

# **Inspiration for Changemakers Australia – organisations committed to social change philanthropy in the United States.**

## **Introduction**

The development of Changemakers Australia isn't just a great idea that came to us one day – there's been a fair amount of interest in social change philanthropy – what it is, how you do it - by us, and many people in this room, over a number of years.

Women in Philanthropy and Horizons, a Funders Network for Social Change were two earlier attempts to provide forums for discussion of effective grantmaking which addressed areas of current social need within a social justice framework.

However, the inspiration and impetus to take the plunge and formalise this involvement through the establishment of an organisation committed to social change philanthropy in Australia, grew from the work of 2 organisations in particular, based in the United States.

As background to our development here, we thought we'd start this session by giving you a brief overview of these two organisations and the work they do.

These are Changemakers and Alliance for Justice.

What is amazing is that these are only two of a multitude of donor education, support, networking and grantmaking organisations which have an explicit commitment to social change philanthropy in the US.

I've provided a sheet with some (by no means all) of the major ones, with their website addresses. Websites such as Changemakers provide a Links section which will provide further information about the range of organisations.

It does then seem timely in Australia to establish one organisation with the explicit goal of promoting and supporting social change philanthropy.

I'll just provide a brief overview of the work of these two organisations. You can get more info from their websites, and then we'll show snippets from the CD ROM called Transforming Philanthropy, produced by Changemakers. If you would like to see the whole thing, Reichstein Resource Library has a couple of copies – you'd be welcome to borrow one.

## **Changemakers**

The organisation which has been the major source of inspiration for us, as you can tell from our name, is Changemakers in the United States.

Established in 1999, Changemakers is a national public foundation that models and supports community based social change philanthropy. This wording is important because Changemakers sees itself working in two major ways:

It works within the philanthropic sector to shift:

WHERE money is directed – to address root causes, rather than symptoms of, social and environmental problems.

HOW money is given – by urging individual donors and philanthropic organisations to become more accountable, strategic, inclusive, collaborative, democratic and creative.

Changemakers is particularly committed to a philanthropy which is accountable to the communities it serves and to giving people from under-represented groups a role in decision-making about how funding should be allocated.

In summary, Changemakers sees its mission as one of transforming the values and practice of philanthropy, in order to assure a more equitable and accountable distribution of resources for creating positive social change.

It does this by encouraging and supporting the philanthropic sector to provide resources to non-profits working for social, economic and environmental justice.

The strategies it employs to achieve this include: strengthening the organisations practicing community based philanthropy; inviting new donors to participate; and to promote models and principles of community based philanthropy within the broader philanthropic sector.

It undertakes these strategies through three major programs:

Grantmaking to community based philanthropic organisations

Philanthropic education regarding the potential of community based philanthropy

Convening – which involves providing opportunities for philanthropic organisations and individuals committed to community based philanthropy to come together

Firstly through its grantmaking program. Changemakers primary grantmaking goal is to strengthen the field of community based philanthropy.

In the past few years, Changemakers has distributed around \$2 million to over 50 US based organisations practising and promoting the principles of community based philanthropy at the local, regional, national and international levels (organisations such as public foundations, philanthropy education, research and training groups, philanthropic affinity groups and networks).

Most grants are for capacity building – expanding fundraising capacity, technology, board development and training, staff training, diversity training and planning. Grants are made by a national committee made up of Changemakers constituents.

Secondly through donor leadership development. CM believes that the resources of people who give money to social change organisations can be leveraged for social change far beyond their financial contributions. They work with committed social change donors to foster and advance their leadership, partnership and fundraising skills.

And finally through outreach and advocacy. CM works to increase the visibility of CBP within the broader philanthropic sector by writing articles, speaking at conferences, running workshops, and distributing written material to a variety of audiences, including professional advisors (such as financial planners, estate lawyers), individual donors, family and community foundations.

The Changemakers CD ROM talks much more passionately about their work than I can do justice to here, so I'll move on now to talk briefly about Alliance for Justice, before showing the CD Rom.

### **Alliance for Justice**

Alliance for Justice does not sit within the philanthropic sector in the same way as Changemakers or many of the other organisations listed here.

It was established in 1979 as an association of public interest legal groups. Its aim was to strengthen the public interest community's ability to influence public policy, and to foster the next generation of advocates.

Since then it has broadened its mission to strengthen non-profit advocacy and equal access to justice more generally. Its membership now consists of a wide range of environmental, mental health, women's, children's and consumer advocacy organisations, committed to advancing the cause of justice for all Americans.

The organisation's work is based on the belief that it is non-profit organisations, aided by the increasing resources of their philanthropic supporters, have often led the way in finding innovative approaches to addressing social problems and injustices.

The Alliance argues that non-profits have a vital role to play in public policy making, and that philanthropists have a role in supporting them to facilitate the advancement of social justice.

It implements its mission through five separate programs:

1. A non-profit advocacy project - which strengthens the capacity of the public interest community to influence public policy, by assisting non-profit organisations through workshops, technical assistance and information.
2. A Judicial selection project - which monitors federal court nominations and the appointment of fair and compassionate judges. It has also taken the lead role in raising public awareness about the significant impact the federal judiciary has on the country. A couple of examples of the beginnings of press releases:

Alliance for Justice Urges Bush to Unite Country and Select Consensus Nominee to Replace Sandra Day O'Connor

*"The retirement of Justice O'Connor presents the president with an historic opportunity," said Alliance for Justice President Nan Aron. "He can unite the country and consult with both parties in selecting a moderate, consensus nominee - someone like Justice O'Connor - or he can continue down the path he has taken with lower court nominees and name a controversial candidate who will further divide the nation."*

Women Leaders Speak Out All Week Against Bush Nominees

05.10.2005 — "Justices Owen and Brown's deplorable records on women's rights make them unacceptable for lifetime appointments to the federal bench," said Marcia D. Greenberger, Co-President of the National Women's Law Centre. "They have repeatedly ignored the will of the people and state legislators in order to make law from the bench that follows their own conservative views."

3/4. Student and Youth Advocacy Projects to encourage young persons and college students to have a voice in their community and to advocate for social change.

A major way in which it does this is through a national program that helps organizations build their capacity to foster youth leadership in the design, implementation, and evaluation of action strategies addressing community problems

Finally, the project which interests us today ... the Foundation Advocacy Initiative.

The Alliance sees that it has a role in educating philanthropic foundation staff and trustees to better understand how they can increase the effectiveness of their charitable work, by supporting the advocacy efforts of the groups they fund. And by showing them that they can do this within the regulations covering non-profit organisations and legitimate activity defined as charitable purposes.

It does this through a range of activities including workshops, technical assistance and plain language legal guides.

Advocacy is defined as encompassing a wide range of activities associated with attempting to influence or change public policy. In the American context, under their tax regime, supporting partisan electoral activity is prohibited, while lobbying for legislative change is permitted under certain conditions and other public interest –oriented advocacy activity is permitted, if it is for tax-exempt purposes.

Whilst there are limitations in both the USA and Australia about the type and extent of advocacy activity that foundations can support, it is also true that in both countries the majority of philanthropic organisations tend to shy away from, and become over-cautious of supporting any activity that may be seen as 'political', partly because of fear that this will get them into trouble with the tax authorities. In many cases, this caution derives from myths about what foundations can and cannot legally do or fund

Much of the work of the Alliance is showing foundations that they can legitimately support the advocacy and public policy activity of the organisations they fund.

Their latest publication - *Investing in Change: A Funders Guide to Supporting Advocacy* - is a guide for foundations in explaining the various roles they can play in the advocacy process. It provides information on:

- the tax rules as they apply to public and private foundations supporting advocacy;
- how foundations can assist in building the advocacy capacity of their grantees; and,
- approaches to evaluating the advocacy activity of grantees.

In the same vein, one of the first projects we want to undertake as part of Changemakers here is around the definition of charity and what philanthropic organisations can legitimately fund, along the lines of the Alliance's work.

The project will broadly have 2 goals:

- To achieve (through legal advice) the broadest possible legal definition of what is charitable, to include activities which raise public awareness, change public attitudes, reform unfair or discriminatory legislation or policy - as a way of more effectively meeting the charitable purposes of the organisation; and,

- To inform and educate philanthropic organisations and individuals about the legitimacy of funding organisations which include lobbying/advocacy activity as a means of achieving their charitable purposes.

However, that is only one project we have planned. A range of activities will be outlined by Mary as she takes you through our five year plan.