Circle Statistics

- Although giving circles are traditionally known for appealing to women, our survey sample is fairly evenly split between those that self-identify as women-only or majority female (57%) and mixed gender (42%), with one men-only circle.
- Seventy percent of the survey respondents self-describe their circle’s membership as predominantly white, 12% as racially/ethnically mixed, and 5% as African American. There was one all Jewish circle and one entirely Asian American circle in our survey sample. Ten percent of respondents declined to include the racial/ethnic origin of members in a demographic description of the circle.
- Most circles include participants across a spectrum of ages, many deliberately intergenerational. However, there were several age-specific groupings. For example, circles such as the B’More and Change Funds in Baltimore, Maryland, target young professionals between the ages of 25 to 40. The circle in our sample with the youngest participants is Daisy Do, in Fort Gratiot, Michigan, composed of eight five-year old members of a Daisy Troop, a division of Girl Scouts. The girls work around their house to earn money and then donate the money at each Daisy meeting.
- The level of giving across circles is highly variable. While the Daily Muses in Boston, Massachusetts donate only one dollar per day, the Barnabus Fund in Indianapolis, Indiana, requires a commitment of \$20,000 per individual or couple. Some circles offer more fluid terms of participation. For example, Just a Few Friends in Durham, North Carolina, raises money directly for charity, with each member contributing in her own way, including financial and volunteer contributions. To date, this circle, which evolved from a network of eight friends who played ultimate Frisbee together and were looking for new ways to connect once they retired from athletics, has raised nearly \$25,000.
- Although giving circle advocates have often recommended an equal contribution by members to ensure democratic participation, only slightly more than half (56%) of survey respondents require such; the remainder accept varying levels of support. Some circles, such as the Silicon Valley Social Venture Fund (not an SVP affiliate), offer a tiered membership structure.
- Circles are leveraging support from organized philanthropy, with 52% indicating that they have received additional funds or matching grants from other sources including community foundations, private foundations, corporate matching gifts programs, and other donors.
- Participation appears to beget more giving. Close to 70% of the respondents indicated that their members give additional money directly to the nonprofit organizations that the circle funds.

Starting a *Giving Circle*

Our research suggests that a passionate individual initiates the effort to get a giving circle underway. The survey data indicate that the average number of founders is just fewer than 10, but several surveys and interviews noted that despite a handful of founding members there was “one true leader” in the beginning. Founders are credible champions who have a passion and the capacity to connect and engage a network of friends and acquaintances to initiate the circle. Sometimes the individual is driven by personal experience in the corporate or nonprofit sector, which propels him/her to create a new way to engage others in the process of giving. We found many examples of this kind of start-up, including Arizona 5 Arts Network, the Angels Network, Bread for the Journey, Everychild Foundation, Impact100, SVP, and the Washington Women’s Foundation.

In other cases, we discovered founders who were motivated to start a circle after learning about the concept from other sources such as magazine or newspaper articles, or in response to promotion of philanthropy efforts by New Ventures grantee coalitions. Dining for Women (DFW) in Greenville, South Carolina, is an example of the former. DFW founder Marsha Wallace was inspired by a story in *Real Simple* magazine and took the idea one step further, creating an independent nonprofit organization capable of hosting additional chapters. The concept of giving circles appears to resonate with many who read or hear about it; press attention typically has a snowball effect, inciting the creation of even more circles. Interviewees cited the specific source for their inspiration, which included articles in *Health* magazine, *People* magazine, *Real Simple* magazine, an article in the Oshkosh Community Foundation annual report, and the outreach efforts conducted by New Ventures in Philanthropy’s grantee coalitions, specifically the Baltimore Giving Project, Giving New England, Giving Greater Chicago, and the Minnesota Council on Foundations.

Our interviews with circle representatives and the experience of New Ventures coalitions suggest that although philanthropic and nonprofit institutions can play a strong role in supporting and

DARRYL LESTER, one of the founders of an African American circle in Raleigh-Durham, North Carolina, notes that while he worked at the Triangle Community Foundation he had a dream of engaging young African American donors so that together they could make a difference. He started out by engaging a group of 18 friends, and has grown the network over time; today up to 26 people attend meetings. Many of those involved had never even thought about philanthropy, according to Lester. What brought them to the table is that they had a passion to do something but didn’t know where to start. Lester and his co-founders have tapped into the resources available through the philanthropic community to get their circle up and running, yet have maintained ownership over the process throughout. After exploring options, such as creating an independent nonprofit, they decided that the 21st Century Foundation, a private endowment based in New York City that works to advance strategic black philanthropy, would host their circle. Although his existing connection with institutional philanthropy has been useful, it is Lester’s passion, and that of his co-founders, that has been most instrumental in getting the circle off the ground.

encouraging the development of giving circles, they must be member-driven to succeed. Case study research by Rutnik and Beaudoin-Schwartz (2003) corroborates that strong volunteer leadership is necessary for initiating a circle and incubating it through the start-up period. Creating a circle is similar to starting a new organization, with responsibilities for setting the mission and vision, securing buy-in, determining a budget, developing policies and procedures, creating a marketing and communications strategy, and planning for growth.

Selecting Form and Function

Giving circles come in all shapes and sizes and have varying degrees of structure and complexity. The giving circles in our survey sample tend to have fairly sophisticated structures; however, we acknowledge that the finding could be an artifact of a sample biased toward more formal circles. Although 27% described themselves as a “casual group with no formal structure,” 70% have a mission statement and 40% have a written set of by-laws. In addition, the majority (75% of those responding to the survey) has an institutional host.

Informal Circles

Informal circles, which may operate with a money-in, money-out approach or have their donors write checks directly to the beneficiary organization, usually operate on a smaller scale and therefore do not necessarily require or opt for the assistance of a host. For example, the Giving Back Gang in Ohio explores an array of charitable investment options for the 12 member circle and then decides together how best to direct their resources. Only after this decision is made do circle members contribute, and they do so directly to the beneficiary, requesting separate acknowledgments for all. (See profile of the Giving Back Gang in Appendix A).

Hosted Circles

Most donors desire the tax advantages of giving to a nonprofit organization, but find that creating a new 501(c)(3) organization is a complex and time-consuming process. A host organization provides a way for donors to enjoy the tax advantages of their charity. This service can be particularly helpful during the start-up phase when founders have their hands full with recruiting, developing a focus, and crafting a structure for the circle's giving.

Circles that require a substantial financial commitment from members and/or those that wish to build assets over time (i.e., an endowment) often find that a relationship with a sponsoring organization is advantageous. The relationship with a host lends instant credibility and confidence that the money will be managed and invested wisely and it relieves the founders of the burdens of accounting and asset management. Access to financial management expertise — whether through a host, member, or private institution — is generally advised if large sums of money are involved and/or the funds will be held in reserve for future grantmaking.

Independent 501(c)(3) Organizations

Giving circles may decide to become their own nonprofit entity, rather than forge a relationship with a host. Some, like the Everychild Foundation in Los Angeles, are larger circles with staff and committees. Others, like Bread for the Journey, Social Venture Partners, and Womanade, are circles with multiple chapters and affiliates. Circles that choose to have their own 501(c)(3) designation gain more autonomy and flexibility than hosted circles since they are not accountable to the board of a host organization. However, they also have additional administrative burdens, both in establishing and in managing the circle.

We discovered that a relationship with a host does not always preclude an independent nonprofit identity. While some circle founders choose to set up an independent 501(c)(3) organization at the outset, we found that others consider doing so as the circle matures over time and seeks greater independence. For example, the founders of the Giving Circle of HOPE in Alexandria, Virginia, note that being hosted by the Northern Virginia Community Foundation was very useful during their start-up phase and they quickly developed a good relationship with the foundation's Executive Director. However, the circle members are currently seriously considering creating their own independent nonprofit organization. The Washington Women's Foundation in Seattle has its own 501(c)(3) and an ongoing relationship with the Seattle Foundation.

Selecting a Host

Close to 70% of hosted circles indicated a relationship with a community foundation, but women's foundations, nonprofit organizations, financial services companies, and private foundations also serve as hosts. Women for Wise Giving in Alexandria, Virginia, forged a hosting relationship with the local volunteer bureau. When hosted by an existing philanthropic institution, such as a women's foundation, the circle is generally set up as a donor-advised fund. A donor-advised fund is a component fund of a public charity in which the donor retains the privilege of making recommendations to the host charity for charitable grants to be made from the fund.

Circles that choose to have a relationship with an institutional host come to that decision in a number of different ways. The decision may be predicated on the early discussions about the financial management needs of the circle and which organization — or type of organization — can best meet those needs. Sometimes a circle may approach several suitable hosts to determine with which institution a mutually rewarding affiliation can be developed. Circle founders have discovered, however, that sometimes they have to convince potential hosts that a giving circle, which typically does not generate significant revenue, will benefit and not burden the organization.

In other cases, the host and circle come together early in the circle's formation. When Colleen Willoughby decided to create a pooled philanthropic fund, she went first to her colleague and good friend, Anne Farrell, then president of the Seattle Community Foundation. Together with several other impassioned women, they created the Washington Women's Foundation. Now with a

membership of more than 400 women, the Washington Women's Foundation retains its connection with the community foundation, in addition to having its own identity as a nonprofit organization. SVP Seattle forged a similar arrangement with the Seattle Foundation when it first launched.

Although most giving circles form in a grassroots manner, host organizations may also initiate a circle and recruit participants. A host-initiated circle allows the founding organization to shape the focus and operation of the circle. The Clarence Foundation, in Oakland, California, for example, engages groups of individual donors through their Global Giving Circle Program, allowing the Foundation to develop and manage the education and grantmaking process (see profile of the Clarence Foundation in Appendix A). Similarly, the Professional Advisor Leadership Council (PALC) Charitable Fund of Central Indiana Community Foundation was created as a way to engage the foundation's professional advisors more fully and help them to experience the services that the community foundation has to offer. According to Rob MacPherson, Vice President for Development, who staffs the circle, the relationships are staff-intensive, but the experience of the circle participants "is critical to the community better understanding the foundation's goals, programs, and services."²

Considerations for a Host Organization

Giving circles are a relatively new vehicle for giving and they have yet to be fully welcomed by the array of institutions that might serve as hosts. Although many of the circles in our sample noted a hosting relationship with a community foundation, we found evidence that some community foundations have a very limited interest in the opportunity to host giving circles. In fact, several circle representatives noted in the survey or interview that they had difficulty securing a host despite the presence of capable institutions in their community.

To further explore this issue we queried representatives from community foundations that have opted not to support giving circles.³ Several factors inform the decision not to host a circle, including staff capacity and institutional readiness, the organization's existing donor cultivation framework, the cost of serving a circle, and the uncertainty of realizing a short or long term "payoff" from investing organizational resources in giving circles. Staff capacity looms large among these, particularly for smaller community foundations that lack an organizational infrastructure to take on circle management responsibilities. One interviewee noted that it would be "impossible," given the foundation's staff size, to provide adequate support for a circle. Another explained that colleagues from other community foundations have shared their experience regarding the demands of staffing a circle, and the foundation simply does not have adequate staff resources to offer.

Community foundation representatives also indicated that giving circles do not fit within their existing donor cultivation framework, which for some focuses primarily on the most generous donors but also includes a low-impact, high-yield strategy for donors across a broader spectrum. Although Rutnik and Beaudoin-Schwartz's research suggests that hosting a circle brings new faces to philanthropy, significantly enhances a host foundation's donor prospect list, and raises the host's visibility, there is limited research to support the anecdotal evidence that circle members become more generous over time and set up independent funds at the host organization or contribute directly to the host. Potential hosts are justifiably wary, given the lack of information about how a giving circle informs a donor's philanthropic journey. As one interviewee noted, "There is no evidence that random people can be cultivated to create significant funds, so it makes sense to focus on the people most likely to create larger funds." In a follow-up question about what would be compelling, the respondent requested research demonstrating that giving circles produce significant donors.

For many potential host organizations, the decision is simply a matter of finances. Circles typically generate very limited revenue for the host organization despite their considerable level of grantmaking activity and staffing demands. Hosts that have a tiered fee structure for donor advised

² Interview with Rob MacPherson

³ Respondents agreed to participate on the condition of anonymity.

funds are better positioned to recoup some of the operational costs, but only if the circle's fund is large. One respondent noted that it simply is not cost-effective for the foundation to manage a \$10,000 to \$20,000 donor advised fund; funds in the \$200,000 to \$250,000 range are preferred. However, many organizations have considered creative options for more effectively structuring the economics, and have had success partnering with a giving circle to develop a mutually beneficial relationship.

Forging a Mutually Beneficial Hosting Relationship

Not all institutions can or should host giving circles. Earlier research by Rutnik and Beaudoin-Schwartz indicates that the resource demands of hosting a circle are significant and that small and mid-size community foundations may be less capable of absorbing these costs. They recommend that potential hosts carefully weigh the decision to ensure that hosting a giving circle fits within the organization's overall strategic plan, programmatic priorities, and available resources. Without sufficient institutional support to properly host the circle, the fund has the potential to damage the host's standing in the community and relationship with current and future donors.

Visit the Giving Circle Knowledge Center for information and resources for organizations that currently host or are considering hosting giving circles.
www.givingforum.org/givingcircles

An effective host/circle partnership requires effort. Rutnik and Beaudoin-Schwartz suggest that the terms of the hosting relationship should be discussed, carefully considered, and fully explicated in writing at the start. The agreement should outline the nature and extent of the relationship and the role of all departments within the host organization, including program, finance, donor services, and communications. This will help ensure that all parties share the same understanding of the relationship, and safeguards against mismatched expectations or capacity gaps.

Recognizing that many clients (including giving circles) desire multiple services, some hosts have begun to offer an array of options to their donor-advised fund holders that include higher levels of support. Such involvement may include coordinating all correspondence, due diligence review, in-depth analysis of issues and strategies, and administering payroll for the fund's staff that may be employed by the host. The fee structure is tiered according to the level of intensity. By providing such services, the host can capitalize on areas of expertise across the organization and generate additional revenue—a win-win for all.

Recruiting members

Once a giving circle has been initiated, it needs a membership — the body of individuals whose money, energy, and time provide fuel for its operations. In our research, we noticed that circle founders consistently look beyond their close circle of friends when recruiting members, maximizing informal social ties that build community and expand networks. Many circles in our study recruited broadly, hosting events, luncheons, or breakfast gatherings. The news spreads rapidly through word-of-mouth and local media. Indeed, the giving circle concept may be described as meme-like, moving through a population, taking hold in each person it reaches.⁴ Linda Strup, founder of the Giving Circle of HOPE in Virginia, described the thrill of having total strangers email or call and express interest in the circle. The Asian Giving Circle in Chicago used the Web sites of Asian professional organizations to provide advertisement. Smaller circles are more likely to form around a shared activity (such as church) or as a result of chance encounters and conversations. Adria Goodson, of the Kitchen Table giving circle in Boston, became involved after she met another founding member at a conference. Although the circle has remained small, the members have chosen to invite people from their “outer networks” rather than their closest friends.⁵

Financial Commitment and Growth

Our survey data indicate that only slightly more than half (56%) of the circles in our sample require equal contributions by all members. Usually thought of as one of the hallmarks of a democratic circle, the equal contribution policy is often adopted to create a “level playing field” among all

⁴ A meme is an idea that behaves like a virus. The term was first coined by Oxford zoologist Richard Dawkins in his 1976 book *The Selfish Gene*.

⁵ Interviews with Linda Strup, Alice Lee-Osborne, and Adria Goodson.

participants, ensuring that everyone has an equal voice. Those who opt for varying levels of commitment often do so to attract a broad membership that may be diverse across income and ethnic lines. Interviews suggest that stratifying membership levels can raise issues such as power, influence, and privilege, particularly for the circle's biggest donors, who may or may not be the founders. However, circles with differing contribution sizes are often deliberately structured to minimize the impact that the financial disparities have on decision-making power. In the Kitchen Table giving circle in Boston, for example, all contributions are made anonymously to one member, who is the only person who knows donation amounts.

One might hypothesize that circles accepting varying size contributions operate very differently than those that do not; however, our survey data suggest that there is no correlation between how grants decisions are made (i.e., 1 vote per member or by a select committee) and membership contributions (i.e., equal or not). We also saw no correlation between the goal of building an endowment and whether a circle accepts varying contributions, although allowing varying contributions is one way to grow the assets of the circle without growing the number of members. We found several examples of circles that require equal contributions by members and also allow for anonymous gifts or additional contributions to the circle, which allow them to raise additional revenue while also keeping the membership to a manageable size.

Branding and Communications

Branding and communications appear to play a strong role in the development and growth of a giving circle. Seventy percent of survey respondents indicated that they had created brochures or other printed promotional materials for their circle, and close to 60% indicated that they have a Web site. In addition, circles are using email newsletters (40%) and print newsletters (40%) as part of their ongoing communications strategies, and many noted that they had developed their own logo (often with the help of a member or through pro bono assistance from a design firm). As the circle grows, marketing and communications may become even more important for maintaining the connection and commitment of members.

The Benefits of Giving Circles

Giving circles bring value to the community in the form of grant dollars and informed, engaged donors and volunteers. Many donors feel that the greatest benefit is to the giver, as giving circles provide donors with opportunities to learn, share, and grow as philanthropists. We identified four primary benefits of giving circles: they provide grantmaking and other support to the community; they allow donors to learn together; they cultivate philanthropists; and they build community.

Funding Priorities of Giving Circles

Giving Circles

youth development (34%)
 women and girls (27%)
 human services (25%)
 mental health/crisis intervention (20%)

Foundation Grant Dollars

education (26%)
 health (18%)
 human services (15%)
 arts and culture (12%)

Grantmaking and Other Forms of Support

Grantmaking is where a circle's activities translate into money to address community needs. The survey yielded some insight into circle grantmaking. Giving circles support a variety of issues, with the top being youth development (34%), women and girls (27%), human services (25%), and mental health/crisis intervention (20%). These numbers differ somewhat from foundation giving trends. In 2004, the Foundation Center reported that grant dollars funded education (26%), health (18%), human services (15%), and arts and culture (12%)⁶. The circles identify organizations to fund through a variety of strategies including suggestions from members (54%), a formal RFP (request for proposals) process (51%), recommendations from the host organization (20%), and funding organizations that are in the news or well known locally (14%). Several noted that they do their own research into issues and organizations, especially using the Internet.

⁶ The Foundation Center, *Foundation Giving Trends*, 2004. www.fdncenter.org.

The data also lend support to the idea that giving circles offer a more engaged approach to philanthropy. Circles deliberately engage their members in the grants review process, with close to 70% of circles reporting that members conduct site visits. Members are also active to varying degrees in the grants decision-making process, with 30% reporting that they use a committee structure in which a select group reviews and recommends for approval the grants to be funded; 29% reporting they use a 1 vote, majority rules system; 22% indicating that they follow a consensus model. The more informal circles noted that individuals vote with their donation — selecting via their participation in the event which organization to support.

Our survey confirmed that circle members offer a range of additional support to nonprofit organizations, with 51% of respondents indicating that the circle's members participate in organized volunteer activities, while an additional 45% report board-level involvement in grantee organizations, and 43% providing fundraising support such as introducing the organization to other donors. Circle founders interviewed assert that participants give additional money to the nonprofits to which they are introduced; close to 70% of the respondents indicated that their members give additional money directly to the nonprofit organizations that the circle funds. Interviews yielded several stories of donors giving additional five or six figure gifts to organizations that were not selected for funding by the circle.

Additional Support Provided to Nonprofit Organization

- Organized volunteer activities: 51%
- Board-level involvement in grantee organizations: 45%
- Fundraising support: 43%
- Additional money to organizations: 70%

Learning Together

Learning is a significant part of each giving circle — whether an implicit or, more commonly an explicit, purpose of the circle. Circle mission statements often reflect this goal:

- Women for Wise Giving is an alliance committed to the advancement of philanthropy and to educating and inspiring women to become philanthropic leaders.
- The mission of the NGAAP FUND is to identify, cultivate, and raise resources that will aide in the distribution of funds to improve the quality of life of African Americans living in the Greater Triangle area. The NGAAP FUND fulfills its mission by gathering contributions, educating its members about the power of collective philanthropy, and broadening their awareness of issues affecting African Americans in the Greater Triangle region.
- Discovery is a group of women formed to provide education related to informed philanthropy, to inspire women to become leaders in philanthropy, and to demonstrate the impact of philanthropy on the projects and programs of the university.
- WomenConnected is a women's philanthropic group formed to inspire, educate, and encourage women to pool their charitable gifts to improve the health of their community. It offers women an exciting opportunity to combine their resources to fund and direct the expansion of extraordinary health care services at Waukesha Memorial Hospital.

The survey data confirm the importance of learning. Close to 70% of circles reported that they provide members with learning opportunities which range from quite structured to highly informal. Learning opportunities may include a grantmaking training curriculum, educational speakers and workshops, or other avenues for education such as distribution and discussion of reading materials. For example, Dining for Women creates fact sheets profiling what life is like for women living in the country upon which the group is currently focusing its giving. Many giving circles invite nonprofits to speak directly to circle participants, either as a way to help the circle make decisions, or as a way to keep donors up to date on the nonprofits' activities. Informal circles such as the Portland Giving Circle in Oregon, or Just a Few Friends in North Carolina, may limit their educational programming to asking nonprofits to speak briefly about their mission and programming to the assembled donors.

Giving circles educate their participants on several levels: about issues, about the community's nonprofits, about group process and leadership, and about philanthropy and grantmaking practice. Circles that are host-driven, such as the Global Giving Circle Program at the Clarence Foundation or the Professional Advisor Leadership Council (PALC) Charitable Fund of Central Indiana Community Foundation, may have a sequence of seminars or meetings that members attend in order to learn about issues and grantmaking. For many participants, participation in a circle gives them an opportunity to learn about philanthropy and grantmaking primarily by *doing*; in the smaller circles, grants decisions are often made by the whole group and in larger circles, members can volunteer to take part in a grantmaking committee.

Cultivating Philanthropists

Our research suggests that many giving circles have a deliberate goal to cultivate philanthropists; this goal appears prominently in mission statements and is part of the vision held by founders. Several noted that the donation to the circle was set as a stretch gift and is frequently the largest single donation that members have given. To that end, circles often pursue not only a deliberate learning agenda around issues or grantmaking, but also an underlying one to help members realize the power of philanthropy and their place at the table. For example, The Change Fund, a giving circle for young African American professionals in Baltimore, is designed to expand members' involvement in philanthropy and to further awareness of social issues. Through its grantmaking activities, The Change Fund exposes members to social, educational, and leadership opportunities to better affect and influence change in the Greater Baltimore area. Several giving circle leaders noted, however, that more needs to be done to identify how best to shape and grow an individual's philanthropic impulse through a giving circle.

Building Community

Giving circles emerge from a philanthropic impulse, and donors choose to become involved because they are drawn to the opportunity to pool their dollars for greater impact in the community. Another significant benefit of giving circles, however, and what seems to keep many donors engaged over the long haul, is the chance to engage more deeply in community — both the community of donors and the community in which they live. Many giving circles founders and participants echoed the sentiments expressed by Cathy Lange, current president of the Angels' Network: "It is part of my role, part of my job, part of my mission to be of service in the community. This was a way that I could do it that I would enjoy it and I could get connected to organizations that do an incredible amount of work to make a difference."

Circle participants, founders, and staff interviewed talked about their circles in terms of *fun* and *bonding*, but also of *shared values*. According to Hank Doll of the Giving Back Gang, "the giving unites us — the idea that we are coming together out of concern for the community, to know more about the community and how to address its needs." Colleen Willoughby and Emily Parker, of the Washington Women's Foundation, theorize that their members come to the circle for the impact on community, but they stay because of the community of women and the chance to contribute in an intellectually stimulating way.

Circles capitalize on the community-building appeal by providing opportunities for members to socialize, network, and learn together. Food figures prominently — from potluck dinners to grants luncheons to family barbecues. Participants relish the opportunity to make friends and contacts outside of their usual circle. Indeed, many of the circles we interviewed intentionally structured their recruiting to develop a diverse membership. According to Gillian Schair and Ann Tartre, of the Portland Giving Circle in Portland, Maine, their circle is working to create networks and "not just the same two people at the same meetings."

Giving Circle's Forms and Structures

Through our research, we recognized that the varied forms and operating structures of giving circles result from the decisions made by the founders and participants as the circle develops. The framework that we present is not intended to be exhaustive; in fact, we acknowledge that it may be incomplete. Rather, we hope to illustrate that there is no “giving circle template.” Instead, giving circles are a flexible form of philanthropy that take their shape based on the unique desires and interests of the founders and participants. Consistent with the primary focus of this research, this framework is intended to describe community-based giving circles specifically, not fundraising-based donor circles that are created by, through, and for a specific organization.

Building the “Right” Giving Circle

Giving circle founders need to make a host of choices as they are bringing their circle to life. Each choice makes for a different kind of circle. To begin to understand these critical choice points and their implications, we outlined the key issues and questions for discussion when starting a circle, building upon the existing work of New Ventures Coalitions and Sondra Shaw-Hardy, founder of the Three Generations of Women giving circle in Michigan and author of, “Creating a Women’s Giving Circle.”

Mission and Focus

- Will the founder(s) develop the name, focus, and structure of the circle before recruiting members, or will they begin recruiting and engage members in a collaborative process to build the circle together?
- Who are the potential members and how will they be recruited?
- Are start-up resources available?

Membership: size and consistency

- What size is appropriate? Will the group set size limits?
- Will the circle have consistent membership or will membership shift from meeting to meeting?

Circle structure:

- Does the circle have committees or other delineation of role and responsibility?
- How often does the circle meet?
- How structured or casual are meetings and events?
- What is the decision-making process of the circle?
- How can opportunities for leadership development and succession be built into the membership experience?

Commitment level: money

- How much money will each member contribute?
- Can members contribute above the baseline amount?
- Are all contributions the same, or can they vary?
- Are there tiered levels of giving?
- Is there donor recognition, and if so, what kind?
- How will the circle’s operations be funded? Do members make additional contributions or is a portion of the donation used for administrative costs?
- Are other sources of support, such as grants or in-kind contributions, available?

Commitment level: time

- Are all members engaged at the same level of intensity?
- How often will circle meetings be held and is participation in meetings and events mandatory?
- Is there a minimum level of participation that is expected or required?

Hosted or unaffiliated: where does the circle live?

- How will the circle obtain charitable status — as an independent nonprofit or through a host?
- Where and how will the circle's grantmaking money be invested?
- What kinds of services and support will the circle need over time? Are they provided by the host organization?
- Is the circle building an endowment?

Staffing:

- How much of the circle's operations are handled by volunteers? By staff?
- Is the circle staffed through the host organization?
- Does the circle hire its own staff?

Grantmaking and Learning:

- How does the circle determine its grantmaking focus?
- Is the focus geographical? Issue based?
- How will potential grantees be identified?
- What process will govern the selection of grantees?
- How will the circle ensure accountability?
- How will learning opportunities be built into the membership experience?

Relationship with community/grantees:

- How does the circle define its relationship to the community and to grantees?
- How will the circle share what it has learned over time?

Growth:

- Does the circle intend to grow larger in size?
- Does the circle intend to grow member contributions over time?
- Does the circle intend to increase member engagement over time?

Key Issues

Our research also points to key issues that may arise as the circle matures.

- How to attract donors outside of the existing network
- How to develop leadership and plan for founder succession
- How to keep donors engaged, particularly the most experienced circle members
- How to build in learning so that it is authentic
- How to deal with issues of power (personal charisma, financial inequity)
- How to maintain a balance in relationship with the community (open, but not overwhelmed)
- How to make thoughtful funding choices
- How to measure impact
- How to get bigger without becoming too institutional and losing the "grassroots feeling"
- How to build organizational capacity, particularly considering full-time staff support

Circles mix and match to create a wide range of operating structures

How big is the circle going to be?	What format or structure is desired?	What financial commitment level and consistency is desired?	What commitment level — duration and intensity — is desired?	Where does the money live?	How is the circle administered?	How are the circle's operations funded?	What priorities will inform grant-making?
Small <20	Event-based (no consistent membership; donors come together around events)	Contribution range: Contributions can be any amount, and typically range from \$150 to \$20,000	Length of commitment required for membership ranges from a single event to several years	No joint holding of resources (checks written directly to recipients)	Completely volunteer driven	All volunteer	Single issue focused
Medium 20-50	Informal structure (consistent membership, but no committee structure)	Equal donations	Intensity ranges from required participation in meetings, committees, and volunteer work, etc. to voluntary participation (or not)	Held at a financial institution or bank	Staffed by host Hires own staff Volunteer/staff combination	Donors pay additional % or flat fee Some donors make additional gifts for administration	Multiple issues Community-based International and cross-border giving
Large >50	Formal structure (often has steering committee, grantmaking committees, etc.) Institutionally driven (created, sponsored, and staffed by a mission-driven host)	Variable donations (donor chooses)		Held by a host organization Comm. Fdn. Public Fdn. Nonprofit Other intermediary		Funded by outside grants or gifts Subsidized by host organization (in-kind contributions)	Variable over time

Table 1: Factors influencing form and structure of giving circles

Giving Circles in the *Context of American Philanthropy*

Although philanthropy is traditionally viewed as an intensely private and individual activity, collective charity — individuals united through the act of giving — has a strong history in the United States and internationally through voluntary fraternal or mutual benefit societies. Philanthropy scholar and former president of the Council on Foundations, James A. Joseph, writes in *Remaking America*, that “Few Americans are aware of the extent to which voluntary groups provided a means of economic survival for racial minorities and helped them to make sense of their realities by serving as vehicles for self-help, social cohesion, and a positive group identity.”⁷ Joseph points to the confraternidades formed by Mexicans in the Southwest as early as 1598, the benevolent fraternal orders of the Chinese-Americans called *hui kuan*, and the multitudinous voluntary groups and mutual aid societies among African Americans in the nineteenth century. These traditions, brought to America from home cultures and strengthened by necessity, have shaped our country’s civic culture.

For Americans of European ancestry too, participation in fraternal and benevolent societies was a common feature in the 19th and 20th century. A conservative estimate is that one in ten males belonged to lodges in 1910.⁸ Societies proliferated in both rural and urban areas across myriad dimensions: religious, political, ethnic, charitable, and fraternal.⁹ Many of these societies were organized partly for mutual aid — members joining together to provide for one another in case of sickness or death in the family.

By the 1930s, however, fraternal societies entered a period of decline when competition from commercial insurance and new forms of entertainment, such as radio and movies, increased. Another factor in fraternal decline was the rise of the welfare state — mothers’ pensions and workers’ compensation in particular, which were nearly universal by 1931.¹⁰ Beito argues that mutual aid was a creature of necessity and once the necessity ended so too did the primary existence of fraternalism.

The decline of mutual aid societies coincided with the rise in private, organized philanthropy. Both philanthropic foundations and federated fund drives, in which a professional campaign raises money from many donors, gained in popularity during the early part of the twentieth century. Davis notes that following the founding of the Rockefeller Institute for Medical Research in 1901, the first foundation with a director and a board, many new foundations were created; by 1950, organized philanthropy had grown to more than 7,500 institutions.¹¹ Over time, the practice of charitable giving, which had been largely community- or affiliation-based, became more individual and private, as did much of American life during the latter half of the 20th century. Today, there are more than 60,000 foundations in the United States, half of which formed since 1990.¹²

Although foundations tend to come to mind when people think about philanthropy, the bulk of giving — more than 80% — still comes from individuals. And collective, or shared giving, while never absent from American life, is more prevalent in the public consciousness due in part to the growing visibility of giving circles.

⁷ *Remaking America: how the benevolent traditions of many cultures are transforming our national life*, by James A. Joseph, p. 8.

⁸ “From Mutual Aid to Welfare State: How Fraternal Societies Fought Poverty and Taught . . .” <http://www.heritage.org/Research/PoliticalPhilosophy/hl677.cfm>.

⁹ “Fraternal and Benevolent Societies” <https://familychronicle.com/FraternalSocieties.html>.

¹⁰ *Op cit*.

¹¹ “The Reader’s Companion to American History—Philanthropy” by Allen F. Davis. http://college.hmco.com/history/readersompn/rcah/html/ah_068500_philanthropy.htm.

¹² The Foundation Center: <http://fdncenter.org/>.

The Emergence of the Giving Circle Trend

Giving circles first gained prominence in philanthropy during the 1990s, most likely as a result of several factors: the increase in women's philanthropy, which included and encouraged many forms of shared giving; the rise of new donors and high net worth individuals who sought engaging ways to give back to society; and the increasing desire by individuals to have a greater say in and ownership over their charitable giving. Those individuals who initiated and embraced shared giving — and attracted press attention — were instrumental in helping further the trend. Our research yielded the following history of the rise of giving circles, but we acknowledge that our understanding may be incomplete.

Stephanie Clohesy notes that the Ms. Foundation for Women and the Global Fund for Women were early advocates for donor circles.¹³ Her research indicates that one of the first circles was created in 1992 by the Ms. Foundation for Women in conjunction with the Center for Policy Alternatives. The circle, named Women's Voices, engaged several women donors who came together to fund and help lead a major polling and public education campaign around the potential of the women's vote in the Presidential election. The success of that fund prompted the creation of additional donor circles within women's philanthropic funds, such as the Democracy Funding Circle in 1996 by the Ms. Foundation for Women, which requires an annual gift of \$25,000.

Although these early donor circles were largely grounded in donor education and fundraising within their respective institutions, they broke new ground in collective giving and many — particularly organized by women — followed.

Another seminal force behind the growth of giving circles was the founding of the Washington Women's Foundation (WWF) in 1995 by Colleen Willoughby (see WWF profile in Appendix A). With four decades of experience as a donor and volunteer, and a strong interest in women's leadership, Willoughby was determined to engage, educate, and empower women as philanthropists by developing a new model for pooled philanthropy. After working with four friends for a year to develop the collective giving concept, which they introduced to the women of the Seattle area at an event featuring a well-known local philanthropist, the WWF was formed.

The founders invited women to give a total of \$2,100 annually for a period of five years. Of that \$2,100, \$1,000 is contributed to a pooled fund; \$1,000 is designated to a nonprofit of the individual's choice; and the remaining \$100 supports educational programming for members.¹⁴ They quickly recruited 116 members and within 9 months they had given their first grant of \$100,000 to Mothers Against Violence in America. Promoting the idea that "We may not all individually be wealthy women, but we hold great wealth in common," the Foundation's unique model quickly attracted press attention and requests by many for assistance in replicating the concept elsewhere.¹⁵

Although WWF was featured in papers ranging from the *Seattle Post Intelligencer* to the *Washington Post* and *Los Angeles Times*, and nonprofit publications such as *The American Benefactor*, it was a 1998 article in *People* magazine, titled "Charity Belle", that helped incite the proliferation of the giving circle concept. Our research uncovered numerous examples of circles that began as a result of the *People* profile of WWF. Indeed, Sondra Shaw Hardy, who is widely recognized as one of the leading experts on giving circles, noted that she first heard about the concept through the *People* profile of Willoughby's WWF.

Working with the WWF as a model, Shaw-Hardy developed her Three Generations Giving Circle, which requires a \$1,000 gift annually for two years. Based on her experience founding that circle, in 2000 Shaw-Hardy published an influential resource, "Creating a Women's Giving Circle." Published through the Women's Philanthropy Institute, an organization founded in 1997 and dedicated to inspiring women to reach their philanthropic potential, the handbook is a how-to guide for women interested in starting a giving circle of their own. In the book, Shaw-Hardy writes, "Across the United States,

¹³ *Donor Circles: Launching and Leveraging Shared Giving*. Stephanie J. Clohesy author for The New Wealth, Women & Philanthropy Project. 2004.

¹⁴ The amount allocated to member education is now \$300; the charitable commitment is the same.

¹⁵ Washington Women's Foundation. "Something Ventured: An Innovative Model in Philanthropy," 2002.

groups of women are initiating and participating in giving circles, groups of individuals who pool their charitable gifts to fund projects that improve the quality of life in their communities. These women are part of a new generation of women who are redefining philanthropy.¹⁶ Shaw-Hardy's handbook quickly became a popular resource for those interested in starting a circle.

Intergenerational Transfer of Wealth:

Concurrent with this trend in women's philanthropy, the unprecedented intergenerational transfer of wealth was bringing many new donors to philanthropy. From 1990 to 2005, the number of households with investable assets of \$500,000 or more was projected to rise from 11.2 million to 33.5 million respectively.¹⁷ The newly affluent were not a monolithic group, and philanthropic and financial institutions struggled to identify, understand, connect with, and engage this population in charitable giving.

In addition to wealth inheritors, the country witnessed a significant rise in the number of high net wealth donors, many of whom were newly rich as a result of the technology boom of the late 1990s. The burgeoning "dot com" economy produced many millionaires — and multimillionaires — virtually overnight. Relatively young and often visionary, many of them began exploring opportunities for putting their newfound wealth and business sense to good use — and not always in the fashion of traditional philanthropists. For example, Pierre Omidyar and his wife Pam created a private foundation in 1998 following the initial success of his venture, eBay. The Omidyar Foundation immediately embraced an engaged approach to philanthropy, offering not just financial support to grantees but also providing technical support and linkages to other opportunities.

It is against this backdrop that in 1997, Social Venture Partners (SVP) was founded by Paul Brainerd, former Aldus Corporation President. Additional founding members included technology industry leaders Scott Oki, Ida Cole, Bill Neukom, and Doug and Maggie Walker. Not content with traditional giving, the founders aspired to build a philanthropic organization using a venture capital model, where participants could actively nurture their financial investments with guidance and resources. SVP engages philanthropists to contribute time, money, and business expertise to nonprofits and schools.¹⁸ Participants agree to invest \$5,500 a year for two years into a giving pool, which is invested in a select group of nonprofit organizations.

What started with a core group of five individuals quickly grew to 282 Partners at SVP's peak. To date, the first SVP (Seattle) has invested more than \$7 million in 38 nonprofit organizations. The SVP model, which was popularized as "venture philanthropy" in a 1997 Harvard Business School article, "Virtuous Capital—What Foundations Can Learn From Venture Capitalists", resonated strongly across the country and in Canada.¹⁹ Within 5 years, SVP had been replicated through more than 20 SVP affiliate organizations, providing more than \$13.5 million in charitable investments.²⁰

Creating new and engaging ways to give back is not only the province of the rich, however. Around the same time that Paul Brainerd was founding SVP, Reverend Wayne Muller was initiating Bread for the Journey in New Mexico, a much more informal model for collective giving. Bread for the Journey arose from Muller's desire to connect with and give back to the larger community in which he worked as a therapist. He resolved to set aside a percentage of the annual revenue from his private practice for charitable purposes. As he began to give the money away, people who heard about what he was doing began to contribute as well, trusting that Muller would invest their charitable contribution wisely. At that point, Muller realized "this needed to be something a tad more formal than just a coffee can" in his office. Bread for the Journey was created as a public charity 501(c)(3) organization that incubates community philanthropy—donors come together informally, pool their resources, and support community-driven projects.²¹

¹⁶ "Creating a Women's Giving Circle." Sondra Shaw-Hardy WPI. 2000.

¹⁷ Spectrem Group. Affluent Market Research Program, 1999-2001 (www.spectrem.com) as cited in "High Net Worth Individuals. Giving Back to Community", published by the Community Foundation R&D Incubator 2002.

¹⁸ Note: we refer to the original Social Ventures Partners, known as SVP Seattle, as SVP. Other SVPs referenced in this report are identified by their location.

¹⁹ Grossman, A. "Virtuous Capital: What Foundations Can Learn From Venture Capitalists." Harvard Business Review 75, No. 2 (March-April 1997).

²⁰ Social Venture Partners International Affiliate Snapshot, July 2004.

²¹ Abbreviated history of Bread for the Journey adapted from the September-October 1997 issue of *Pathways* Magazine posted to the organization's Web site; IRS Ruling Year—1998.

The idea quickly caught on and Muller notes that he started getting calls from people across the country who liked the simplicity of the approach and wanted to use it themselves. Then Bread for the Journey was featured in the September-October 1997 issue of *Pathways* magazine and the model of community giving spread even further. Bread for the Journey now has its own Web site (www.breadforthejourney.org) and chapters in 17 cities and Canada (see Bread for the Journey profile in Appendix A).

Other variations of the shared giving concept — primarily loosely organized, event-based giving circles — also gained in popularity during the early 2000s through the help of popular national magazines. People magazine and Real Simple magazine featured stories of donors coming together to pool their money for a charitable purpose such as funding a local dental clinic. The August 2002 edition of the latter profiled “Womanade,” which Dr. Amy Kossoff began in March 2001 in Washington, D.C., by forming a group with several professional women to raise money for charity through an informal potluck dinner.²² Dr. Kossoff’s idea quickly caught on. Our Lexis-Nexis research identified 11 additional Womanade groups that attracted press attention after forming as a direct result of the *Real Simple* article.²³

As the practice of collective giving grew, it was featured not only in local and regional press outlets, which typically highlighted the work of a local giving circle/donor group, but also in prominent financial and philanthropic media outlets that explored options for new donors. For example, a September 2000 issue of *Kiplinger’s* magazine reported that a new generation of donors was using innovative methods from giving circles to venture philanthropy to ensure that their charitable dollars were well spent. The November 2001 issue of *Bloomberg Personal Finance* similarly included giving circles as one of many philanthropic options open to donors. In addition, scholars began to explore the interests and needs of new donors and the appeal of this new form of philanthropy.

New Ventures’ grantee coalitions further supported the growth of this trend as they sought innovative ways to attract and connect the newly wealthy and under-represented populations (e.g., African Americans, women) to philanthropic giving. Noting the desire among many donors to become more engaged in their giving, and the immediate success of Social Venture Partners and many women’s giving circles, New Ventures coalitions such as Giving New England and the Baltimore Giving Project (BGP), developed new resources and tool kits and started outreach efforts to grow this new form of collective giving locally. BGP was immediately successful in catalyzing 14 giving circles in Maryland that have raised approximately \$1,000,000 to date in actual and/or pledged philanthropic dollars. One of the founders of the Baltimore Women’s Giving Circle, which formed with support from BGP, notes that she had first become intrigued with the concept after reading the *People* magazine story about the Washington Women’s Foundation almost a decade earlier and that when BGP offered encouragement, support, and guidance, she was motivated to get the circle up and running.

Today, a little more than a decade since the term “giving circle” entered the lexicon of philanthropy, we see giving circles as varied and distinct as the individuals who create and join them. At 5,700 donors and \$44 million, the circles in our survey sample alone make a powerful argument for the relevance of the phenomenon. Even more persuasively, the donors engaged in giving circles speak to the joy and satisfaction that they derive from giving to their community, in community — and from learning about and practicing a personal philanthropy.

²² “Second Helpings” by Jean Hanff Korelitz. *Real Simple* Magazine. August 2002.

²³ Note: We expect that many more exist; however, we had no way of identifying such groups beyond internet and LexisNexis searches.

Reflections and Recommendations for next steps

This research was the first effort to quantify and describe giving circle activity nationwide. We hope that it not only contributes to the understanding of the trend in collective giving, but also serves as the starting point for continued documentation and study. In his seminal work, *Bowling Alone*, Robert Putnam examined societal trends across nearly three decades and concluded that the social fabric of our country is deteriorating. He argued that we are no longer a nation of “joiners” and not even the family unit is protected. Putnam’s data is startling: over the last 25 years, attendance at club meetings has dropped 58%, family dinners have declined 33%, and having friends over has declined 45%.²⁴ This decline in civic participation has negatively affected our individual and collective well-being.

Putnam’s research also examined giving patterns. He noted that although giving (as measured in real dollars) has doubled since 1960, real spending on other items, including cut flowers and entertainment, has tripled and nearly quadrupled respectively. He argues that Americans are simply richer than ever before; philanthropic giving should be stronger, yet philanthropy as a fraction of income is down by a third since the 1960s.²⁵

Bowling Alone was published in 2000, and in the years following, Putnam championed the rebuilding of civic ties. He called for wholesale change in the institutions that structure our private, personal, and social lives, noting that many institutions lack vibrancy and have failed to accommodate changes to our daily lives. He recommended that we retool the institutions that are viable and replace those that are outdated. Importantly, Putnam argued that it is up to us — as individuals — to make civic participation broad and rewarding by changing the organizations with which we are affiliated.

Despite the proliferation of nonprofit and philanthropic organizations, and the array of charitable institutions and organizations to which one might give or participate, giving circles have emerged as a popular and growing charitable vehicle. The trend in collective giving may reflect a new way to answer Putnam’s call to action, which is grounded in a desire by many to connect while giving back. Our interviews and survey data suggest that the community building nature of circle participation is as important — if not more important — to circle members than the good that results from their philanthropy alone.

Giving circles embody the best of Putnam’s strategies for rebuilding the social fabric. They appear to strengthen the bonds of communication and reciprocity among peers, known as horizontal communication. Putnam argues that horizontal communication is critically important — we must connect “citizen to citizen” to counter America’s cultural disempowerment. And although at first the circles primarily reinforce bonding social capital (the connection that exists between like individuals), their growth cultivates bridging social capital, connections between individuals different along important dimensions. Both serve to build and reinforce in-group and generalized norms of reciprocity, which can contribute to public problem solving and democratic participation in society.

²⁴ www.bowlingalone.com.

²⁵ <http://www.ksg.harvard.edu/saguaro/factoids.htm>

Recommendations for next steps

- 1. Support from the philanthropic community:** Philanthropy in general, and community-based philanthropic institutions in particular, need to recognize and understand their important role in supporting community-based philanthropy, particularly for its ability to strengthen civic ties. Established philanthropy has a wealth of experience to share — on everything from assessing proposals to measuring impact — and increased dialogue between grantmakers and giving circles would be useful. At the same time, giving circles have some useful lessons and practices to share with grantmakers.

The circles that have emerged have done so, often without the support of the field. Although New Ventures has taken a prominent and active role to further giving circles, and there are examples of new circles receiving support from established philanthropy, many giving circle founders and experts point to challenges and inefficiencies resulting from a lack of resources, both informational and financial. For example, while searching for a host for a newly forming giving circle, one founder contacted her local community foundation and found them to be “not encouraging or helpful.”

- 2. Continued learning, sharing, and interaction between circles:** Giving circles are about community at their core, yet there is no established community of giving circle founders and participants. Our experience connecting 20 circles through a meeting, and numerous others through an informal listserv, convinces us that greater interaction and sharing would be enormously beneficial to both established and new giving circles. The Giving Circles Knowledge Center, at www.givingforum.org/givingcircles, is designed to provide useful information, resources, tools, and sample documents to help giving circles and host organizations make wise decisions and share what they have learned.
- 3. More research:** Our research suggests that giving circles are growing as an important trend within philanthropy, yet much needs to be done to understand, strengthen, and support this new form of giving. In particular, longitudinal research that examines the impact of giving circle participation on donors' long-term behavior is clearly desired by prospective hosts. To date, only SVP has demonstrated what we have been hearing anecdotally for years — giving circles not only have an immediate impact on a donor's level of giving in a given year, but also grow an individual's philanthropic propensity over time.

Appendices

APPENDIX A: Giving Circle Profiles

APPENDIX B: Survey Research Methodology

APPENDIX C: New Ventures In Philanthropy Giving Circle Survey

APPENDIX D: List Of Giving Circles Participating In The Survey

APPENDIX E: National Database Of Giving Circles—City, State, Web Address, If Available

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PROFILE: United Way's Alexis de Tocqueville Society and Women's Initiatives

Some United Way initiatives — such as the Alexis de Tocqueville Society and the Women's Initiatives — share some or most of the characteristics of giving circles, although they are not generally considered such. In many local United Ways, donors participating in a Women's Initiative typically give at the same level, or there is a minimum floor for participation; they pool their resources; they have a say in how the funds are spent; and they engage in learning opportunities connected to their giving.

History of the Alexis de Tocqueville Society

The United Way of America created the Alexis de Tocqueville Society in 1984 in an effort to increase the giving patterns of major donors. To be a member, donors must give at the \$10,000 level or above. Since its founding, more than 20,000 donors in communities throughout the United States have raised their level of personal giving to \$10,000, some to levels as high as \$1 million, even \$10 million — and beyond.

United Way expanded on the de Tocqueville Society with the creation of the National Women's Initiatives in Tocqueville & Leadership Giving. The purpose of the National Women's Initiatives is to promote philanthropic giving among women by increasing Tocqueville membership among affluent and influential women. To be recognized nationally as a Women's Initiative member, a woman is asked to make a gift at the leadership or Tocqueville level in her own name.

United Way of Central Maryland's (UWCM) Women's Initiative

The mission of UWCM's Women's Initiative is to create a powerful leadership network of women who strengthen their community through a focused investment of their time, talent, and treasure. Created in 2000 as part of the Alexis de Tocqueville Society, the Women's Initiative targets individual gifts of \$10,000 or more to highlight and recognize women leaders who invest in the community. By 2001, the Women's Initiative membership totaled 76 and raised \$932,000. Women's Initiative members do more than make a financial commitment. They are part of a network of women who use their heads, their hands, and their hearts to make sure women and children in central Maryland have the support they need to succeed.

The Women's Initiative allows women to see the results of their investments of time, talent, and/or treasure. Members have the option of directing their contribution to specific focused areas created especially for the Women's Initiative program: Success By 6®, supporting at-risk families & caring for children birth to 6; Diplomas Not Drugs, reducing school truancy and teen drug use; and Safe and Sheltered, providing a safe environment and resources for women and their families affected by domestic violence.

Volunteering: Connecting to the Community

Members can lend a hand individually or with their children and families, teaching them the importance of volunteering and how good it feels to give back to the community. Projects such as reading to children, serving food to the homeless, or participating in clothing drives are only some of the opportunities. Monthly tours are offered so members can visit an agency, learn about issues facing women and children, and hear from women who share how their lives are being changed.

Mentoring: Inspiring Future Generations

Women's Initiative members can mentor the next generation of women philanthropists, instilling in them the importance of giving back to the community. WINGS, Women's Initiative Next Generations of donors, was created to offer women who give \$1,000 or more the opportunity to help children and youth in central Maryland and connect to the Women's Initiative network.

Networking: Building Relationships

The Women's Initiative offers unique ways to network with community leaders who share the same passion for helping those in need. Receptions hosted by Women's Initiative members offer an informal opportunity for members to share ideas and enjoy social time. Also, the Women's Initiative can match members' interests and skills to board or committee positions at United Way agencies.

Adapted from the United Way of America and United Way of Central Maryland's Web sites, www.unitedway.org and www.uwcm.org, respectively.

PROFILE**The Clarence Foundation's Global Giving Circle Program**

The Clarence Foundation is a grantmaking organization established in 1999 in Oakland, California, that promotes engaged international philanthropy by catalyzing globally focused giving circles. The Foundation's Global Giving Circle program provides donors an accessible and personally supportive vehicle for engaging in international and cross-border philanthropy. Participants join a group of 10-15 people who pool their time, talent and resources to support small international projects, usually administered by grassroots organizations overseas.

The Global Giving Circle Program got its start after the Foundation's Executive Director, Marc Ross Manashil, shared with donors his experiences from a 2001 trip to the Democratic Republic of Congo. The presentation inspired donors to ask what they could do to help, and Manashil developed the Foundation's first giving circle in response. The first circle, which focused on Africa, embodied a "learning as we go" spirit and was very informal. The lessons learned from that work, and the excitement created by active donor engagement, prompted Manashil to build on the experience and create a formal giving circle program. Manashil notes that the giving circle format provides for rich donor involvement and education, which is particularly important for international giving in which feelings of distrust or suspicion can be accentuated if there is no direct contact with the beneficiaries and where there are cultural and legal issues that affect the giving.

To participate in the program, donors contribute \$5,000 each, with \$750 of that going toward a membership fee, which supports the educational components provided by the Foundation, and the remainder is contributed to the grant pool. The group meets eight times in a nine month period and decides how it wants to spend that money. After reviewing a portfolio of proposals prepared by a network of partner organizations and screened by Foundation staff, the donors communicate with prospective grantees, make funding decisions, and identify skills and expertise within the giving circle to help grantees meet identified needs. Those who choose to travel may participate in a site visit as well.

The meetings of the program are designed to highlight best practices in global giving through readings, discussion, and presentations by leaders in the international philanthropy field. Developed in association with Grantmakers Without Borders and End Poverty Foundation, the curriculum is well-regarded by participants who appreciate learning about the legal aspects of international grantmaking and the fine points of communicating with people who have different cultures and languages. More importantly, however, the group process engages a diverse group of donors who have a direct role in the grant decisions and value the "learning by doing" and first-hand approach the circle brings — something not usually found in international giving, which usually occurs through large intermediaries.

Manashil notes that the giving circles provide donors with local ways to make a global impact in conjunction with others who share the same concern. He hopes that the Clarence Foundation's work will not only raise the rates of international giving but also help project a positive image of Americans within the countries that they are working. The Foundation's most recently formed circle

will confront the issue of commercial sexual exploitation of children, and two new giving circles on microfinance are forming. The Foundation also plans to work in a consultative capacity with individual donors, international organizations, and community foundations to help them organize global giving circles of their own.

Adapted from an interview with Marc Ross Manashil and a 2004 profile of the Clarence Foundation that appeared in Advancing Philanthropy.

PROFILE

The Angels Network, Washington, DC region

The Angels Network (TAN) is a 501(c)(3) charitable organization in the Washington, DC region. TAN is an all-volunteer organization founded by Judi Nardella, Cindy Brent, Jill Lubore, Kathy Woodward, Cathy Lange, Jodi Robison, and Adrienne Albers. The organization is dedicated to supporting organizations, individuals, schools, and programs in need, and to do so with as little fanfare as possible and as quickly as possible.

TAN held its first network reception in January of 2000. Jim Kimsey, Founder and Chairman Emeritus of AOL, hosted the gathering at the City Club in Washington, DC. Founder Judi Nardella notes that we “had no idea where we were going with our idea!” But by the end of the evening, they knew that there was a real need and desire by women to be able to come together in a comfortable environment where they could talk, eat, drink, laugh, and give back to the community. The founding board members worked hard to lay the foundation for the organization and with support from friends within the business community who have repeatedly answered calls for help, TAN has grown a network of remarkable women who believe in and know the value of helping others.

The Angels Network organizes networking receptions hosted by sponsors in the community to benefit a specific charity or cause. TAN also sponsors a limited number of compensated internships for nonprofit organizations and TAN members mentor students to provide guidance as they transition from college into working life. TAN has held approximately 20 events, raising, on average, \$10,000 at each event. To date, over 500 women have participated in these events, giving money and time. There is no minimum donation and no formal membership.

There are four major elements to the TAN model:

1. Educate and connect: introduce women to charities and community needs
2. Connect and contribute: connect charities to donors and possible corporate sponsors
3. Connect and grow: introduce women to other women and leaders in community
4. Educate and grow: introduce young people to philanthropy

Adapted from The Angels Network Web site, www.theangelsnetwork.com, and communication with Cathy Lange

PROFILE

Giving Circle of HOPE, Northern Virginia

The Giving Circle of HOPE was founded in January 2004 by Joan Kasproicz, Diana Katz, Mary Narayan, and Linda Strup. After 16 years of working on various school and charity events, the four Reston-area women decided, “Let’s do something permanent.” They didn’t immediately come up with the idea of a giving circle, however. They researched a variety of opportunities including starting a business or a nonprofit organization. Linda stumbled upon the notion of a giving circle and quickly connected with the resources available through New Ventures grantees: the Baltimore Giving Project, Giving New England, and Minnesota Giving.

The founders had experience conducting luncheons and social events to raise money for their favorite charities and decided that a giving circle was an idea worth pursuing. They announced the concept at a charity luncheon in December and launched their circle in January. Fortunately, they received considerable local press, which attracted many people to the circle. Strup notes that a large percentage of members are people that the founders had not met before, who bring new skills and experiences, and “have a heart” for this type of work.

The founders note that the start-up process was very exciting, almost like running a campaign. The group created two types of memberships: voting and service. Voting members make a contribution of \$365 a year, while service members organize a volunteer project each month; they try to piggyback on established activities such as coat drives, and Christmas in April. Two members have an affinity for the elderly so an ongoing project involves service at a local home; a massage instructor recently connected her students with the elderly to provide hand massages. The voluntary service component has given members an avenue for helping others and getting involved.

Like any circle, the Giving Circle of HOPE encountered challenges as it formed. Developing bylaws proved difficult as there were so few models to work from, but the exercise forced them to talk through issues and foresee different scenarios for the circle. Ultimately they used the bylaws of the Women’s Giving Circle of Howard County, MD, but modified them considerably. Another difficulty was finding a suitable host organization. After an unsuccessful inquiry to a potential host foundation, the group located the Northern Virginia Community Foundation “by chance.” The founders made an immediate connection with the foundation’s executive director and notes that she brought a credibility to the circle. Ultimately they may decide to create their own 501(c)(3) organization because they are having trouble with tax deductible contributions for fundraising.

The founders also spent considerable time developing the circle’s focus, which is to provide funds and assistance to people in need in Northern Virginia. The goals are to:

- make a difference in the community by contributing time, talents, and monetary resources;
- encourage community among ourselves and those we serve;
- increase public awareness of local needs;
- encourage self-sufficiency and well-being among those in need;
- promote volunteerism and effective philanthropy; and
- build a network that is a catalyst for positive change.

The founders are extraordinarily pleased with the immediate success of the circle, which has grown to 40 members. The educational process has really engaged and interested members in their charitable giving, and the peer network and connection to the community created by the circle is invaluable. Strup notes that circle members learn from their peers, “prompting each other to do better.”

Adapted from the Giving Circle of HOPE’s Web site, www.givingcircleofhope.org, and an interview with Linda Strup, circle founder.

PROFILE

Everychild Foundation, Los Angeles, CA

The Everychild Foundation was founded in November 1999 by Jacqueline J. Caster, out of her longstanding commitment to activities alleviating the suffering and expanding the prospects of children. Caster notes that she had “never heard of giving circles” and just had an idea in her head — then she came across articles in *Health* and *People* magazines, which profiled donors coming together to pursue a shared goal. Caster had experience with fundraising events and felt frustrated that so much energy and resources were devoted to raising money. She believed instead that a select group of women in Los Angeles could join together, without a significant time commitment, to make a serious difference in the lives of children in need.

Caster began sharing her idea with friends and neighbors and quickly gained momentum; over bagels and coffee she quickly raised \$50,000. They gave their first grant within 6 months and received their 501(c)3 status in July of that year. Although the name implies otherwise, the Foundation employs no paid staff members and pays no rent; Caster runs the organization from home while her children are at school, devoting 4 to 5 hours per day of her time. Caster opted to create an independent organization so that the group would not have to cede control or a portion of the funds raised to a host organization. The Foundation currently has 160 members. The Foundation's approach is simple:

- **Create** a small group of women —just over 200— who are each ready to commit \$5,000 annually to make the dream of the Everychild Foundation a reality;
- **Target** one non-profit organization each year with a dream project that their gift can make possible. Each project, carefully selected by the members, profoundly helps children facing disease, abuse, neglect, poverty, or disability;
- **Award** \$1 million to fund that project. All grant recipients are closely monitored by the Everychild Foundation, and grant money is delivered in phases, based on performance in meeting specific grant requirements;
- **Limit** membership with the idea that, over the years, Everychild will become known as a small, efficient, powerful, and highly respected women's organization in Los Angeles. To become a member of the organization, an opening must be available; however, Everychild welcomes contributions of any size from anyone or any institution wishing to help further the mission of helping children in need. You may also want to consider including the Everychild Foundation in your will.

Caster says that her idea appealed to a lot of “no nonsense women with good hearts” who are “fed up with the nonsense of the charity scene.” Each year, all members have the opportunity to vote from a ballot of a few projects pre-screened by the grant selection committee and have the option to attend a hearing where applicants present their proposals in person. All members are also invited to attend an annual luncheon, completely underwritten by outside sponsors, where the organization receiving the highest number of votes is awarded that year's grant. Along the way, Caster keeps everyone apprised of the progress of the grant recipients.

In 2000, the group supported a mobile dental clinic that traveled year-round among 30 Los Angeles elementary schools in the highest poverty areas. In 2001, the group provided funding for 15 new libraries within Los Angeles elementary schools. Members love the ease with which the giving circle operates and enjoy having a say in which organizations get selected. In the last two years, the runner-up project got a six figure grant from a member directly, and a lot of members have individually supported projects that came to the attention of the organization.

Everychild also provides opportunities (always optional) throughout each year where members can network and socialize. A strong goal of the Foundation is to build a community of women who enjoy working together. Member hosted cocktail parties/salons at member's homes with special speakers on children's issues, along with an Annual Family Day Barbecue where members' children engage in a “hands-on” philanthropic activity of their own. It is an Everychild policy that all activities be underwritten by outside private and commercial sponsors, not by membership dues.

Caster notes that despite the extraordinary impact of the projects funded, which have touched the lives of 30 thousand children, the “real impact” of the Everychild Foundation is in growing an informed network of women donors who are now more effective in their charity, volunteering their time in the community, and donating more than their original \$5,000 investment in the circle.

Adapted from the Everychild Foundation Web site, www.everychildfoundation.org, and an interview with Jacqueline Caster, founder.

PROFILE**The Giving Back Gang, Shaker Heights, OH**

The Giving Back Gang was founded in 2002 by Hank Doll, trustee of the Doll Family Foundation. Doll had heard about giving circles through his connection with New Ventures in Philanthropy and thought they were a great idea. He gave a talk at church about philanthropy, and in the course of that talk, discussed giving circles and his interest in starting one. At the end of the meeting, three people said that they wanted to be involved.

Doll wrote up a summary of his circle concept and what would be involved, and decided on a contribution level of \$500. He shared this concept with friends, including another couple and his investment broker. In the end, he had recruited 12 people — 2 women and five couples. The group came together at Doll's home and brainstormed an area of focus, ultimately deciding on public education. They agreed to meet every 7 weeks, with the location/host rotating. Doll became the group's "program officer" since he knew a lot about the city and had relationships with program officers at other foundations.

The circle's operations are simple: they meet on Sundays and from 5 to 6:30 enjoy dinner together as a group. A guest speaker joins them from 6:30 to 8:30, giving a 20-25 minute presentation with recommendations on how they could make a difference. The program officer for education at the Gund Foundation agreed to be the group's first guest speaker and recommended to the group other contacts in the area of public education. Each time, speakers were asked how they would use a \$6,000 donation. By the end of the year, the Giving Back Gang had 7 ideas to consider funding.

They created a three-person committee to vet the ideas and choose the most compelling, ultimately settling on three from which they would solicit proposals. The group decided to use their funding to expand a puppetry project to several more schools. To simplify matters, each donor wrote a separate check directly to the organization, and Doll sent them all to the superintendent with a single cover letter and asked for individual receipts in return.

In 2004, the group increased its contribution to \$1,000 each and is looking into a much larger project, most likely connected to the economic and environmental development of the region. Doll notes that the circle has really been fun, and the giving unites the group — they come together out of concern for the community and in order to learn how best to have an impact through their charity. Although other people have expressed interest, so far the group is committed to staying small and manageable. One option they have discussed is to split the group and have each person become host to a new circle. But Doll notes that one of the challenges is finding a suitable leader for each circle — through his connections in the community he knows "who to call" on a particular issue, but not everyone has that capacity.

Doll notes that the home-based approach, which they recently tweaked to a potluck model, really works for their circle — it's simple and effective.

Adapted from an interview with Hank Doll, founder.

PROFILE**The Wine Ladies Fund, Oshkosh, WI**

The Wine Ladies Fund, founded in 2000, is a giving circle hosted by the Oshkosh Area Community Foundation. The circle's origins were purely social. After Helen Claghorn's husband passed away, she organized a small group of friends to spend Thursday evenings together, thinking it would be a good time to see friends whose husbands were playing golf together. Several of the women in the group were charter members of the Women's Fund at the community foundation, and following a Women in Philanthropy Luncheon, many were inspired to combine their social and philanthropic pursuits. The wine group decided to start an Acorn Fund at the community foundation, which they named "The Wine Ladies Fund." Two women gave \$500 and the rest agreed to give \$25 every six months. In three years the fund has grown to \$7,000 and has created tremendous interest in, and publicity for, the Women's Fund. In addition to member contributions, the circle has also received contributions for memorials, birthdays, anniversaries, and simply in honor of friends. When the fund reaches the \$10,000 level, the wine ladies will recommend grants to support programs for women and children.

The circle's 13 members range in age from 56 to 77. Circle member Susie Elbing notes that the desire to grow the fund for the purpose of promoting causes of interest to women really engages the group. The circle has also given members a greater sense of duty to give money to causes that affect women, girls, and children, says Elbing.

Adapted from information provided by Susie Elbing, circle member.

PROFILE**The B'MORE Fund, Baltimore, MD**

The B'MORE Fund is a giving circle for young professionals that was catalyzed in 2002 by the Baltimore Giving Project (BGP) in partnership with the Baltimore Community Foundation. In late 2001, BGP partnered with the Erickson Foundation, Hoffberger Foundation, and the Baltimore Community Foundation to develop a next generation networking event, which was designed to give future wealth inheritors and creators an opportunity to network with each other. Baltimore Mayor Martin O'Malley spoke to the group about the importance of philanthropy in addressing the problems facing the region and its citizens.

As a result of BGP's outreach efforts, and through the partnership with the Erickson, Hoffberger, and the Baltimore Community Foundation, the B'MORE Fund was born. After months of planning by a core group of individuals, the B'MORE Fund officially launched on June 5, 2002. Guest speaker, author, and MacArthur Foundation Award recipient Taylor Branch addressed a group of over 100 next generation leaders and philanthropists, and commended their interest in shaping the future of the city and region. Following that event, 30 individuals and couples agreed to pool their resources to invest in the next generation of leadership in the region.

B'MORE Fund members contribute \$500 per individual or couple, which is pooled and used to support an award-based grants program. The B'MORE Fund awards are loosely modeled after the MacArthur Genius Awards. Like the MacArthur Genius awards, the awards are determined through a private nomination and selection process, not through an application from a potential recipient. In this way, it is expected that recipients will be surprised by the award. Further, as with the MacArthur Genius Award recipients, recipients of the B'MORE Fund awards are not obligated to do anything as a result of the award (although the Fund hopes they will continue to lead exemplary lives and that the award will help them in their efforts). In 2003, the B'MORE Fund awarded three awards totaling \$15,000. In 2004, the Fund anticipates giving out four awards totaling \$20,000.

The Fund is managed by volunteers through a committee structure that includes two fund co-chairs and a Steering Committee comprising the chairs of the Membership/Outreach, Program/Education, and Awards Committees. The Fund is administered by the Baltimore Community Foundation.

Adapted from the B'MORE Fund Web site, www.bmorefund.org.

PROFILE

Natan, New York, NY

Natan, which means “give” in Hebrew, is a philanthropic network of young Jews seeking to help transform the Jewish future by funding innovative solutions to address crucial questions in Jewish life. Formed in 2002, the philanthropic network is administered and managed by the 21/64 division of the Andrea and Charles Bronfman Philanthropies, and receives support from The Nathan Cummings Foundation, The Samberg Family Foundation, and an anonymous foundation. The collaborative was initiated by hedge fund managers Sender Cohen, Evan Behrens, David Steinhardt, and Michael Steinberg who tapped into their own networks of contacts to get it off the ground. They named the fund in honor of JJ (Natan Yosef) Greenberg, a Jewish communal leader, who died in 2001 at age 36.

In an article in the December 2003 issue of *Jewish Week*, titled “Word of Mouth Philanthropy,” Julia Goldman notes that “If Jewish philanthropies were hair care products, then Natan, a new network of Jewish funders under 45, would be Faberge Organics shampoo because of the famous slogan ‘You tell two friends, and they’ll tell two friends, and so on, and so on...’” Indeed, Sharna Goldseker, who staffs the giving circle, notes that in the first year, each new member was a personal contact of one of founders, primarily through professional networks. Natan has grown by word of mouth since its founding, attracting 27 donors in the first year and approximately 20 in the second, all interested in responding to critical questions in Jewish life.

Members contribute at varying levels to the organization, ranging from roughly \$5,000 to \$50,000. In the first year the group operated with a one person, one vote system, but over time, as gifts started to grow, the organization has considered also stratifying privilege. Now to be part of the grantmaking process, gifts need to be closer to \$10,000 and board-level involvement in the organization requires a contribution of \$25,000-\$50,000. This decision was made in conversation with the board and the executive committee. The group also recognizes that not everyone wants to commit their time to the organization, but that leadership emerges among those who do.

In its inaugural year, Natan awarded grants totaling almost \$500,000 to 15 innovative Jewish projects selected from more than 225 proposals received in response to an RFP. The grants span three program areas: Jewish identity, Israel on campus, and economic development in Israel. But another reward is the growing network of Jewish philanthropists, which Natan is helping to cultivate and nurture. The minimum \$5,000 contribution is a stretch for some who have never given at that level before, and if not for Natan might not be giving so generously to the Jewish community.

Adapted from www.natan.org and interview with Sharna Goldseker, project director.

PROFILE

Impact100, Cincinnati, OH

Impact100, an independent 501(c)(3) organization dedicated to improving Greater Cincinnati by collectively funding significant grants to charitable initiatives, was founded by Wendy Hushak in the fall of 2001, after she spent the summer brainstorming an idea to become more engaged in rewarding charity. Her concept was simple—recruit 100 women to give \$1,000 each to make meaningful contributions in the greater Cincinnati area. By fall, Hushak had recruited a 15 member board, and the group hosted its first meeting at a local restaurant to attract additional donors across socioeconomic, racial, and ethnic spectrums. Hushak notes that one of her goals was to broaden and modernize the idea of philanthropy for women.

The concept was immediately successful. A year later membership totaled 123, and Impact100 made its first grant in the amount of \$123,000 to the Greater Oral Health Council, which provides dental care to the needy. In year two, the group attracted 184 donors, plus \$4,475 in gifts from non-members. Every dollar donated by the members is passed on directly in the grants. Administrative expenses are covered by interest earned on the collective fund, "friends of" gifts of less than \$1,000, and corporate gifts. In 2004, the organization passed the \$200,000 level, so two \$105,000 grants will be awarded.

Donors to the foundation may choose to meet their financial obligation and do nothing more until the late September or early October Annual Meeting. They may also choose to be involved in one of five focus areas: culture, environment, education, health and wellness, and family. A board member chairs each focus area, and a committee of members requests and evaluates proposals from non-profit agencies in the Greater Cincinnati area.

The agencies are informed that they are applying for a \$100,000 grant (or more, based on the number of Impact100 members). After research, site visits, and other necessary due diligence, each committee narrows their choice to one deserving agency.

Each member has the opportunity to vote, regardless of her involvement on a specific committee. The agency receiving the highest number of votes receives the grant for that year. Each focus area's selected agency is represented at the Annual Meeting. At this event, members listen to presentations from each Committee and their chosen non-profit and vote for their choice to receive the \$100,000 grants.

The group continues to pursue its charitable goals, hoping ultimately to reach the 500 donor mark so that they can annually support a cause in each of the five program areas.

Adapted from the Impact100 Web site, www.impact100.org.

PROFILE

The Birmingham Change Fund, Birmingham, AL

The Birmingham Change Fund is a newly formed giving circle for African American professionals hosted by the Community Foundation of Greater Birmingham. The mission of the Birmingham Change Fund is to identify, cultivate, and raise resources that improve the quality of life for African-Americans living in the Birmingham region. The Birmingham Change Fund fulfills its mission by gathering contributions, educating its members about the power of collective philanthropy, and broadening their awareness of issues affecting African Americans in the Birmingham region.

Anyone can join by making a minimum financial commitment of \$250 per year and attending meetings. General membership meetings are held quarterly and include education opportunities and committee reports. One meeting per year is devoted to grantmaking. The Fund is organized and managed by its members; the Community Foundation of Greater Birmingham provides limited administrative support.

The group is organized with elected officers and various committees. These committees include but are not limited to: Membership, Education/Philanthropy, Fundraising/Special Events, and Grantmaking and Finance. Each committee has a chair and the chairs, along with the elected officers, make up the Executive Committee.

Adapted from the Birmingham Change Fund fact sheet supplied by Darryl Lester.

PROFILE

Dining for Women, Greenville, SC

Dining for Women is a nonprofit fundraising group in Greenville, South Carolina, founded in January 2003 by Marsha Wallace. Wallace was inspired to start the group after reading a story in *Real Simple* magazine during the fall of 2002. She notes that she liked the idea and felt compelled to pursue it in Greenville, but with a slightly different twist. Wallace set up Dining for Women as an independent 501(c)(3) organization dedicated to improving the physical, emotional, and economic well being of women and children worldwide, especially those living in countries with limited support systems. She also organized her nonprofit so that additional Dining for Women chapters can be created, saving other like-minded women from the burdens of creating their own organizational structure and IRS ruling.

Dining for Women raises money in a unique and creative manner — each month they host a potluck dinner at one of the member's homes, saving each the cost of dinner at a restaurant. The women approximate their dining savings at \$30 apiece; the savings are pooled and donated to a different organization each month. They had their first dinner in January of 2003 and have been meeting monthly since. According to Wallace, there is a core group of 12 to 15 women who participate regularly, and there are more than 85 women on her email listserv.

Attendance at one of the events can range from 10 to 40, depending on members' interests and schedules. Wallace recognizes that flexible participation is appealing to, and necessary for, the women who are involved in Dining for Women. Some have the time and interest to fully engage and donate both their time and resources to the organization, while others choose to participate through occasional attendance at events, such as every third month.

Dining for Women has developed a unique approach for identifying issues and organizations to fund: they pick a region and examine the issues affecting women and the potential solutions. For example, the group recently selected East Africa and gathered facts and information about what life is like for women in that part of the world. Whenever possible, a guest speaker addresses the group at the monthly event.

In selecting grantees, the group prefers smaller organizations where their donation will have a bigger impact. In advance of a charitable gift, Dining For Women volunteers carefully research the organization to ensure fiscal responsibility and then make contact with the organization to discuss the potential donation. By working with smaller organizations, they can also develop a more personal relationship with their grantees. For example, in October 2003, the group made a \$1,000 donation to the Jagriti Foundation headquartered in Santa Barbara, California. To thank them for that donation, Jagriti President Dr. Michèle Andina spoke at the Dining for Women event that raised the funds for the gift. To date, the organization has donated approximately \$7,000 to such nonprofit organizations as Women for Women International, Childreach, the American Leprosy Mission, and the Jagriti Foundation.

Adapted from Dining for Women informational materials and an interview with Marsha Wallace. For more information, consult their Web site, www.diningforwomen.org.

PROFILE**The Change Fund, Baltimore, MD**

The Change Fund, housed at Associated Black Charities, is a giving circle with 15 members, all young African American professionals, in Baltimore. It is designed to expand their involvement in philanthropy and to further awareness of social issues. Through its grantmaking activities, The Change Fund exposes members to social, educational, and leadership opportunities to better affect and influence change in the Greater Baltimore area.

Members pool donations of a minimum of \$250 a year to make more sizable gifts to charity — and they meet regularly to share ideas, learn about philanthropy, and debate which charities to support. A one vote per member and majority rules system governs the decision making process. “One of the goals of The Change Fund,” says Erika McClammy, Co-Chair of the Education Committee, “is to encourage philanthropy among our peers through education.” The Change Fund made its first grant awards in 2003, awarding \$1,000 each to three organizations: The Franciscan Youth Center, My Sister’s Circle (a mentoring program for girls) and Aunt Hattie’s Place (a transitional home for boys in foster care.) The Fund has granted a total of \$6,000 to date.

“As young African American professionals,” says Tanya Jones, one of the founding members of the fund, “we feel it’s important to focus our dollars on organizations that address access, education, or leadership among our community’s youth.” In other words, adds co-founder Erik Johnson, they support “the sort of organizations without which many of us wouldn’t be where we are today.”

Adapted with permission from an article written by Cathy Brill for SmartWoman magazine.

PROFILE**The Future Fund of the Community Foundation of Greater Greensboro, SC**

The Future Fund is a group of young leaders (ages 25-45) from the Greensboro area who are committed to making their community a better place and improving the quality of life. The Fund was patterned after a similar effort initiated in 1995 in Abilene, Texas. Select community foundations across the country have embraced this model, which targets young leaders, in an effort to grow the next generation of philanthropists and leaders in their communities.

The mission of the Future Fund of Greater Greensboro, which was created in 2000, is to attract, educate, and nurture effective, ongoing philanthropic leadership in the community through grantmaking. Members contribute \$125 annually, which entitles them to participate in all Fund activities, including social and educational events. Optional programs include seminars and workshops on philanthropy and grantmaking, community issues, and other related topics. The Fund currently has 263 members, mostly married professionals between the ages of 30 to 45.

At present, all of the funds raised are supporting the development of an endowment; the group has successfully found a matching donor or organization for grants each year. The Fund is partially supported by 3 to 4 anonymous donors who cover the administrative costs. As the endowment grows over time, the income will be used to make grants into the community. To date, they have raised \$291,900 and made 23 grants totaling \$145,950. The Community Foundation of Greater Greensboro manages the Fund through its investment committee.

In 2000, the Fund focused their grantmaking on children and youth; in 2001 and 2002, they directed investments toward downtown revitalization; and in 2003, they took up the issue of attracting and retaining young adults to Greensboro. The group uses a formal RFP process to solicit proposals annually. Proposals are reviewed by a grants committee that meets weekly for almost two months before presenting recommendations to the Steering Committee for final approval.

Adapted from Future Fund Fact Sheet, a report prepared by the University of North Carolina Greensboro titled "Voice and Community Engagement: A Report of Young Leaders and Philanthropy," and our survey data.

PROFILE

World Venture Partners, Mercer Island, WA

World Venture Partners (WVP) is an association of individuals dedicated to increasing the philanthropic resources flowing to international projects that assist people in economically disadvantaged countries to lead healthy, productive lives. The association came together in the aftermath of September 11th out of a desire to do something useful, apart from the "war on terror." Working in partnership with Peter Blumquist (a former director at Starbucks), a large group of people came together to discuss the proposition that something could be done to increase international philanthropy, which would be a better, more productive response to the attacks on our country. The group explored an array of ideas including an educational series, book and film club, and a giving circle.

A core group of 7 organizers engaged in an in-depth planning process, which took almost a year. The organization was launched in early 2003 after considerable discussion and consideration. Some of the issues that WVP grappled with included size—would they think big like SVP or would the group stay modest in size (i.e., "enough people to fill a living room"). Ultimately the group decided that it did not want to create a large organization that might result in considerable overhead costs. Founding member Allan Paulsen notes that the size seems to work well and they are able to meet in someone's living room and enjoy a friendly, social atmosphere while engaging in WVP's work.

Members (either individuals or couples) contribute \$2,500 for the grant pool and \$250 for administration each year. Grants are researched and approved by the membership, and disbursed through WVP's partner, Grassroots International. Grassroots International performs due diligence on all grantees and ensures that the grants meet all legal and IRS requirements. All other activities, such as planning, education, and grant review, are directed by members on a volunteer basis.

The broad issue selected for funding during the 2003 grant cycle was the environment/water/health, but that was quickly narrowed down to water. In developing countries, water can be both an environmental and a health issue. WVP was successful in raising and distributing close to \$25,000 to water projects in Central America and Mexico.

As an individual, there are significant obstacles to, and difficulty in, giving effectively internationally. As a group, however, members of WVP are very hands-on in their approach and are able to find the projects, set the criteria, make the decisions, and see the impact. They have a direct relationship with the whole process, according to Paulsen, who notes that his early experiences with international giving were not particularly rewarding as he never saw the impact of his charity. Working through intermediaries that are already engaged in developing countries has also helped WVP to be more strategic and effective in their giving. The circle benefits from the work of larger organizations or foundations, which vet the intermediary, so the grants are directed to specific projects and not the philanthropic or nonprofit infrastructure.

But even with the help of partners and intermediaries, international giving still has its challenges. For example, in 2003, the grants were targeted to Central America and Mexico, which raised the issue of language — should the group translate their forms (i.e., outlining the letter of inquiry and request for proposals process) into Spanish. The group had many concerns, not the least of which was what to do if they started receiving a lot of proposals written in Spanish.

Another important aspect of WVP's work is that they include site visits as part of the learning and grantmaking process. Members participated in a late spring 2004 trip to Nicaragua to visit two grantees and to explore potential projects for 2004.

Adapted from a World Venture Partners Fact Sheet and an interview with Allan Paulsen, founding member.

PROFILE

Social Venture Partners, Seattle/International

Much has already been written about Social Venture Partners (SVP), which has a dual purpose of producing more informed, engaged philanthropists and strengthening nonprofits, so our snapshot here is brief. SVP has become one of the best known giving circles nationally. Founded in Seattle in 1997, (www.svpseattle.org), SVP engages philanthropists to contribute time, money, and business expertise to nonprofits and schools. Participants agree to invest \$5,500 a year for two years into a giving pool, a donor-advised fund at the Seattle Foundation. By working intensely with their small group of investees, SVP pursues in-depth, multi-year partnerships designed to achieve measurable results. What started with a core group of five individuals grew to 286 Partners at its peak. To date, SVP has invested more than \$6 million in 38 nonprofit organizations.

Soon after being founded, interest in SVP's work grew and the model started being replicated across the country. By 2001, a loose network had formed and SVP International (SVPI) was created to support and advance this network. Each SVP organization chooses its own areas on which to focus funding, but shares the same mission and core principles and practices as a condition of being part of SVP. There are currently 23 SVP organizations and more than 1,500 SVP Partners across North America, with new Affiliates forming regularly.

Adapted from the Social Venture Partners Seattle and Social Venture Partners International Web sites, www.svpseattle.org and www.svpintl.org, respectively.

PROFILE

Women's Funding Network

The Women's Funding Network (WFN) is a worldwide partnership of 107 women's funds, donors, and allies committed to improving the status of women and girls globally and locally, and the number continues to grow. Most recently, WFN announced the first Hmong women's giving circle in the nation, which was launched in July 2004 by the Women's Foundation of Minnesota. Many of the funds currently host or promote women's donor circles. The Women's Funding Network, in cooperation with Women & Philanthropy, published a report on donor circles in 2004 entitled: "Donor Circles: Launching and Leveraging Shared Giving." For more information about WFN, see their Web site at <http://www.wfnet.org>.

PROFILE

Washington Women's Foundation, Seattle, WA

One of the oldest examples of pooled philanthropy, the Washington Women's Foundation was created in 1995 by Colleen Willoughby, a dedicated community volunteer and donor. For Willoughby, the central purpose of the new organization was the education and empowerment of women as philanthropists. Colleen's philanthropic model was inspired and fueled by four elements: her many decades of experience as a volunteer and nonprofit leader; her personal interest in women's leadership; her belief that donors want to be personally involved in choosing how their philanthropic dollars are spent; and the disconnect she observed between women's financial capacity and their actual giving. Willoughby's initial concept was for women to commit \$2,000 each year for five years. Half of the dollars would be pooled and used to award major (\$50,000 - \$100,000) community grants and the other half would be individually designated by each member.²⁶ Educational programs informing women about issues and skills in philanthropy would accompany the grant making.

Armed with this vision, Willoughby gathered four women who were long-time friends and colleagues — Anne Farrell, Suzanne Lile Hunter, Faye Sarkowsky, and Rhoda Altom — to brainstorm additional ideas and develop an implementation plan. Together they spent almost a year fleshing out this new type of philanthropic giving vehicle. In October 1995, the founders invited nearly 200 women to a launch event and hoped a handful would attend. To their surprise, 150 did! After a lively speech about the potential impact of women philanthropists by Patsy Bullitt Collins, King Broadcasting heir and a can-do civic leader, the room was filled with tremendous enthusiasm and support.

Within three months, 116 women had joined WWF; within 9 months the foundation gave its first grant of \$100,000 to Mothers Against Violence in America. Unlike other women's funds, the foundation does not limit its giving to women's causes, but instead focuses on organizations that, in the opinion of WWF members, are able to make the best use of \$100,000. Selected projects must meet one of the following criteria: response to an urgent and critical need; a bold new venture; an innovative solution to a time-worn problem. The Grant Committee, one of several committees run by foundation members, is responsible for the pooled fund grant process. It researches needs in the community and requests proposals from organizations in five areas of foundation interest: arts and culture; education; environment; health; and social services. Over the course of a rigorous six month process, the committee conducts its due diligence, including making site visits, and selects a ballot of ten proposals to be voted on by the entire membership. Five projects are ultimately chosen. Each receives between \$50,000 and \$100,000, depending on the allocation of member votes.

While WWF is best known for its community grant making, the heart of the foundation's mission is to educate women to be more effective philanthropists. One of the foundation's best education programs is participation in the grant process. In addition, members can help plan or simply attend any of more than 20 programs per year featuring experts on community issues such as foster care and international development, or philanthropy skills like board governance and family giving. As Willoughby likes to say, "You can't respond if you don't know." Acknowledging the complexity of women's lives, WWF founders structured the organization so members can participate as much or as little as they choose. This allows women to tailor their level of involvement to their individual circumstances and fosters a "no guilt" culture.

²⁶ In 1999, the members agreed that an additional amount of \$100 should be given by each member and allocated toward educational programming and administrative expenses. Today, that portion is \$300, but the charitable amount has stayed the same.

Washington Women's Foundation membership is open to women of any age, profession, or background. The only requirement is the ability to commit \$2,300 each year for five years, and a willingness to vote for the recipients of the pooled fund. The foundation's "one woman, one vote" system ensures inclusiveness and equality. Willoughby has served as President since inception and personally financed many operating expenses (rent, furniture, telephone, utilities) for several years. WWF functioned with minimal paid staff until 2003 when a full-time deputy director was hired and a part-time program assistant was promoted to full-time status.

What started as a group of 116 women has now grown to an organization with more than 400 members. Since its inception, WWF has given 3,035 member-designated grants and 33 pooled grants to approximately 629 different organizations, totaling more than \$5 million. Their model has been replicated more than 8 times, with an additional 6 organizations in the early stages of development.

Adapted from an interview with Colleen Willoughby and Emily Parker, and from "Washington Women's Foundation: Women Taking Charge of their Assets" prepared by San Cornelia NG, research assistant, at the Evans School of Public Affairs at the University of Washington. The case study is published by the Cascade Center for Public Affairs, Public Service Curriculum Exchange.

For more information about WWF's model, consult their 2002 publication "Something Ventured: An Innovative Model in Philanthropy" (a handbook for understanding and replicating the WWF model, available through their Web site, www.wawomensfoundation.org.)

APPENDIX B: Research Methodology

Prior Research on Giving Circles

The available research on giving circles is primarily case studies of specific circles or a collection of circles. New Ventures in Philanthropy, an initiative of the Forum of Regional Associations of Grantmakers, uncovered a handful of published reports on giving circles per se, as well as evaluation research conducted for SVP and a report on young leader's funds hosted at community foundations in Abilene, Texas, Greensboro, North Carolina, and Chicago, Illinois.

In chronological order:

- "Washington Women's Foundation: Women Taking Charge of their Assets" case study published by Cascade Center for Public Service, Evans School of Public Affairs, the University of Washington, 2002.
- "Something Ventured—An Innovative Model in Philanthropy," a handbook profiling the design and early successes of the Washington Women's Foundation. Published by WWF in 2002 with support from the Bill and Melinda Gates Foundation.
- "Growing Philanthropy Through Giving Circles: Lessons from Start-Up to Grantmaking" by Tracey A. Rutnik and Buffy Beaudoin-Schwartz. A case study of the Baltimore Women's Giving Circle and the Women's Giving Circle of Howard County. Published by the Association of Baltimore Area Grantmakers, 2003.
- "The Hestia Fund" Kennedy School of Government Case Program, 2003.
- "Transforming Philanthropy Transactions: An Evaluation of the First Five Years at Social Venture Partners Seattle" Prepared by Kendall Guthrie, Alan Preston, and Lucy Bernholz. Blueprint Research & Design, 2003.
- "Donor Circles: Launching & Leveraging Shared Giving" Stephanie J. Clohesy, author. The report explores the purpose and value of donor circles and how to use donor circles more effectively. Published by The New Wealth, Women & Philanthropy Project, 2004.
- "Voice and Community Engagement: A Report of Young Leaders and Philanthropy" by Spoma Jovanovic, David Carlone, and Cynthia Massood. The University of North Carolina at Greensboro, February 2004.

While the existing research is instructive — particularly to those who wish to develop a new giving circle — it does little to inform our understanding of the trend nationally. We hoped to fill that gap with this research.

Cultivating the Survey Research Sample

As this was the first national scan to identify giving circles, we employed an array of strategies to cultivate the sample. The first step in the research was to "beat the bushes" in search of giving circles. Despite the many philanthropic infrastructure organizations, such as the Council on Foundations, the Forum of Regional Associations of Grantmakers, and the numerous network and affinity groups, there was no national repository of information about this new type of philanthropy. The leading associations for fundraising professionals do not track information about this trend nor do the leading research institutions that focus on philanthropy. Although we know that many giving circles are affiliated with an institutional host and are therefore connected to mainstream philanthropy, many more are not. As a result, we sought to cast as wide a net as possible to identify as many giving circles as we could.

We cultivated the database through an array of techniques, including Internet and Lexis-Nexis research, email messages through philanthropic listservs and e-newsletters, public calls for participation in trade journals, and through extensive networking via colleagues and at conferences and events.²⁷ Many organizations partnered with us to identify giving circles and spread the word about our study including, but not limited to, the Council on Foundations, the Community

²⁷ We hoped that Lexis-Nexis would help identify more informal giving circles, which are occasionally featured in local news and publications. We searched all English-language news and periodicals using the following search terms: giving circle, donor circle, pooled fund, fundraising circle, giving together, charity and pooled fund, new philanthropy, charitable and investment club, philanthropy and investment club, giving club, and "womenade."

Foundations Network, Women's Philanthropy Institute, the Association of Small Foundations, Women & Philanthropy, the Women's Funding Network, the National Center for Family Philanthropy, the Association of Fundraising Professionals, the National Center for Black Philanthropy, the Aspen Institute's Community Strategies Group, and Social Venture Partners, among others. Last, we also employed viral marketing techniques, asking each person with whom we had contact to then spread the word about our study through their networks. Subsequent to the survey research phase, we benefited from the assistance of Angela Eikenberry of the University of Nebraska at Omaha, whose research on giving circles identified many in the Midwest for inclusion in the national database.

Setting the Parameters for Our Research

When we launched our study we had little more than anecdotal evidence that giving circles could be considered, at best, a phenomenon or at least a charitable vehicle that showed strong promise for attracting donors. Therefore, we had little information upon which to estimate the true size of the giving circle population. As we began to cultivate the sample for the survey, we had to reconsider the parameters of our research, specifically which giving circles qualified for inclusion in our study. We initiated the study with grassroots giving circles in mind: circles that came together through the leadership of key founders who advanced the idea of a collective giving as a powerful way to give back and to engage more fully in philanthropy. We were motivated by this vision of a giving circle because of the donor-driven nature of New Ventures in Philanthropy's work to grow philanthropy.

However, as we began to reach a broad audience within philanthropy, an array of donor engagement strategies came to our attention, including the "parties with a purpose" style of shared giving; funder collaboratives, in which organizations such as private and corporate foundations pool their resources; and fundraising circles created by university, nonprofit, or philanthropic institutions in which all donors give at a certain level and usually receive special recognition. Last, there are various funds and foundations specifically targeted toward women, such as the many United Way Women's Initiatives or those that comprise the Women's Funding Network, which might satisfy a definition of a giving circle but do not call themselves such.

After careful consideration, we agreed to the following criteria for inclusion in the study:

1. Donors pool their resources in some manner;
2. The donors decide, together, how the funds are spent;
3. There is an educational or community building component to the circle.

Following this definition, funder collaboratives (which engage grantmaking institutions) are excluded from our research, and so are fundraising efforts described as giving circles that allow donors no voice in how the funds are used. However, following this criteria funds that do not necessarily call themselves giving circles but operate as such are included, Social Venture Partners for example. We also agreed that it was important to direct our limited resources on the original focus of the research: community-based giving circles. Accordingly, we acknowledge the importance of the various funds and foundations that might fit our criteria, but we had to limit our efforts to identify and document the full range of institutions and funds that engage donors collectively.

The Survey

The purpose of the survey was to conduct a broad scan of the giving circle landscape by gathering descriptive information about their origins, operations, administration, and philanthropic activity. The survey questions were developed and then pre-tested by select giving circle experts and participants within New Ventures' existing network of grantees and partners. The final survey contained 29 questions in total, plus a field to gather contact information from the respondent in case additional follow-up was necessary. A Web-based survey platform was selected for its ease of use. As an email address was generally easy to locate for those circles for which we had full contact information, we concluded that the Web format would not unduly bias the participation. A copy of the survey is provided in Appendix C.

Due to our difficulty identifying giving circles, we set a minimum threshold of locating 100 circles prior to launching the survey. Plus, we agreed to continue using the viral marketing strategies to distribute the survey itself despite the fact that disseminating the survey in such a way limits our ability to calculate an exact response rate. With slightly more than 100 giving circles in our database, we launched the Web-based survey, with the goal of gathering complete information from at least half. Follow-up with non-responders, personal outreach to select circles and partnership organizations, and elimination of duplicate surveys yielded a final total of 61 complete surveys. Further information was gathered about Social Venture Partners affiliates from Social Venture Partners International, giving us information on a total of 77 circles.

Telephone Interviews and Stakeholder Convening

To further supplement the survey data, we conducted 15 telephone interviews with respondents selected to represent a cross-section of giving circles — from the informal to formal, large to small, women-only to mixed, start-up to mature, and ethnically diverse. The purpose of the interviews was to further capture the story of how circles emerge and mature over time, and to solicit input regarding the next phase of New Ventures' work to grow community-based giving. A copy of the interview protocol is provided in Appendix F.

Finally, we convened 20 giving circle experts, staff, founders, and donors to review the findings and further explore the issues affecting giving circle growth and sustainability. For more details on the convening, see Appendix H.

APPENDIX C: Giving Circles Survey

New Ventures in Philanthropy

Giving Circles Characteristics Survey

1. What is the name of your giving circle?

2. In what year was the circle formed?
 - 1999
 - 2000
 - 2001
 - 2002
 - 2003
 - 2004
 - Other, please specify

3. Which of the following BEST describes your circle's current operations?
 - Start-up (currently forming, establishing processes)
 - Newly operational (in the early phases of grantmaking and conducting other activities)
 - Fully operational (the circle has been through more than 1 round of grantmaking)
 - Other, Please Specify

4. Does your circle have an institutional host or a fiscal agent, such as a community or public foundation?
YES/NO
Please specify name:

5. What type of organization serves as the institutional host or fiscal agent?
 - Not Applicable--no host or fiscal agent
 - Community foundation
 - Public, private, or university foundation
 - Women's Fund or foundation
 - Nonprofit organization
 - Financial services company (e.g., bank)
 - Other, Please Specify

6. How many founders does your giving circle have?

7. How many people are currently members of the circle

8. Please describe the demographic composition of your circle in terms of GENDER, RACE/ETHNICITY, AGE, and any other factors that are pertinent. Feel free to estimate numbers if necessary. For example: My circle is composed of 100 women and 23 men between the ages of 24 and 48. It is about 60% white, 30% African American, and 10% Latino. We are all teachers in the Loudoun County, Virginia public schools.

9. What length of membership commitment does the circle require?
 - None
 - 1 year
 - 2 years
 - 3 years
 - Other, please specify

10. Do all circle members give equal financial contributions to the circle?

YES/NO

Indicate amount of equal contributions or describe contribution levels

11. Do members provide an additional contribution to cover administrative costs of operating the circle?

No

Yes, flat dollar amount (e.g., \$50 each)

Yes, percentage of total contribution (e.g., 10%)

Other, please specify

12. Please use the comment box below to further explain members' financial contributions to the circle.

13. Does your circle have any paid staff support (e.g., hourly administrative or program assistance or donated staff support through the institutional host)?

YES/NO

14. Is your circle retaining funds to build a larger philanthropic fund or endowment?

YES/NO

What percentage is retained?

15. Has your circle received additional funds or matching grants from other sources?

YES/NO

Source of funds and amount:

16. What is the TOTAL dollar amount of funds RAISED to date by the circle?

17. How many grants have been PAID or APPROVED to date? (Insert the number of grants--for example, 20.) How many grant cycles has your circle had?

18. What is the TOTAL dollar amount of grants PAID or approved to date?

19. Which of the following best describes your circle's current governance (decision-making) structure?

Casual group with no formal structure

Circle has a Board or Advisory Board

Circle has a Board or Advisory Board, plus committees

Other, please specify

20. Does your circle have a mission statement?

YES/NO

Please provide your mission statement:

21. Does your circle have a written set of Bylaws?

YES/NO

22. Which of the following are among your circle's current funding priorities? Check all that apply.

- Arts, Culture, and Humanities
- Educational Institutions and Related Activities
- Environmental Quality, Protection, and Beautification
- Animal Related
- Health — General and Rehabilitative
- Mental Health, Crisis Intervention
- Disease, Disorders, Medical Disciplines
- Medical Research
- Crime, Legal Related
- Employment, Job Related
- Food, Agriculture, and Nutrition
- Housing, Shelter
- Public Safety, Disaster Preparedness, and Relief
- Recreation, Sports, Leisure, Athletics
- Youth Development
- Human Services — Multipurpose and Other
- International, Foreign Affairs, and National Security
- Civil Rights, Social Action, Advocacy
- Community Improvement, Capacity Building
- Philanthropy, Voluntarism, and Grantmaking Foundations
- Science and Technology Research Institutes, Services
- Social Science Research Institutes, Services
- Public Policy Research and Analysis
- Religion Related, Spiritual Development
- Women and girls
- Mutual/Membership Benefit Organizations
- Unknown
- Other, Please Specify

23. How does the group identify the organizations that it might fund? Check all that apply.

- Suggestions from members
- Organizations in the news or that are well-known locally
- Recommendations from host organization
- Formal RFP process
- Other, please specify

24. Do circle members conduct site visits to learn more about the organizations they might fund or are currently funding?

YES/NO

25. Which of the following BEST describes the grants decision process?

- Consensus--all members agree upon which organizations to fund and at what level
- 1 vote per member and majority rules
- Decisions are made by a select group or committee
- Other, please specify

26. What communications materials has your circle developed to publicize its work or keep members connected? Please check all that apply.

- Brochures or other printed promotional materials
- Circle database to track member involvement
- Print newsletter
- Email newsletter
- Web-site — indicate address
- Other:

27. Does your circle provide members with learning opportunities (e.g., training workshops, issue briefings)?

YES/NO

Additional comments:

28. Giving circles and their members may offer a range of support to nonprofit organizations. Please review the following list of activities and check all that describe the ways in which your members provide additional time, talent or resources to the groups the circle funds.

- Participate in organized volunteer activities
- Provide PR or marketing support
- Provide fundraising support, including introducing organizations to other donors
- Provide financial, legal, or accounting support
- Board level participation in the organization
- Members give additional money directly to the organization
- Other, please specify

29. New Ventures in Philanthropy seeks to better understand, capture, and build upon the current state of knowledge regarding giving circles. Are you interested in being involved in future efforts?

YES/NO

Additional Comments

30. Please provide your contact information below.

Name _____

Giving Circle Name _____

Address _____

City _____

State _____

Zip _____

Telephone _____

Email Address _____

31. Do you know of other giving circles? If so, please forward this survey to them so that we are sure to include them in our study!

APPENDIX D: Giving Circles That Responded To The Survey

Name of Circle, City, State, Web site address

1. Arizona Five Arts Circle, Scottsdale, AZ
2. Arizona Social Change Fund, Phoenix, AZ
3. Asian Giving Circle, Chicago, IL
4. Baltimore Women's Giving Circle, Baltimore, MD
5. Barnabus Fund, Indianapolis, IN
6. Belles, Books and Candor, Oshkosh, WI
7. Beyond Our Borders DAF, Tucson, AZ
8. Birmingham Change Fund, Birmingham, AL
9. Boston Women's Tzedakah Collective, Brookline, MA
10. Bread for the Journey Denver, Denver, CO
11. Bread for the Journey, Bloomington, Bloomington, IN
12. Bread for the Journey, Princeton, Princeton, NJ
13. Change Fund, Baltimore, MD
14. Daisy Do, Ft. Gratiot, MI
15. Discovery, Muncie, IN
16. Everychild Foundation, Pacific Palisades, CA, <http://www.everychildfoundation.org/>
17. Funding Arts Network, Miami, FL
18. Future Milwaukee, Milwaukee, WI
19. Futures Fund of the CF of Greater Greensboro, Greensboro, NC
20. Giving Alliance of Women, Cape Coral, FL
21. Giving Back Gang, The, Shaker Heights, OH
22. Giving Circle of HOPE, Reston, VA
23. Giving Circle, Exter, NH, Exeter, NH
24. Global Giving Circles, The Clarence Foundation, Oakland, CA
25. Hestia Fund, Boston, MA
26. Just a Few Friends, Durham, NC
27. Kitchen Table Giving Circle, Boston, MA
28. Legacy Builders Women's Group, Williamsport, IN
29. Mercy Alliance for Women's Health, Sioux City, IA
30. Mother Goose on the Loose, Auburn, IN
31. Natan, New York, NY
32. NGAAP Fund, Raleigh-Durham, NC
33. Portland Giving Circle, The, Portland, ME
34. Professional Advisory Leadership Council Pooled F., Indianapolis, IN
35. Race, Gender and Human Rights, San Francisco, CA
36. Rainmaker's Circle, Washington, DC, <http://www.wawf.org>
37. Shared Giving, Durham, NC
38. Silicon Valley Social Ventures Fund (SV2), San Jose, CA, <http://www.sv2.org>
39. Social Venture Partners, Arizona, Phoenix, AZ, <http://www.svpaz.org>
40. Social Venture Partners, Austin, Austin, TX, <http://www.asvp.org>

41. Social Venture Partners, Bay Area, San Francisco, CA
42. Social Venture Partners, Boston, Boston, MA, <http://www.svpboston.org>
43. Social Venture Partners, Boulder City, Boulder City, CO, <http://www.svpbouldercounty.org>
44. Social Venture Partners, Central Florida, FL
45. Social Venture Partners, Cleveland, Cleveland, OH, <http://www.clevelandsvp.org>
46. Social Venture Partners, Dallas, Dallas, TX
47. Social Venture Partners, Delaware, Wilmington, DE, <http://www.svpde.org>
48. Social Venture Partners, Denver, Denver, CO, <http://www.svpdenver.org>
49. Social Venture Partners, Houston, Houston, TX, <http://www.svp-houston.org>
50. Social Venture Partners, Kansas City, Kansas City, MO
51. Social Venture Partners, Los Angeles, CA, <http://www.lasvp.org>
52. Social Venture Partners, Minnesota, Minneapolis, MN, <http://www.svp-mn.org>
53. Social Venture Partners, Pittsburgh, Pittsburgh, PA
54. Social Venture Partners, Portland, Portland, OR
55. Social Venture Partners, San Diego, San Diego, CA, <http://www.sdfoundation.org/sdsvp/>
56. Social Venture Partners, Seattle, Seattle, WA, <http://www.svp-seattle.org>
57. Social Venture Partners, St. Louis, St. Louis, MO, http://www.stlrbc.org/svp_member_what_is.asp
58. Social Venture Philanthropy, Grand Rapids, MI
59. TriGiving, Durham, NC
60. U of A Women's Giving Circle, Fayetteville, AK
<http://advancement.uark.edu/depts/advancement/AnnualFund/wgc.html>
61. Washington Women's Foundation, Seattle, WA, <http://www.wawomensfoundation.org/>
62. Wednesday Lunch Group, Men's Circle, Jackson, WY
63. Wine Ladies, Oshkosh, WI
64. Women & Girls Fund/Youth issues giving circle, Kalamazoo, MI
65. Women and Girls Fund of the Mid-Shore, Easton, MD
66. Women for Wise Giving, Alexandria, VA
67. Women Making a Difference, Charleston, SC, <http://www.womenmakingadifference.com>
68. WomenConnected, Waukesha, WI
69. Women's Circle, Jackson, WY
70. Women's Fund of Greater Birmingham, Birmingham, AL
71. Women's Fund of Southern Alabama, Mobile, AL, <http://www.communityendowment.org>
72. Women's Giving Alliance, Jacksonville, FL
73. Women's Giving Circle of Howard County, Columbia, MD
74. Women's Giving Circle of York, York, PA
75. Women's Initiative Steering Committee Giving Circle Port Huron, MI, <http://www.stclairfoundation.org>
76. World Venture Partners, Mercer Island, WA
77. Young NUTS (Never Underestimate the Sisterhood) Oshkosh, WI

APPENDIX E: Giving Circles Identified (as of 1/29/04)

A Territory Resource, Seattle, WA, <http://www.atrfoundation.org>
 Abilene Future Fund, Abilene, TX, <http://www.cfabilene.org/futurefund/index.html>
 ACI Worldwide, Omaha, NE
 African American Women's Giving Circle, Washington, DC, <http://www.wawf.org>
 Angels Network, The, VA, <http://www.theangelsnetwork.org>
 Annapolis Giving Circle, Annapolis, MD
 AOL Partners for Animal Welfare, Leesburg, VA
 Arizona Five Arts Circle, Scottsdale, AZ
 Arizona Social Change Fund, Phoenix, AZ
 Asian Giving Circle, Chicago, IL
 Athena Fund, San Francisco, CA, http://www.womensfoundca.org/grantmaking_grantmaking.html
 Baltimore County Business Impact Fund, Baltimore, MD
 Baltimore Women's Giving Circle, Baltimore, MD
 Barbara Krohn Giving Circle, WA
 Barnabus Fund, Indianapolis, IN
 Belles, Books and Candor, Oshkosh, WI
 Beyond Our Borders DAF, Tucson, AZ
 Birmingham Change Fund, Birmingham, AL
 B'MORE Fund, Baltimore, MD, <http://www.bmorefund.org>
 Boston Women's Tzedakah Collective, Brookline, MA
 Bread for the Journey Denver, Denver, CO, <http://www.breadforthejourney.org>
 Bread for the Journey, Ashland, OR, <http://www.breadforthejourney.org>
 Bread for the Journey, Atlanta, Atlanta, GA, <http://www.breadforthejourney.org>
 Bread for the Journey, Austin, Austin, TX, <http://www.breadforthejourney.org>
 Bread for the Journey, Birmingham, Birmingham, AL, <http://www.breadforthejourney.org>
 Bread for the Journey, Bloomington, Bloomington, IN, <http://www.breadforthejourney.org>
 Bread for the Journey, Cincinnati, Cincinnati, OH, <http://www.breadforthejourney.org>
 Bread for the Journey, Flagstaff, Flagstaff, AZ, <http://www.breadforthejourney.org>
 Bread for the Journey, Indianapolis, Indianapolis, IN, <http://www.breadforthejourney.org>
 Bread for the Journey, International, Mill Valley, CA, <http://www.breadforthejourney.org>
 Bread for the Journey, Irvine, Irvine, CA, <http://www.breadforthejourney.org>
 Bread for the Journey, Palm Desert, CA, <http://www.breadforthejourney.org>
 Bread for the Journey, Portland, ME, <http://www.breadforthejourney.org>
 Bread for the Journey, Princeton, NJ, <http://www.breadforthejourney.org>
 Bread for the Journey, San Diego, CA, <http://www.breadforthejourney.org>
 Bread for the Journey, Santa Clara, CA, <http://www.breadforthejourney.org>
 Bread for the Journey, Santa Fe, NM, <http://www.breadforthejourney.org>
 Bread for the Journey, Savannah, Tybee Island, GA, <http://www.breadforthejourney.org>
 Bread for the Journey, Sebastopol, CA, <http://www.breadforthejourney.org>
 Bread for the Journey, SW Michigan, Kalamazoo, MI, <http://www.breadforthejourney.org>
 Bread for the Journey, Toronto, North York, Ontario, <http://www.breadforthejourney.org>

Bread for the Journey, Wilmington, Chadds Ford, PA, <http://www.breadforthejourney.org>
Capital Community Alliance, MN
Catalyst Endowment Fund, Hartford, CT, http://www.hfpg.org/matriarch/bd_si_cat.asp
Change Fund, Baltimore, MD
Chattanooga Youth Giving Circle, TN, <http://cfgc.org/donors/funds.php>
Chicago Young Leaders Fund, Chicago, IL, http://www.cct.org/donors/special_funds/YLF/
Children's Giving Circle, Tucson, AZ
Children's Giving Circle, Hartford, CT
Children's Giving Circle, Everett, WA
Children's Giving Circle, Wisconsin Rapids, WI
Circle Against Commercial Sexual Exploitation of Children, Oakland, CA,
The Clarence Foundation, Oakland, CA, <http://www.theclarencefoundation.org>
Cleveland Colectivo, Cleveland, OH
Daily Muses--365 a Year, Boston, MA, <http://www.givingnetwork.org/circtypes.html>
Daisy Do, Ft. Gratiot, MI
Democracy Funding Circle, New York, NY, <http://www.ms.foundation.org/wmspage.cfm?parm1=50>
Dining for Women, Greenville, SC
Discovery, Muncie, IN
Dragon Fund, Burlingame, CA, <http://www.1990institute.org/DragonFund/>
Economic Development and Justice Fund, CA
Entrepreneurs Fund, NC
Enviro Giving Circle, Lovettsville, VA
Essex County Community Foundation Giving Circle, Topsfield, MA, <http://www.eccf.org>
Everychild Foundation, Pacific Palisades, CA, <http://www.everychildfoundation.org/>
First Presbyterian Church Durham Giving Circle, Durham, NC
Fondo Mexico Dallas-Fort Worth (Mexico Fund), Dallas, TX
Friday Night Shoe Box, CA
Friends for Life, Omaha, NE
Full Circle Fund, San Francisco, CA, <http://www.fullcirclefund.org/>
Fund for Afghan Women and Girls, CA, http://www.womensfoundca.org/annual_ss_faw.html
Fund for Greater Harlem, New York, NY, <http://www.21cf.org/ffgh.html>
Funding Arts Network, Miami, FL
Future Milwaukee, Milwaukee, WI
Futures Fund of the CF of Greater Greensboro, NC
Girls Matter, CA
Giving Alliance of Women, Cape Coral, FL
Giving Back Gang, The, Shaker Heights, OH
Giving Circle for Animals, FL
Giving Circle of Hope, Reston, VA, <http://www.givingcircleofhope.org>
Giving Circle, Exter, Exeter, NH
Global Giving Circles, The Clarence Foundation, Oakland, CA, <http://www.theclarencefoundation.org/>
Greenleaf Foundation, Greenwich, CT
Greensboro Future Fund, Greensboro, NC, <http://www.cfgg.org/futurefund-new.htm>

Hestia Fund, Boston, MA,
Hmong Women's Giving Circle, St. Paul, MN, <http://www.wfmn.org/>
Howard Heritage Fund, Columbia, MD,
<http://www.columbiafoundation.org/donors/givingcircles/howardheritagefund.html>
Idaho Women's Charitable Foundation, ID
Impact100—Austin, TX, <http://www.impact-austin.org/>
Impact100—Cincinnati, OH, <http://www.impact100.org>
Impact100—Indianapolis, IN
Impact100—Pensacola, FL, <http://www.impact100pensacola.org>
InTandem, San Francisco, CA
Intergenerational Giving Circle, Portland, ME
Jewish Community Women's Fund, Boston, MA
Just a Few Friends, Durham, NC
Kitchen Table Giving Circle, Boston, MA
Latino Giving Circle, Chicago, IL
Legacy Builders Women's Group, Williamsport, IN
Lenny Fund, The, Boston, MA, <http://www.learntoquestion.com/seevak/groups/2000/sites/zakim/MainDirect/framesets/lennyfund.html>
Little Women's Fund of Milwaukee, Milwaukee, WI
Los Angeles Donor Circle, Los Angeles, CA
Mercy Alliance for Women's Health, Sioux City, IA
Mother Goose on the Loose, Auburn, IN
Natan, New York, NY
Next Generation Fund, Boston, MA
Next Generation Fund, Gaston, NC, <http://www.cfgaston.org/fund.asp>
Next Generation of African American Philanthropists, Raleigh-Durham, NC, <http://www.21cf.org>
Oklahoma State University Women's Giving Circle, Stillwater, OK, <http://www.osuf.org/wgc.htm>
Omaha Venture Group, Omaha, NE
Oregon State University Foundation, Corvallis, OR
Outgiving Circle, Washington, DC
Party with a Purpose, Hoboken, NJ, <http://www.partywithapurpose.org>
Portland Giving Circle, The, Portland, ME
Professional Advisory Leadership Council Pooled Fund, Indianapolis, IN
Putnam Senior Executives Foundation, Boston, MA
Quality of Life Giving Circle, Baltimore, MD
Race, Gender and Human Rights, San Francisco, CA
Rainmaker's Circle, Washington, DC, <http://www.wawf.org>
Red Hat Society, FL
Red Heart Society, Omaha, NE
Resourceful Women, San Francisco, CA, <http://www.rw.org>
Sacramento Women's Action Network (SWAN), Sacramento, CA
San Diego Women's Foundation, San Diego, CA
Seven Generations Circle of Women, Columbus, OH, <http://www.actionforchildren.org/page5515.cfm>

Shared Giving, Durham, NC
Silicon Valley Social Ventures Fund (SV2), San Jose, CA, <http://www.sv2.org>
Sisters' Giving Circle, NC
Social Venture Partners, Arizona, Phoenix, AZ, <http://www.svpaz.org>
Social Venture Partners, Austin, Austin, TX, <http://www.asvp.org>
Social Venture Partners, Bay Area, San Francisco, CA
Social Venture Partners, Boston, MA, <http://www.svpboston.org>
Social Venture Partners, Boulder City, CO, <http://www.svpbouldercounty.org>
Social Venture Partners, Central Florida, FL
Social Venture Partners, Chicago, IL
Social Venture Partners, Cleveland, OH, <http://www.clevelandsvp.org>
Social Venture Partners, Dallas, TX
Social Venture Partners, Delaware, Wilmington, DE, <http://www.svpde.org>
Social Venture Partners, Denver, CO, <http://www.svpdenver.org>
Social Venture Partners, Houston, TX, <http://www.svp-houston.org>
Social Venture Partners, Kansas City, MO
Social Venture Partners, Los Angeles, CA, <http://www.lasvp.org>
Social Venture Partners, Minnesota, Minneapolis, MN, <http://www.svp-mn.org>
Social Venture Partners, New York City, New York, NY
Social Venture Partners, Pittsburgh, PA
Social Venture Partners, Portland, OR
Social Venture Partners, San Diego, CA, <http://www.sdfoundation.org/sdsvp/>
Social Venture Partners, Seattle, WA, <http://www.spvseattle.org>
Social Venture Partners, St. Louis, St. Louis, MO, http://www.stlrbc.org/svp_member_what.is.asp
Social Venture Philanthropy, Grand Rapids, MI
Three Generations Circle of Women, Traverse City, MI
Threshold Foundation, San Francisco, CA, <http://www.thresholdfoundation.org/>
Triangle Grassroots Fund, Chapel Hill, NC
TriGiving, Durham, NC
U of A Women's Giving Circle, Fayetteville, AK,
<http://advancement.uark.edu/depts/advancement/AnnualFund/wgc.html>
UCLA Long Beach Women's Giving Circle, Long Beach, CA
Union Dorcas Society, Talbot, MD, <http://www.talb.lib.md.us/mdroom/manuscripts/dorcas.html>
United Way of Central Maryland's Women's Initiative, Baltimore, MD,
<http://www.uwcm.org/give/initiative.cfm>
University of Nebraska Medical Center, Omaha, NE
Washington Women's Foundation, Seattle, WA, <http://www.wawomensfoundation.org/>
Washington 100 Giving Circle, Washington, DC, <http://wawf.org/giveback/donate.html#wash100>
Washington Area Women's Foundation, Washington, DC, <http://www.wawf.org/>
<http://www.wawomensfoundation.org>
Wednesday Lunch Group, Men's Circle, Jackson, WY
WellMet Group, The, New York, NY
Wine Ladies, Oshkosh, WI

Wise Women for Change — Grand Rapids and Livonia, MI
Women & Girls Fund/Youth issues giving circle, Kalamazoo, MI
Women and Girls Fund of the Mid-Shore, Easton, MD
Women for Wise Giving, Alexandria, VA
Women in the Giving Spirit (WINGS), Fredericksburg, VA
Women Making a Difference, Charleston, SC, <http://www.womenmakingadifference.com>
Women of Color Giving Circle, Pittsfield, MA
Women of Texas Instruments, Dallas, TX, <http://www.dallaswomensfoundation.org/>
Womenade, Wooster, OH
Womenade, Charlotte, NC
Womenade, Washington, DC
Womenade, East Mountain, Albuquerque, NM
Womenade, Houston, TX, <http://www.womenadeofhouston.com>
Womenade, Jacksonville, FL, <http://www.womenadejax.com>
Womenade, Lafayette, IN
Womenade, Licking County, OH
Womenade, Milwaukee, WI
Womenade, MO, Nixa, MO
Womenade, New Orleans, LA
Womenade, Newark, OH
Womenade, NJ, Mountain Lakes, NJ
Womenade, Pittsboro, IN
Womenade, Red River Valley, Fargo, ND, <http://www.rrvwomenade.org>
Womenade, Rochester, NY, <http://www.rochesterwomenade.org>
Womenade, Salt Lake City, UT
Womenade, Westchase/Tampa, Tampa, FL
Womenade, Winston-Salem, NC, <http://womenade.tripod.com>
Women's Collaborative Fund of the History, Heritage, and Hope Foundation, Sarasota, FL
WomenConnected, Waukesha, WI
Women's Circle, Jackson, WY
Women's Circle of Friendship, BC, http://www.bcwomensfoundation.org/giving_circle.html
Women's Foundation, The, Vancouver, WA
Women's Fund Giving Circle, Omaha, NE,
<http://www.omahawomensfund.org/aafinal/how/givingcircle/givingcircles.html>
Women's Fund of Greater Birmingham, Birmingham, AL
Women's Fund of Jackson, Jackson, MS
Women's Fund of Madison, Madison, WI, <http://www.madisoncommunityfoundation.org>
Women's Fund of Miami-Dade County, Miami, FL, <http://www.womensfundmiami.org>
Women's Fund of Milwaukee, Milwaukee, WI, <http://www.womensfund.com>
Women's Fund of Peoria, Peoria, IL, <http://www.wfnet.org/ourmembers/profile.php?id=63>
Women's Fund of San Juan Community Foundation, San Juan, WA
Women's Fund of Southern Alabama, Mobile, AL, <http://www.communityendowment.org>
Women's Fund of Tucson, Tucson, AZ, <http://www.womengiving.org>

Women's Funding Alliance, Seattle, WA, <http://www.wfalliance.org>
 Women's Giving Alliance, Jacksonville, FL
 Women's Giving Circle, Fayetteville, AR
 Women's Giving Circle, Angleton, TX, <http://www.cfbr.org>
 Women's Giving Circle of Howard County, Columbia, MD
 Women's Giving Circle of York, York, PA
 Women's Impact Fund, Charlotte, NC, <http://www.fft.org>
 Women's Initiative Steering Committee Giving Circle, Port Huron, WI,
<http://www.stclairfoundation.org>
 Women's Philanthropic Healthcare Fund, Boise, ID
 World Venture Partners, Mercer Island, WA
 Young Leaders Environmental Giving Circle, MD
 Young NUTS (Never Underestimate the Sisterhood), Oshkosh, WI

APPENDIX F: Founder/Member Interview Protocol

Interview Questions

The interview questions focus on three different areas: (1) better understanding your circle and how it got started; (2) identifying existing resources to support the development of a giving circle and any unmet needs you had (this will inform the development of a robust Giving Circle ToolKit), and (3) how the circle has influenced the broader philanthropy of its members. We realize that this last area may be tough for you to comment on specifically, but we are hoping to gain a better sense of how a giving circle informs one's philanthropic journey — even if through anecdotal evidence only.

Understanding Your Circle

1. I'd like to learn more about how your circle got started. Can you give me the short version of the story?
2. As we've been gathering information about giving circles, we have been noticing that some circles evolve out of a pre-existing friendship network while others unite people who previously had no connection to one another. Can you tell me which best describes your circle and/or its evolution over time?
3. Based on your experience, what keeps people engaged? Are there other benefits beyond philanthropy (e.g., a new circle of friends, learning network)?

Building a Robust ToolKit

4. As part of our effort to promote giving circles as a new form of philanthropy, we hope to "fill the gap" on tools or resources that folks need to get a circle up and running or to keep it running smoothly. Can you tell me which tools and/or resources you relied on when founding the circle? (If respondent created new resources, please request copy.) What else would have been helpful to you?
5. Can you tell me a bit about the decisions that your group made along the way?
 - a. Why hosted or unaffiliated? Why small or large? Why equal/unequal contribution?
6. If you knew then what you know now, what would you have done differently?

7. Can you describe for me how your circle sees the process of grantmaking and the relationship that your circle has with its grantees?

Influencing a Philanthropy Journey

8. Do you think that the donations to your circle represent an increase in total philanthropic giving for the circle members or has the circle merely diverted existing charitable gifts?
9. From your perspective, does participating in the circle help individuals become more thoughtful or strategic in their giving? How so?
10. For mature circles only: Have you noticed an evolution or maturing of donors over time?
11. Your circle is affiliated with [insert name of host], do you think that this has been a mutually rewarding experience for both organizations? Is there any evidence that circle members are more engaged with the host organization or that the host organization is better-positioned within the community (or the press) as a result of hosting the circle?
12. Is there anything else that you would like to share about your circle?

APPENDIX G: Giving Circle Starter Kit

Starting a Giving Circle — Ten Basic Steps

There are as many ways to start a giving circle as there are giving circles. These 10 steps are not the only way that you might approach setting up your circle, but we hope they will give you a starting point and a useful roadmap. Let us know about your experience!

Step One — Set Goals and Structure for Giving Circle

Bring your group together for a first meeting. In inviting this group, you have probably explained the concept of a giving circle, but it is a good idea to take time at this first meeting to discuss what this venture is. Begin the process of setting goals and structure now. There are several decisions that can be made in the early phases of a giving circle that you may want to begin to discuss at this meeting. Some of these are:

- How many times will the group meet?
- How shall we determine our funding focus?
- Where to hold meetings?
- Is there a limit on number of participants?
- What is the size or range of the financial contribution each shall make?
- What is the time commitment?

Remember that the idea of the giving circle is to go beyond individual “pet” charities to pool your resources for a common goal with greater impact. The expectation is to contribute time as well as dollars in the process.

Step Two — Establish Mission and Commitment

Once the group sets up regular meetings, it is a good idea to establish a mission, set meeting

guidelines, agree on common goals and objectives, even think of a name to call your group. Generally the first few meetings will be spent firming up everything from group dynamics to financial commitment to focus area. It is also a good idea to give all members of the group the opportunity to work on tasks. Creating a rotating chair, designating a treasurer, and setting up “committees” or work groups will build the common purpose.

As an independent group, you can set your own guidelines for operation. There is no specific “rule book” you need to follow. There are decisions that need to be made, though, and determining the process for decisions ahead of time will facilitate smooth operations.

Things to remember: The contribution amount from each individual can vary from circle to circle. Each giving circle is different. There are circles that require \$50, \$500, \$5,000, or even \$25,000 in annual commitments. This is one of the more compelling benefits to giving circles, as the group gets to decide what is reasonable for their particular circle. It is important for the group to have 100 percent consensus on the final amount.

Many circles choose to have one contribution level for everyone. In a giving circle, no single vote on a potential grantee should outweigh another, and many circles find this easier to promote if everyone contributes equally. Other circles find that a tiered giving structure or even anonymous giving meets their needs.

Step Three — Decide Where to Place Your Collective Dollars

It is recommended that all members make a financial commitment to the giving circle at the start of each year (i.e., write the check). There are options for where your circle members’ money can sit. There are benefits to all the options, depending on the circle’s needs, experience, and structure. Giving circles traditionally have no administrative “overhead.” All dollars contributed go to the designated nonprofit(s) and the administration of the circle is done on a volunteer basis by the members. However, some circles have found it useful to pay administrative costs to receive a level of service and professional expertise that they cannot provide for themselves. You can:

- Open a joint bank account. Check with a professional advisor on the tax implications for starting a joint bank account giving circle.
- Partner with an organization that can act as a financial administrator of the funds.
- Establish a Donor Advised Fund at a Community or Public Foundation.
- Create a public foundation.
- Write individual checks to the chosen nonprofit(s) once donations have been determined.
- Explore other creative options depending on the group.

Step Four — Establish an Issue/Focus Area for Contributions

This step may take some time and discussion to determine. You may want to choose a process to find a common area(s) of interest. Encourage the group to define the focus area specifically. For example, if the group is interested in health issues for women — what specific health issues, age range, or demographic? Define the geographic area where you will seek out potential organizations or service providers.

You may also want to invite “experts” in the field to present information sessions to the group or assign group members to investigate particular issues. This is an area in which consensus is important for the giving circle. It is the combination of time, treasure and talent toward one common focus that creates the investment impact.

Step Five — Create Smaller Work Groups for Giving Circle Tasks

Once the focus is established, having members of the group volunteer for particular tasks will build personal commitment and interest in the work of the giving circle. These smaller groups can look at such issues as: What charity is doing the best work in your field of interest? How do you know?

Be willing to take a risk by funding a start-up nonprofit, or by funding a nonprofit that may seem unconventional to traditional funders. Remember you are the “Board of Directors” and can set your own guidelines.

Step Six — Develop Process and Criteria for Determining Who Will Receive Contributions

This is an ideal assignment for a committee. You may decide to take a traditional approach and ask for written applications from a charity or you may evaluate a group in another manner. What will be the criteria for determining who receives funding? Will you review grant applications? Will you visit specific organizations who could “qualify”? What kind of a report will you want at the end of the project period from the recipient of these funds? This process can be as simple as choosing a recipient organization based on information you gather and then writing a check to that group, or as involved as reviewing written applications, visiting the organizations headquarters or project area, and/or asking for a presentation.

If your group is unsure of how to assess an organization, you may want to consider asking someone with a background in grant making or nonprofit administration to give the group assistance (or maybe someone in the group could take on this role).

It is also important at this stage to establish final evaluation criteria. How will you measure your giving circle’s impact? How will the organization/s that receive funding measure the impact of this funding?

Note: Many circles try to match the level of effort they require from the grantee to the amount of money that they have to give. It is important to recognize that nonprofits are often understaffed and short on time, so it can be burdensome for them to create lengthy proposals and reports for relatively small amounts of money.

Step Seven — Develop/Define Partnership with Recipient of Grant Award

Do members of your circle want to volunteer for an organization you have funded? Your circle should define in what ways they can offer assistance. Web development, finances, program planning, legal work, and mentoring are some examples of ways your members might get involved. Be sure to be clear with the expectations of all involved in this new partnership.

Step Eight — Review Potential Recipients for Donations and/or Visit Nonprofits

Conducting site visits with potential grantees can be enormously helpful in the grantmaking process. This is the time to ask questions, get clarification about something that maybe wasn’t clear in the proposal, and see things in action.

The group should set aside plenty of time to discuss the potential grantees. There are often compelling reasons to fund many organizations, and members may feel strongly about funding different organizations. Therefore, time is needed to go through this process to reach agreement on which organization/s to fund at the end.

Smaller giving circles often use a consensus model for decision-making, while larger circles tend to rely on committees and voting systems.

Step Nine — Make Grant Awards

Immediately following the group’s decision, alert the recipient of your intentions, letting them know when they can expect a check. It is good practice at this time to let those organizations that will not be funded know of your decision.

Step Ten — Evaluate the Impact of your Giving Circle

Be sure to take the time to examine the short term and long term goals of the giving circle on an annual or other regular basis. This will help develop a sense of satisfaction with the work you are doing and also show how your contributions have made a difference. It is important to look at your work and discuss what you've learned, what you want to do the same or differently next time, and what the next round of funding will look like in terms of time and calendar. In particular, try to determine what impact this group has had with this venture philanthropy. Candid feedback from the organizations you have funded and partnered with will always be an important ingredient of this process. Be sure these lines of communication are open.

Suggested Calendar for First Year to establish a Giving Circle

This is based on one meeting per month in the first year.

- Month 1** Hold initial meeting
- Month 2** Discuss the circle's name and focus area
- Month 3** Discuss giving circle guidelines
- Month 4** Establish giving circle guidelines
- Month 5** Have a guest speaker — an expert in the field
- Month 6** Discuss criteria for grantmaking
- Month 7** Establish criteria for grantmaking
- Month 8** Research nonprofits for possible grant awards
- Month 9** Consider marketing of the circle and the work
- Month 10** Review potential nonprofits for grant awards
- Month 11** Determine potential nonprofits for grant awards
- Month 12** Make grant awards

Adapted from Association of Baltimore Area Grantmakers' Giving Circle Toolkit

APPENDIX H: Knowledge Lab and Participant List

Learning from Practitioners and Professionals

To further our understanding of the issues facing giving circles and to better identify new directions for research, New Ventures in Philanthropy convened a two-day meeting to engage representatives — including donors, staff, and researchers — from different types of giving circles across the country. The purpose of the knowledge lab was to have participants share what they know about creating, maintaining, and growing giving circles, and to better inform the next stage of work for New Ventures, which will include the development of a robust print and Web-based giving circle toolkit with useful information, sample materials, case studies, and research. Through workshops and conferences New Ventures will also seek to reach and support anyone wishing to start, maintain, or grow a giving circle.

The knowledge laboratory convened 22 giving circle experts, professionals, and practitioners. A diverse group of giving circle representatives represented the range of giving circle operations and activities. In addition, we invited leading experts in the field, including Sondra Shaw-Hardy, founder of the Women's Philanthropy Institute; Buffy Beaudoin-Schwartz, director of the Baltimore Giving Project; Angela Eikenberry, a researcher at the University of Nebraska Omaha currently studying giving circles; and Mary Alex, Director of Strategic Initiatives and Major Gifts from the Women's Funding Network. A complete list of participants is provided below.

Mary Alex

Women's Funding Network
San Francisco, CA

Buffy Beaudoin-Schwartz

The Women's Giving Circle of Howard County, Maryland (donor)
B'MORE Fund (donor)
Association of Baltimore Area Grantmakers
Baltimore, MD

Joel Breitstein

The Women's Collaborative Fund of the History, Heritage, and Hope Foundation (staff)
Tampa, FL

Angela Eikenberry

Omaha Venture Fund (donor)
University of Nebraska at Omaha
Omaha, NE

Hank Doll

(New Ventures funder and former Advisory Committee member)
Giving Back Gang (donor)
Doll Family Foundation
Shaker Heights, OH

Amy Zell Ellsworth

The Philanthropic Initiative, Inc. (staff)
Boston, MA

Adria Goodson

Kitchen Table Giving Circle (donor)
Hestia Fund (staff)
Somerville, MA

Tanya Jones

Change Fund (donor)
Baltimore, MD

Nicole Lee

Asian Giving Circle (donor)
Chicago, IL

Alice Lee-Osborne

Asian Giving Circle (donor)
Chicago, IL

Darryl Lester

Next Generation of African American Philanthropists (catalyst & staff)
Birmingham Change fund (catalyst & staff)
HindSight Consulting
Raleigh, NC

Athan Lindsay

*Next Generation of African American
Philanthropists (donor)*
Durham, NC

Marc Ross Manashil

The Clarence Foundation (staff)
Oakland, CA

Tammy Morales

Social Venture Partners International (staff)
Seattle, WA

Susan Neyman

*University of Arkansas Women's Giving Circle
(staff)*
University of Arkansas
Fayetteville, AR

Allan Paulson

World Venture Partners (donor)
Seattle, WA

Emily Parker

Washington Women's Foundation (staff)
Seattle, WA

Clare Payne Symmons

Wednesday Lunch Group (staff)
Community Foundation of Jackson Hole
Jackson, WY

Sondra Shaw Hardy

*Three Generations Circle of Women Givers
(donor & catalyst)*
Traverse City, MI

Ann Tartre

Portland Giving Circle (donor)
Maine Community Foundation
Portland, ME

Colleen Willoughby

*Washington Women's Foundation
(donor, staff, & catalyst)*
Seattle, WA

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