

Bang for the Buck

Why Grantmakers Should Provide More Funding for Policy Advocacy and Community Organizing

By Aaron Dorfman

There was a lot of positive discussion in philanthropy during 2007 about foundation funding for advocacy and societal change. The challenge for 2008 and beyond will be to continue that discussion and turn it into real dollars.

The conversation has been focused rightly on impact, not ideology. The argument being advanced most regularly is that grantmakers should provide more funding for policy advocacy and community organizing because it is the most effective way to have serious impact on the issues that foundations care about. That's exactly the kind of framing for the discussion that just might lead to new dollars.

Early in 2007, Grantmakers for Effective Organizations and the Fieldstone Alliance collaborated to release a guide for funders that includes contributions from more than a dozen well-respected leaders in the sector; it is a terrific resource for foundations considering increased funding for policy advocacy. In the first chapter, Emmett Carson, president and CEO of the Silicon Valley Community Foundation, makes the case why foundations should support advocacy:

"Many foundations' mission statements speak with conviction about lofty aspirations such as eliminating poverty, eradicating disease, and promoting world peace, and to national and local concerns such as improving educational outcomes, providing affordable housing, establishing universal health care, or making arts and culture accessible to all. At their core, such mission statements assert that the foundation has examined some aspect of society, found it lacking, and believes that by championing change they will make the world a better place. The magnitude of societal change that is envisioned in these change-oriented mission

statements cannot be achieved through the support of direct human services. Change-oriented mission statements—by necessity—require a foundation to pursue public policy efforts that attempt to fundamentally change how the system operates."¹

This focus on changing society also was found sporadically on the conference circuit in 2007, though not nearly often enough to produce a significant shift in funder behavior. While the Council on Foundations' annual conference in Seattle had extremely few sessions that dealt with advocacy, organizing or civic engagement, they redeemed themselves somewhat at the community foundations conference in San Francisco, with three relevant sessions. The Independent Sector had an entire conference track devoted to the topic during their October 2007 conference in Los Angeles, entitled "Making Democracy Work: Advocacy, Policy and Civic Engagement." Furthermore, the annual conference of the Neighborhood Funders Group held in Cleveland this year, yet again had a multitude of sessions devoted to change-oriented grantmaking. I'm sure there were other conferences that addressed the topic.

It remains to be seen, however, if all this talk will lead to new dollars for nonprofits engaged in the important work of strengthening U.S. democracy through policy advocacy, community organizing and civic engagement.

In the fall of 2007, OMB Watch, Tufts University, the Center for Lobbying in the Public Interest and the Aspen Institute collaborated to release *Seen but not Heard: Strengthening Nonprofit Advocacy*, a book based on groundbreaking survey findings about nonprofit advocacy.² The authors discovered that the primary barrier to nonprofit engagement in policy advocacy was limited resources.³ Many nonprofits simply are stretched too thin

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to develop a robust advocacy program, and they rarely get funding dedicated to support that component of their work. There also were some important findings about how foundation funding for advocacy is perceived by nonprofits:

“Nonprofit leaders identified four concerns about foundation funding when it comes to advocacy. First, many feel as though advocacy is ignored or minimized as a funding priority within the foundation community.... Even when foundations fund advocacy, it is not the type of ongoing support that is necessary for systemic change.... Non-profit leaders also voiced concern that foundations provide support for advocacy when it is too late or in the middle of a crisis.... Finally, nonprofit leaders felt that foundations unnecessarily restrict advocacy.”⁴

The book is based on survey data from several years ago, so there may have been some movement in recent years that is not reflected in the text, but those findings echo my own experience over fifteen years as a community organizer with two national organizing networks.

From 1992 to 1997, I worked with the Association of Community Organizations for Reform Now (ACORN) and learned the craft from some of the best in the business, including Madeline Talbott and Wade Rathke. I was responsible for the Minnesota office and later opened a

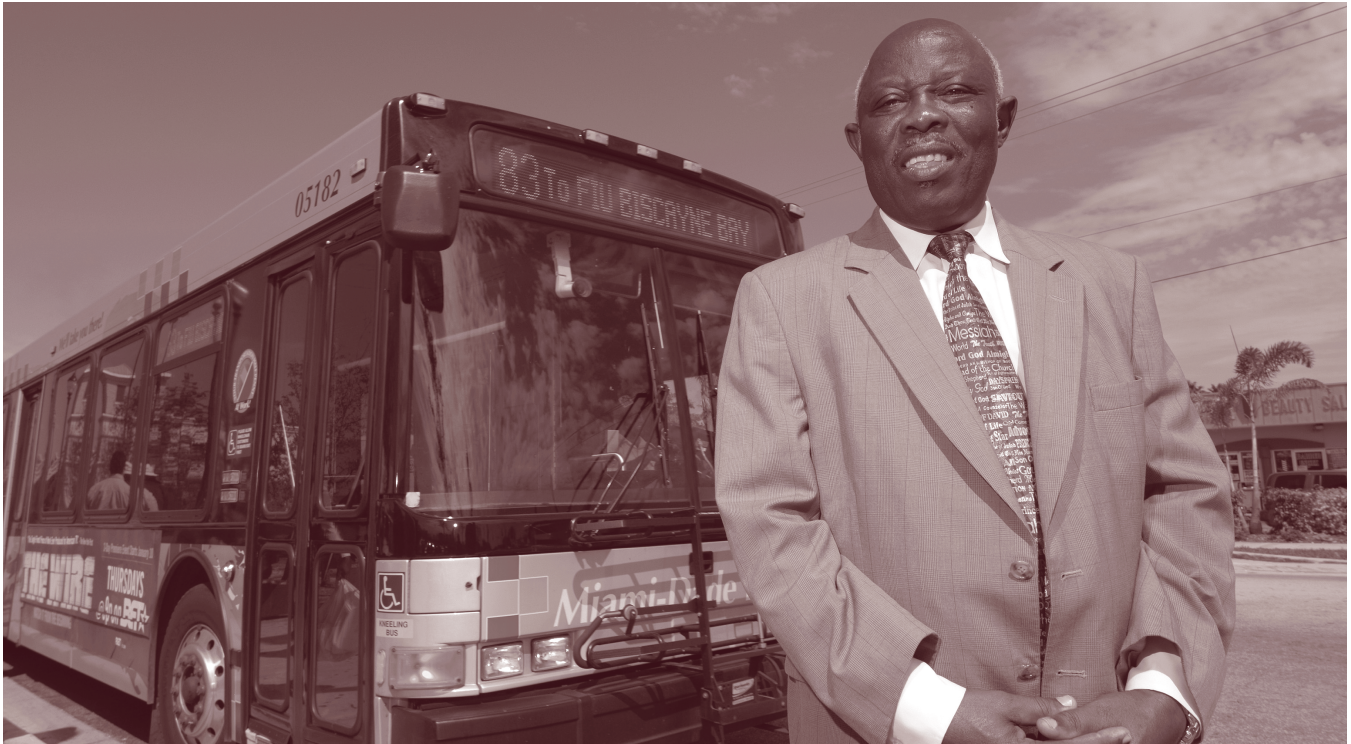
new chapter in Miami, Florida. With an annual budget of around a quarter million dollars, the Minnesota chapter of ACORN conducted campaigns that resulted in benefits worth tens of millions of dollars for the community each year, especially on the issue of affordable housing. Yet, with tangible impact year after year (a significant return on investment), we still had trouble securing sufficient foundation funding.

The argument being most regularly advanced is that grantmakers should provide more funding for policy advocacy and community organizing because it is the most effective way to have serious impact on the issues that foundations care about.

From 1997 to 2007, I was an organizer with the DART network (Direct Action and Research Training Center), maturing in my work under the guidance of veteran organizers Holly Holcombe and John Calkins. While I served as lead organizer and executive director of PACT⁵ (the local DART affiliate in Miami, Florida), we conducted one campaign that ultimately will have a \$17 billion impact on that community.⁶ By organizing and passing a ballot initiative, PACT won a vast expansion of the public transportation system that already has doubled the number of buses and will add new rail lines over the next 20 years, using proceeds from a sales tax increase dedicated to public transportation. The *People’s Transportation Plan*, which is improving public transit and providing more than 1,000 new jobs for local residents, never would have happened without

“NCRP believes that philanthropy has a special responsibility to nurture and strengthen democracy and that the nonprofit sector is uniquely suited to promote the health and vitality of our pluralistic society. To strengthen democracy, grantmakers should provide sufficient resources to people and communities with the least wealth and opportunity. They should trust those in need and closest to the problems to play a powerful role in crafting and carrying out solutions, and they should provide support for civic engagement, policy advocacy and community organizing so that organizations working with and on behalf of marginalized communities can participate effectively in the public square.”

— NCRP Strategic Plan 2008–2012



The Reverend Préal Floréal, one of the grassroots leaders of PACT, with a new bus added to Miami's fleet as part of the People's Transportation Plan.

PACT and its members.⁷ The campaign took just under three years, and PACT's total revenue during that time period was \$1.2 million.⁸ The foundations that supported PACT got a return on investment of more than \$14,000 for each dollar invested, from just that one campaign (\$17 billion / \$1.2 million). Of course, during that time period, PACT also was working on other important issues. If we add in the demonstrated impact of PACT's work to improve public schools, to secure fair treatment for immigrants and to expand access to health care for uninsured children, the return on investment was even greater.

Let me share an example from another DART affiliate in Florida. The PEACE organization⁹ in Polk County

won a campaign in 2004 to create a series of health clinics to serve uninsured residents. The first clinic opened November 1, 2007, and is serving 11,000 people.¹⁰ In the next five years, four additional clinics are planned and are expected to serve more than 45,000 people. These clinics are funded by a one-half cent sales tax increase, and the proceeds are dedicated exclusively to funding indigent health care in the county—\$37 million per year until 2020. Citrus growers dominate Polk County politics, and the sales tax increase was passed due almost exclusively to the work of the PEACE organization. In the year it won that campaign, PEACE had a budget of approximately \$100,000. With foundation investments of \$100,000 in direct health services, only a handful of residents would have been served. By funding community organizing, the impact of those foundation investments was exponentially greater. If you count the return on investment to be only one year of the tax revenue for indigent health care, the return is

The People's Transportation Plan is improving public transit and providing more than 1,000 new jobs for local residents, and it never would have happened without PACT and its members.

\$370 for each dollar invested (\$37 million for health on a \$100,000 budget). If you count all 15 years the tax will be in place (\$555 million), and if you assume it took three years for PEACE to build the capacity to win the campaign (\$300,000), the return is \$1,850 for each dollar invested. This rudimentary calculation doesn't capture the social capital benefits produced by the organization, the economic benefits to the community of a healthier population, or the multiplier effect of the medical spending.

Of course, major wins like these don't happen every year for advocacy organizations or community organizing groups. Change takes time, and foundations that want to see significant results need to be willing to invest for the long haul. Calculating an exact return on investment never is totally accurate. However, make no mistake about it—investing in community organizing and advocacy has a bang for the buck unlike many other potential philanthropic investments. That's why it makes sense for foundations to support it.

There are positive signs of change in philanthropy on these issues. The Bill and Melinda Gates Foundation recently made a major grant to support community organizing on education issues. The California Endowment has realized that it can improve health outcomes in their state most effectively by funding organizing and advocacy campaigns. The Marguerite Casey Foundation dedicates most of its grants to engaging communities in civic action, hoping to build a movement of low-income families that will result in a more just and equitable society. There also are foundations that have long realized the importance of funding for community organizing and policy advocacy, including the Ford Foundation, the Charles Stewart Mott Foundation, and hundreds of others large and small around the nation. Yet the proportion of funding dedicated to this kind of work remains disappointingly small.

Beginning in 2008, NCRP will produce a series of reports that attempt to document the impact of policy advocacy, community organizing and civic engagement work in communities across the country. We will draw on recent advances in the evaluation of advocacy efforts, including the great work of the Alliance for Justice and others, and we will generate documents that are credible to a mainstream audience. Our reports will give the most accurate assessments possible about the

impact this kind of work has on communities. That will be part of NCRP's contribution to this ongoing conversation, and we hope that foundation trustees and staff members will gain a new appreciation for the tremendous difference this kind of work has on the lives of thousands of Americans.

NOTES

1. *Power in Policy: A Funder's Guide to Advocacy and Civic Participation*, edited by David Arons, 2007, Fieldstone Alliance, p. 14
2. *Seen but not Heard: Strengthening Nonprofit Advocacy*, by Gary D. Bass, David F. Arons, Kay Guinane and Matthew F. Carter, with Susan Rees, 2007, the Aspen Institute
3. *Ibid*, p. 29
4. *Ibid*, pp. 33–34
5. People Acting for Community Together, Inc. (www.miamipact.org)
6. *Sun-Sentinel*, Nov. 7, 2002, by Michael Turnbull.
7. Shelterforce article, Issue #128, March/April 2003: (<http://www.nhi.org/online/issues/128/organize.html>)
8. IRS Form 990.
9. Polk Ecumenical Action Council for Empowerment, Inc. (<http://www.thedartcenter.org/PEACE1.html>)
10. Interview with Virginia Lynch, former lead organizer of PEACE. Also citation in *The Ledger*, (<http://www.theledger.com/article/20071020/NEWS/710200440>)

A RESOURCE FOR FUNDERS Community Organizing Toolbox

The Neighborhood Funders Group (NFG) is a national network of foundations and philanthropic organizations whose members support community-based efforts that improve economic and social conditions in low-income communities. NFG provides information, learning opportunities, critical thinking and other professional development activities to its members.

NFG offers a "community organizing toolbox" for funders interested in learning more about funding community organizing. You can download a copy for free at <http://www.nfg.org/cotb/index.htm> or you can order a hard copy from NFG for \$20.