

David R. Jones:

NCRP's Board Chair Discusses Current Issues Facing the Sector

David R. Jones is president and chief executive officer of the Community Service Society (CSS) of New York, a leading nonprofit organization that uses research, advocacy, technical assistance and volunteerism to tackle urban poverty in New York City. Under Mr. Jones' leadership, CSS established The Unheard Third, the nation's only annual public opinion survey that documents the concerns and issues faced by low-income communities.

Mr. Jones has been chairman of NCRP's Board of Directors since 2005. He is a leading figure in New York's nonprofit sector and a vocal advocate for anti-poverty and economic advancement causes. In January 2007, he testified before members of the House Committee on Ways and Means to reinvigorate efforts to assist the poor, citing problems related to education, joblessness and poor working conditions affecting low-income New Yorkers, especially people of color.

NCRP communications associate Kristina C. Moore interviewed Mr. Jones about current issues and challenges facing NCRP and the broader philanthropic community.

NCRP: How did you become involved with NCRP?

David R. Jones: Before becoming directly involved with NCRP, I had already known about the organization and had talked to Pablo [Eisenberg] and Rick [Cohen]. We started collaborating in 1999 when my organization was in litigation with our local community trust over donor intent. NCRP, along with a number of other organizations, submitted an amicus brief on our behalf.

I also had been interested in many of the issues NCRP was taking on. During that time, I had already raised concerns, both in articles and forums, about the fairness in philanthropic giving, particularly in support of groups dealing with poverty and those led by black and Latino executives. I had also addressed philanthropic trade association groups on the issue of the lack of black and Latino membership, especially in the foundation sector.

NCRP: What is the primary issue in the philanthropic sector you are most concerned about?

DJ: My foremost concern in the field of philanthropy—and I have been pretty public about it—is the lack of accountability. I have worked in the private sector—I was a corporate lawyer for some years; I have worked in government; and I have been the chair of a for-profit institution. I have never seen a sector that has less ability for external forces to really motivate it to change.

I think this sector needs to be brought under some political pressure. There is no accountability to the public despite the fact that we are using the tax code and public resources to underwrite these grantmaking institutions. If the situation does not change, I think it is going to continue to go off the rails. Everything these institutions do have to be subjected to overt public scrutiny and not some sort of secret process.

NCRP: What other issues would you like to see addressed?

DJ: What we describe as “not-for-profits,” at least in the large urban areas I have seen, should not really be called “not-for-profits” anymore. And it is not because they are making money, but because they have become what is essentially “subcontractors” for government.

In New York City at least, there is an attitude that it is great to off-load social programs to the nonprofit sector because you can eliminate these programs with virtually no political backlash. As a government entity, I can say that to improve the quality of foster care or other social service, we have to ask a number of nonprofit providers to take on these programs. But when the next budgetary



Photo by Laurent Allier

David R. Jones, President and CEO of Community Service Society of New York, and chairman of NCRP's Board of Directors

crisis comes along and I “de-fund” these programs, the public hardly notices what happens. If questioned, I can say they were not running very effectively.

about trying to have programmatic grantmaking take place that they also forestall any kind of advocacy efforts within nonprofit organizations. Funders are not sure if the nonprofits can actually deliver, so they micromanage their grantees. They do not provide support for infrastructure that would make

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NCRP: Do you think there is an increasing trend toward this sort of off-loading of government-run social services to the hands of nonprofit organizations?

DJ: There is no question. New York has been transformed. Under Mayor Rudy Giuliani and other conservative efforts, that process has been accelerated. We are being sold the notion that nonprofits do it so much better than large bureaucracies like government.

When I was growing up in central Brooklyn, the nonprofits that did exist were on the frontlines of advocacy. Many of the programs that challenged discrimination and brought mass motion into the movement were really generated within the growing nonprofit sector. Nowadays, if you look at virtually all grassroots organizations dealing in the social service or direct service sector, most—if not all—of their money is government money. That means the notion of them being effective advocates has been compromised.

Nonprofit advocacy might be supported at the grassroots level if foundations were willing to provide general support to these organizations. Unfortunately, [foundations] are just as obsessive

these organizations work better or for opportunities to engage in advocacy so they can get more resources to do what they are doing well.

I think these are the two challenges—the off-loading of government services and the diminishing nonprofit advocacy—that we are seeing on the ground. When I talk to my peers from other institutions at other major cities, it is clear that they are witnessing the same pattern.

NCRP: Has philanthropy become more responsive to the needs of disenfranchised members of our communities?

DJ: Here in New York, we say we want to have vigorous nonprofit organizations, particularly those serving poor neighborhoods with credibility. But more and more funding is being directed to large institutions that are not at all representative of poor communities—racially or in terms of understanding those communities. By wiping out the groups that were led primarily by black and Latinos on the grassroots level during the Giuliani years, more money is coursed through larger nonprofits that virtually have no representation of poor communities on their

boards or leadership. Right or wrong, nonprofit boards—especially those of midsized and large organizations—are increasingly major donor driven. These major-donor-driven boards have virtually no connection with the poor or racial minorities.

NCRP: So they’ve lost touch with their own constituencies.

DJ: They were never in touch to begin with. The buy-in rate in the board of directors in many of the country’s major organizations



The Community Service Society (CSS) seeks to improve housing conditions and opportunities for low income New Yorkers.

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sometimes goes for about a quarter of a million dollars or more. That means you have individuals whose notion of wealth is staggering; there is a chasm between them and people from poor communities like South Bronx or Brownsville. We have a group of very wealthy people who don't even have an echo of memory of the Great Depression. Previous generations could at least remember how their parents or grandparents had to struggle through great economic turmoil.

This affects how a foundation identifies a "need," the kinds of programs it adopts, and the beneficiaries of these programs. I have seen one board direct their major fundraising effort to making sure more private school students took advantage of nonprofit funding. Clearly, they see the "disadvantaged" as people like them of great wealth. This is not really the kind of philanthropy any of us envisioned when the tax code was originally put forward. Sadly, there is an increase in this kind of "philanthropy."

NCRP: Is there reason to be optimistic about efforts to reform the philanthropic sector?

DJ: I think interest in reforming the philanthropic sector peaks from crisis to crisis. When the public discovers some sort of abuse, everyone scurries around to put Band-Aids on the situation. But when the public's and the press' attention turns elsewhere, I think people tend not to want scrutiny over what they do—they want to have complete discretion, such as how they spend their grants and the perks given to key staff or allies. That is why we need to be vigilant. That is why we need NCRP and similar institutions.

We have to engage the public, the press, Congress, state legislatures, and the attorneys-general to be constantly on top of abuses in philanthropy. Like weeds, the situation can quickly grow out of hand if not kept in check. This sector cannot cloak itself with the sense that just because we are doing God's work, we should not be subjected to

careful scrutiny. Forcing transparency and accountability is a perpetual task for organizations like NCRP.

NCRP: As a member of NCRP's board since 1999, and more recently as its chairman, how have you seen the direction of NCRP progress?

DJ: I think the danger is that there is so much to do that we tend to overreach in a dozen different directions at once. It is just like being a kid in a candy store—there is a plethora of abuse to choose from; you can pick anything and spend years trying to fix it. The tendency is to go for everything. For an organization with such limited size and budget, this approach might not produce the kind of long-term reforms that need to be brought to the system.

NCRP: How do you envision NCRP moving forward?

DJ: I think we need to do a lot more strategic assessment. With the new leadership, we have an opportunity to reassess how to get the biggest bang for the buck, given NCRP's limited resources and the lack of understanding among our various constituencies about where this lack of oversight is leading the whole sector and the country.

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NCRP: NCRP has had many successes since it was founded in 1976, from successfully preventing or pushing the passage of a particular legislation to releasing seminal reports that have contributed to reform. Could you share three accomplishments that, in your mind, rise above the others?

DJ: There are many. One is our earlier work regarding the United Way, which provided a road map for reform in workplace giving. Another important work is how we have tackled the issue of foundation payout. [Rick Cohen's] eagle eye over how politicians misused the philanthropic sector to pursue political gains will

undoubtedly have long-term impacts.

NCRP is in a field that has no dissent. And that is crazy! What we do have is primarily a trade association (and maybe that is an unfair characterization)—a sector leadership that is risk-averse and who don't want government oversight. When a crisis occurs, it tries to paper it over. NCRP is often the only group willing to be quoted in criticism of the sector.

This organization has done great research, but sometimes it boils down to its willingness to stand up against the weight of the entire sector while everyone else is afraid to say anything. It is one of the vital reasons why I have invested the time to continue NCRP's work.

NCRP: What do you think is your role, and that of the board's, in implementing NCRP's mission?

DJ: Ultimately, I see my role as board chairman as less about policy. I have definite ideas about who does the real work. The NCRP board has some brilliant people on it, but ultimately it is members of NCRP's staff who have to do the actual work.

I see the board as having the following important roles: the establishment of an effective organizational structure, financial and governance oversight, providing the staff with the ammunition and resources they need to effectively do the job, and setting up a mechanism to guide the executive director on the annual implementation of the organization's strategic direction. This is how I see the board as most appropriately utilized, particularly one that has so many people spread all over the country.

It takes board discipline and constant reinforcement of the strategic plan to refrain its members from engaging in the actual policy work, especially when there is a new issue that suddenly catches the public's attention. The danger of overreaching is very real, especially for an institution that barely cracks a million dollars and has few reserves.

I think this particular board has made real strides over the last 18 months. The leadership transition had been both a challenge and an opportunity to assess NCRP's contributions and determine what we hope to accomplish in the future.