PHILANTHROPY SCOPE
P.S.
The Journal of Philanthropy Ireland

Responding to Recession:

How philanthropy is tackling the global economic downturn

In this issue

Jackie Harrison
Chief Executive, Philanthropy Ireland

comment

Although philanthropy is clearly under some pressure, there are compelling arguments that the recessionary period might be used to develop key building blocks and infrastructure around planned giving so that they are in place when the economy recovers.

Welcome to *Philanthropy Scope* – the new biannual Journal of Philanthropy Ireland. This first edition includes a wide range of perspectives on developments within philanthropy from Ireland and the UK through to the EU and the United States. It gives an update on the new Charities Act, which has just been signed into law in Ireland, discusses the role of wealth advisors in promoting philanthropy, highlights social entrepreneurship in Ireland and explores private investment in arts and culture. Perhaps inevitably, there is a particular focus on the current recession and its impact on philanthropy, the community and voluntary sector and other not-for-profit organisations.

In recent months, the question has been posed whether economic recession will sound the death knell for philanthropy in Ireland, which is after all only in its infancy. In terms of the threats to philanthropy, the current downturn in stock markets is significantly curtailing the income and hence the monies available for distribution by some philanthropic organisations, notably those with endowed funds. In line with most other investors, portfolio values have dropped dramatically, with losses of 20-40% the norm rather than the exception. Equally, it is clear that many individuals, families and businesses that may have been looking to engage in philanthropy for the first time may no longer do so if they have been hit badly by the financial downturn.

On the other hand, international research indicates that historically, swings in giving tend not to be as dramatic as swings in the broader economy so the setback may not be as bad as one might have initially assumed.

Statistics aside, the most compelling argument for seeking to promote and expand philanthropy in Ireland must be the negative impact the financial crisis is having on not-for-profit organisations, which badly need independent funding to move away from (in many cases) an overreliance on state funding. The economic downturn is leading to increased demands for services offered by not-for-profit organisations that are at the same affected by funding cuts and budget shortfalls of their own, a case strongly articulated by a number of contributors to this edition of Philanthropy Scope, including Hans Zomer, Dóchas; Ruth Guy Barnardos; and Bryan Patten, Suas.

Philanthropy Ireland's newly adopted strategy sets out an overarching goal of growing and supporting philanthropy in Ireland and, to this end, the organisation is engaged in a number of strategic initiatives around promoting greater philanthropic giving in Ireland. These include providing thought leadership and prompting debate about philanthropy, working with professional advisors to ensure that they are proactive in the area, providing information and advice on philanthropy and developing Philanthropy Ireland as a strong network of expertise and collaboration for members and other players in the sector. We also want to see an encouraging environment for philanthropic giving in Ireland and are playing an active role in the Government- led Forum on Philanthropy, as well as collaborating with Irish Charities Tax Research Ltd in commissioning research into tax and regulatory issues which affect philanthropic giving (which will be published later this year).

I would like to thank all those who have contributed to this first edition of Philanthropy Scope. We hope that it will provide useful insights into relevant developments in the sector, a variety of perspectives on giving and most of all that it will prompt debate and discussion. If you have any views or opinions that you would like to see included in future editions of *Philanthropy Scope*, please let us know.

Matthew Bishop is American Business Editor and New York Bureau Chief for *The Economist*

A Great Giving Opportunity

The global financial crisis has been greeted with a certain smug satisfaction by that section of British public opinion with a grudge against the rich.

by Matthew Bishop

Never comfortable with the fact that the re-emergence of entrepreneurial wealth in Britain had led to a rediscovery and rehabilitation of our philanthropic tradition, doomsayers are hoping that our current economic woes will see what I call philanthrocapitalism strangled at birth. Let's hope they are wrong.

Lord Eddie George was right when he commented recently, in a foreword to a report by centre-right think-tank Policy Exchange, that "this is the first real test for our 'new philanthropists' since their method of long-term support and long-term engagement started." Some donors will have been hard hit by the financial crisis but for many of the rich who can invest at the bottom of the market this is a great 'buying opportunity' that will make them even richer. They need to resist the temptation to rein in their giving because, just as the slump in the financial markets is offering a great 'buying opportunity' for investors, so social investors have a great 'giving opportunity' to get maximum impact from their donations by driving efficiency improvements in the voluntary sector and government.

Philanthrocapitalists have developed a new vocabulary to describe their approach to charity, which borrows enthusiastically from the business lexicon. They call themselves 'social investors' or 'venture philanthropists', and try to make donations that are 'high performance' and 'strategic'. Above all, they love to 'leverage' their money.

Leverage may be a bit of dirty word at the moment, but to make a real difference, philanthropists have to find ways to use their money that have an outsize impact, typically by using donations to change how others spend their money. Philanthropic leverage will become more important in tough economic times as social demands increase and government budgets get tighter – the need to get the maximum bang for the increasingly sought-after philanthropic buck should become even more critical.

One form of leverage will be for philanthrocapitalists to bring about mergers and acquisitions in the voluntary sector that currently has far too many organisations doing essentially the same thing. When raising money was easy, charities could resist demands to get together. Now philanthrocapitalists who want to finance bigger, more efficient organisations may find a new willingness to accept their terms.

Leverage can come from doing things that no one else can. Inspired by an attempt to fly Nelson Mandela into Baghdad to persuade Saddam Hussein to step down and avert a war in 2003 (ultimately frustrated by the US bringing forward the invasion), Sir Richard Branson is trying to influence global politics through his creation the Global Elders. This team of independent international trouble-shooters, including Kofi Annan and Jimmy Carter, has been working to mediate peaceful solutions in Sudan, Kenya and Zimbabwe, playing a role that national governments and the United Nations cannot.

Leverage can also mean partnership. The Gates Foundation, for example, has tried to 'leverage' the research and development budgets of the big pharmaceutical companies by giving incentives to encourage them to spend more of their research budgets on discovering, say, a vaccine for malaria (which kills millions) rather than a cure for baldness (which hurts only vanity). Another leveraging strategy has been to encourage research that combines a variety of inexpensive drugs to cure a different disease. The British Government has been a willing partner in this process and sees Gates as a key ally in the push to achieve the Millennium Development Goals.

Philanthrocapitalists would do well to start thinking about how to apply this type of leverage at home, following a model developed in New York by billionaire mayor and philanthropist Michael Bloomberg, where philanthropy finances pilot projects too risky to ask taxpayers to pay for initially. If they are proven successful this philanthropic investment can be leveraged with little controversy or risk to taxpayers by making the expansion of the project part of the city budget. So far no British civic leader has had the will or the nous to try this at home. But maybe straightened economic circumstances will concentrate the mind of some maverick mayor with a big Olympic bill to meet?

In her recent book Unjust Rewards, Guardian columnist Polly Toynbee, writing with David Walker, dismisses philanthropy as self-interested, anarchic and plutocratic. "True philanthropy in the modern age is tax-friendliness", they argued, claiming that clawing back money from the rich through higher taxes beats philanthropy. This argument dangerously underestimates the potential role that philanthropy could play for the good of our society, if the philanthrocapitalists stick to their guns.

Matthew Bishop is American Business Editor and New York Bureau Chief for The Economist and co-author of Philanthrocapitalism: How the rich can save the world and why we should let them. He will deliver the second Ray Murphy Memorial Lecture at Trinity College Dublin on 27th May 2009.

This article first appeared in Philanthropy UK's December 2008 newsletter. It is reprinted with the kind permission of Mr. Bishop.

Second meeting of the Trustee Network

The second meeting of the Trustee Network will be on 21st April 2009. These meetings are intended for Trustees, advisory group members and other decision makers in philanthropic organisations. If you are interested in joining the Trustee Network, please contact Jordan Campbell at jcampbell@philanthropy.ie

International News: Ben Eyre, Philanthropy UK

Positive tax relief ruling on international giving

The European Court of Justice (ECJ) has ruled in favour of tax relief on cross-border donations.

This ground-breaking decision means that donors should be able to benefit from tax relief on donations to charities in any EU country, as long as that organisation would be eligible for charitable tax exemption in this country, according to the ECJ ruling in the case of Hein Persche v Finanzamt Lüdenscheid (C318/07).

The ECJ can rule on matters that concern the principle of free movement of capital between EU member states. The Court ruled that Hein Persche, a German donor, was entitled to the same tax relief on a donation to a Portuguese charity as he would be to one within his own country.

"This is a very significant decision which should have ramifications for charities, donors and tax authorities across the EU," said Clive Cutbill, head of international philanthropy at law firm Withers.

It was accepted in the ruling that authorities in the taxpayer's state could require donors to provide proof that a foreign charity would qualify for charitable status in the taxpayer's own state, before accepting that a cross-border donation is eligible for tax relief.

"Consideration must now be given to establishing mechanisms to prove to fiscal authorities that the activities of charities from other Member States satisfy the requirements for 'charitable' tax treatment in the taxpayer's Member State," Cutbill added.

The ruling stated that donors were more likely to make a gift when they are able to obtain a tax deduction, if one is available. By preventing the tax deductibility of cross-border giving, member states were therefore restricting the movement of capital, according to the judgment.

The European Commission now requires governments to respond to this ruling and address the infringement of the EU Treaty. The judgement should lead to simplification in the steps needed for donors to make a tax-efficient donation to a charity in another EU member state.

" (EU) governments are under notice from the commission that they must comply with the law to respond", commented Jacob Rigg, head of policy at the Society of Trust and Estate Planners (STEP).

In the case of The Centre di Musicologia Walter Stauffer v Finanzamt Münchenen für Körpershcaften (C386/04) the ECJ ruled that a charity's income was not taxable when it derived from investments in other member states. The European Commission told a STEP philanthropy symposium in September 2008 that they had 18 cases pending against member states for not extending charitable tax reliefs outside of their borders.

"Member states who have ignored directions issued by the European Commission following the Stauffer case must now consider their position carefully," Cutbill said.

If governments do not comply with the ruling, then the Commission can start formal proceedings through the ECJ against those governments to force it to change tax rules so that it does comply with the ruling.

More information is available on the ECJ website.

Luc Tayart de Borms,
Managing Director,
King Baudouin
Foundation

Foundations in a time of Crisis

These are stressful, challenging times for everyone – not least for foundation managers, boards and donors.

by Luc Tayart de Borms

Banks, businesses and even governments fail; equity markets and portfolios plummet, and long, painful recessions in Europe, the US and elsewhere are forecast. Some foundations have had to close their doors. As a foundation manager reflecting on the current financial crisis, a few thoughts occur to me as we try to make our way forward - hopefully to better times.

My first thought has to do with the investment advice many foundations rely upon in managing their endowments. Foundation boards usually rely on special committees as well as external and internal experts for investment decisions. This creates a comfort zone for managers and board members but, at least in my experience, it can also result in getting stuck in what might be called an 'expert trap.' You, as a foundation leader, may feel in your gut that the financial advice you are getting is not right - it seems to ignore information that does not fit into the experts paradigm thinking. But you lose the argument in the face of technical analyses and paradigm thinking you only half understand.

Financial experts are very good at explaining the past. But they often have limited capacity to think about future scenarios, including very dire ones like the current crisis. There needs to be better checks and balances between foundation boards and their financial experts. Identifying the problem is fairly easy; constructing effective solutions is less so. One way forward may be to bring more unorthodox 'maverick' financial thinkers onto our boards—people who have the courage and support to challenge conventional expert wisdom.

My second thought deals with the reactions of foundations to the recent crash of equities markets. Over the last few months, managers of foundations with significant equities in their portfolios have asked themselves whether to flee to the safety of cash. Some did.

Personally, I suggest another approach. When foundations decide to participate in equities markets, they are opting to participate in the real economy - with its ups and downs. Being part of the real economy, in my view, brings responsibilities. If, during the last few months, all foundations with significant equity positions had retreated to cash, they collectively would have brought global markets even closer to a complete implosion. One of the principal virtues of and justifications for foundations is their ability to take a long-term view. Avoiding panic selling is consistent with the role of foundations. It requires nerves, but it is the responsible position.

My final thought focuses on the negative impact the global financial crisis is having on the civil society organizations and other recipients with which foundations work and what foundations should do to mitigate the crisis.

CSOs face diminishing private and corporate donations. Public officials struggle with budget priorities as economies slide into recession. These factors place enormous pressures on the business models of CSOs and their ability to deliver programmes, aid and services to those in need. And times of financial crisis only exacerbate need. Now, more than ever, foundations and others that support CSOs should - to the maximum extent financially possible - honour their commitments and resist budget cuts.

Bryan Patten,
Partner Development Manager,
Suas Educational Development

This is also not the time to pull back on our use of other instruments in our philanthropic toolbox – such as our convening capacity, policy recommendations, and strategic communications, among other things. In grantmaking and all of these other areas, now is the time to show leadership and take a countercyclical approach. Foundations should be a force tranquille in society – a trustworthy actor who can be relied upon in very difficult times.

In addition to this moral obligation, however, I believe that times of crisis are times to invest in the future. If we cut back, particularly in our philanthropic R&D capacity, we will pay the price for much longer than the recession will last. Of course, during such times, we must be critical about our overheads and redouble our efforts to improve efficiency and efficacy. We need to critically assess our staff and perhaps reduce costs where staff is underperforming. But we must avoid if at all possible damaging our strategic resources and our talent pool.

Admittedly, there are tensions among some of my suggestions and I hope this is piece is not viewed as naively idealistic. Successfully navigating through the current crisis will require judgment, but also leadership and courage, resolve and boldness. The bottom line is this: foundations exist and are "tolerated" because they make a positive difference in society in good times and bad; they bring an added value different from that of other actors. Public, commercial and social sectors are suffering. Now, more than ever, we need to demonstrate that the brand name "foundation" represents a credible and valuable actor in our societies.

This article first appeared in the winter 2008 edition of the European Foundation Centre's Effect magazine. It is reprinted with the kind permission of Mr. Tayart de Borms.

Views from the Field: Bryan Patten

Suas is one of Ireland's leading education NGOs, dedicated to supporting quality education in under-resourced communities. As part of its Overseas Programmes, Suas annually provides over €300k of programmatic and organisational development funding to 7 partner organisations in India and Kenya.

Suas's own funding has been affected by the challenging economic environment and, over the past 12 months, the organisation has also received a significant increase in emergency funding requests from our grantee network.

These funding needs have often been prompted by a sudden loss, or significant delay, in committed funding from other donors. These financial crises are different from Suas's previous experiences, as they have been prompted by a loss of support from funding lines previously considered stable such as returns on fixed deposits, philanthropic gifts and government grants.

The impact of this loss of funding is felt most acutely by our grantee's end users. We estimate that the financial shortfalls place 2,000+ children, currently supported through our network, at risk of receiving no access to education. In this way, a short term cash flow crisis could precipitate long term issues of community support and credibility for our key grantees. Therefore, to meet this new and growing need within our grantee network, we have implemented the following:

1) Actively managing grantees' expectations
Suas has been proactive in communicating our funding round details to our grantees. We have contacted all current grantees, providing explicit details around the maximum amount of funding available and the likely dates of the funding process. Providing this information means that our grantees will not be forced to make blind assumptions in their financial planning.

2) Providing additional short-term bridge funding to resolve cash flow issues
Suas has reviewed each emergency funding request on a case by case basis, evaluating the proposals by asking two questions – "Is this request an indicator of a shot term or long term need?" and "What is the organisational impact of not receiving this funding?" Through this process we have disbursed an additional €70,000 (20% of our total budget) across our grantee network in 2008.

3) Funding organisational development initiatives on financial management
Suas is supporting each grantee with their financial management systems, processes and structures. We have made funding available to any grantee who wishes to secure additional support in this area, and have deployed our own financial controller in the field to provide additional technical expertise.

4) Supporting our grantees to identify and secure alternate funding sources
Suas is currently reviewing fundraising plans with each major grantee, evaluating the strength of their fundraising pipeline and identifying donors at risk of delaying or defaulting on grant commitments. We are also supporting our grantees to identify potential new donors, particularly within their own communities.

By being flexible now and adopting these approaches, Suas aims to ensure that all of our key grantees survive 2009 and enter 2010 in a healthy financial state.

For more information about Suas, visit www.suas.ie

The Charities Act 2009

After nearly two years of advocacy by interested parties and debate in the Dail and Seanad, the Charities Act was signed into law on 28th February 2009.

By Sheila Nordon

The positive changes in the final version of the Charities Act are the direct result of the open and consultative approach adopted by the Minister and his officials throughout the legislative process.

The key principle of proportionality was further reinforced through a number of amendments on registration requirements and annual reporting in recognition of the fact that the charity sector in Ireland is characterised by a very large number of small charities and a much smaller number of medium to large ones. There were one or two additions to the statutory definition of charity but despite a very strong lobby and extensive debate in both the Dáil and the Seanad proposals to explicitly include both 'human rights' and 'amateur sports' in the definition were defeated.

The maximum size of the board of the Charities Regulatory Authority (CRA), to be set up to secure compliance and encourage the better administration of charities, has been increased to 20. The new Authority will replace the existing Commissioners for Charitable Donations and Bequests which will be dissolved on the setting up of the CRA. The CRA will have strong investigative powers, can co-operate with bodies inside and outside the state and there will be serious penalties for offenses under the legislation.

All charities operating in the State and regardless of size must register with the CRA including charities from outside the State that wish to operate here. A welcome change is that organisations that have charitable tax exemption status from the Revenue Commissioners will automatically be deemed to be charities on the day on which the Charity Register comes into existence unless the Revenue or CRA have reason to believe they no longer qualify. In the case of new charities the Bill provides that the Charity Regulator can exempt smaller charities from some of the more onerous registration requirements set out in the legislation. The Charity Register will be available to the public online. It will be an offense for an organisation to hold itself out to be a charity if it is not on the register. It will also be an offense for an organisation to publish any material describing itself or its activities in such terms as would cause members of the public to reasonably believe that it is a charitable organisation. Also new is a special provision outlawing the sale of pre-signed Mass Cards without proof of there being an agreement in place with the recognised church authorities.

Sheila Nordon,
Irish Charities Tax Research Ltd.

Recent changes to the Bill clarify that charities are permitted to engage in political advocacy that is directly related to advancing their charitable purposes. The original formulation had raised the concern that advocacy by charities could be restricted.

The Act sets out the duties and responsibilities of Charity Trustees including the circumstances in which a person would cease to be qualified to act as a trustee. Recent additions include allowing for the purchase of Trustee Indemnity Insurance and setting out the special circumstances in which payment of charity trustees for non-trustee work would be acceptable. There is also a change that makes it possible for the courts to protect charity trustees from personal liability in proceedings taken for breaches of trust where the court is satisfied that the charity trustee(s) acted honestly and reasonably in all circumstances.

The main provisions in relation to annual returns and annual activity reports remain the same but a number of positive changes were introduced in the final stages including more flexibility in the prescribed threshold (up to a maximum of €500,000) above which audited accounts will be required. Examination of accounts will be required for income below the prescribed threshold except in the case of charities with total income/expenditure of less than €10,000 in a given year. Such charities will not be required to submit audited or examined accounts but will have to include information on their finances in the Annual Activity Report which is compulsory for all charities regardless of size or legal structure. The Charities Act provides that regulations can vary the level and detail of information that is required of different classes of charities. Charities structured as companies that already make Annual Returns to the Companies Registration Office (CRO) under company law will not be required to submit them to the CRA - instead the CRO will send the returns to the new CRA to avoid dual reporting. Annual Reports and accounts submitted to the CRA will be publicly available except in the case of private foundations that do not raise funds from the public.

The three-pronged approach to the regulation of fundraising remains in place with more detail provided in relation to the requirement and application procedures for Garda permits for all types of fundraising. There is also more detail on the conditions that must be met in relation to both cash and non-cash collections e.g. the use of sealed collection containers. The operational and administrative aspects of fundraising are still to be regulated by agreed Codes of Practice and during the debate the Minister indicated that they intend implementing the scheme proposed by ICTR in the near future.

The Charities Act gives details on the proposed appeals procedure including the size and composition of the Charity Appeals Tribunal, the process for making appeals and the powers of the Tribunal. Also included are details on the role and operation of the proposed Consultative panels.

The Act is structured in such a way that the various provisions can be phased in allowing sufficient time for the sector to be prepared. It is likely that the setting up of the new CRA, the Charity Register and full implementation will take up to two years.

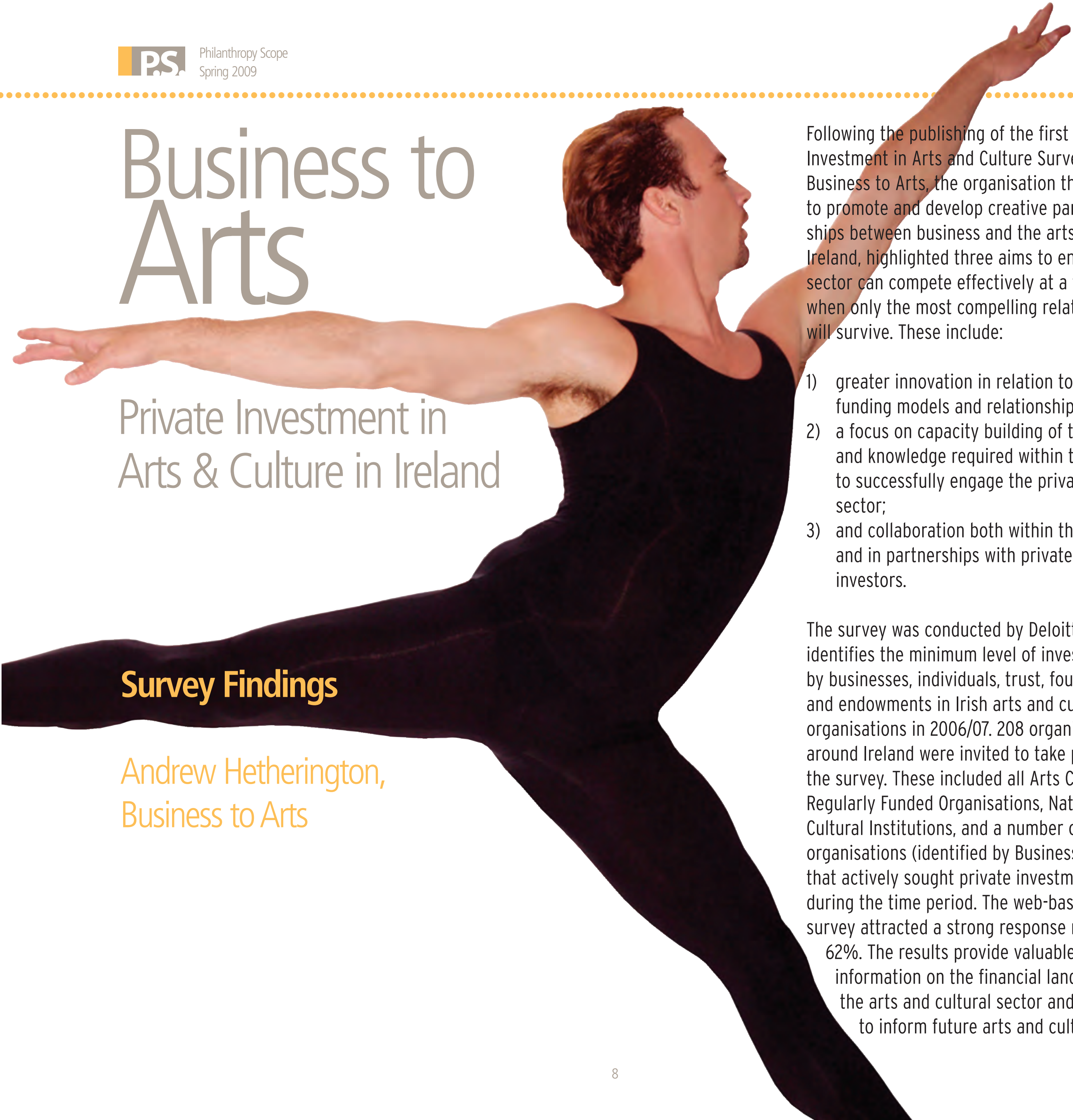
For more information on Irish Charities Tax Research Ltd., visit www.ictr.ie

The key provisions and structure of the Bill have not changed and the overall purpose also remains the same:

To ensure greater accountability by charities and to protect against abuse of charitable status and fraud. It is also expected to enhance public trust and confidence in charities and to increase transparency in the sector.

Business to Arts

Private Investment in Arts & Culture in Ireland



Survey Findings

Andrew Hetherington,
Business to Arts

Following the publishing of the first Private Investment in Arts and Culture Survey, Business to Arts, the organisation that works to promote and develop creative partnerships between business and the arts in Ireland, highlighted three aims to ensure the sector can compete effectively at a time when only the most compelling relationships will survive. These include:

1) greater innovation in relation to both funding models and relationships;
2) a focus on capacity building of the skills and knowledge required within the arts to successfully engage the private sector;
3) and collaboration both within the sector and in partnerships with private investors.

The survey was conducted by Deloitte and identifies the minimum level of investment by businesses, individuals, trust, foundations and endowments in Irish arts and cultural organisations in 2006/07. 208 organisations around Ireland were invited to take part in the survey. These included all Arts Council Regularly Funded Organisations, National Cultural Institutions, and a number of organisations (identified by Business to Arts) that actively sought private investment during the time period. The web-based survey attracted a strong response rate of 62%. The results provide valuable information on the financial landscape of the arts and cultural sector and will help to inform future arts and cultural investment policies at a time when sponsorship and philanthropic initiatives will be of increased importance.

Summary of Key Findings

The total level of private investment reported by survey participants was €16.2 million, equating to 12% of their total annual income. 80% (€13 million) of the investment was received from business, with individual giving representing 16% (€2.6 million) and trust, foundation and endowment giving representing 4% (€0.6 million).

Fundraising Capacity

More than half of participants had between one and five Full-Time Employees (FTE) and less than one-fifth had more than ten FTEs. Looking at the resources dedicated to Fundraising, the survey identified that there is a small number of development managers in the arts and cultural sector in Ireland. 20% of participants had full-time resources dedicated to fundraising and less than 40% dedicate staff to this function on a part-time basis.

Business Investment

66% of participants received support from business, totaling €13 million. Sponsorship (cash and in-kind) represented €9.9m of this investment; corporate membership/patronage accounted for €1.2m; corporate foundation grants totaled €1m; and corporate donations amounted to €0.9m.

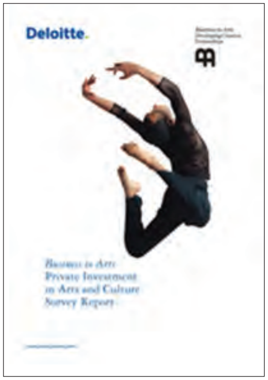
55% of total business investment was given to the categories Festival/Events and Arts Centre/Venue, however these categories represented only one-third of surveyed respondents.[1] Meanwhile, the category Theatre represented 15% of all respondents, but received a significantly small share of business investment (2%).

The inaugural Business to Arts Private Investment in Arts & Culture Survey identified that a minimum of €16.2 million was invested by private sources in arts and cultural organisations in Ireland in 2006/07. Investment by business totalled €13 million; individual giving amounted to €2.6million; and grants from trusts, foundations and endowments amounted to €0.6 million. This investment represented 12% of participants' total annual income. While this is a significant level, the survey outlines a number of action points for all stakeholders to address if private investment is to reach its potential in the future, and if the sector is to compete effectively at a time when only the most compelling relationships will survive.

Individual Giving

47% of survey participants received investment from individuals which amounted to €2.6m. Major Gifts and Friends/Membership schemes represented almost 90% of this investment.

Individual Giving was primarily directed toward the categories Other [2], Arts Centre/Venue and Opera. The category 'Other', made up of just one organisation, received 40% of total individual giving. Excluding this outlier, the average level of individual giving across the remaining organisations was low, at €27k.



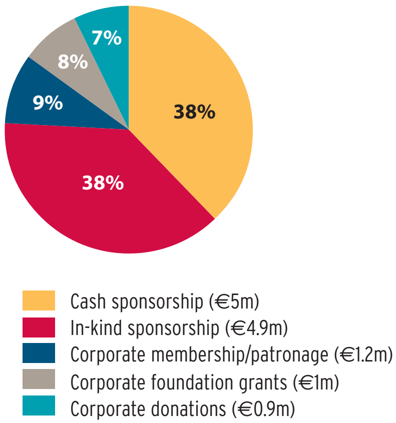
[1] The categories Festival/Event and Arts Centre/Venue include entities that are associated with one art form.

[2] The category Other included one organisation, whose definition of activity did not fall into the list of categories

Trust, Foundation and Endowment Giving

A total of €0.6m investment by trusts, foundations and endowments was shared among 11% of the survey participants. This represented 4% of total private investment received by participant organisations. Significantly, 60% of giving by trusts foundations and endowments was invested in the Visual Arts.

Figure 1. **Sources of business investment**



Allocation of Privately Sourced Income

Participants were asked how they spent their privately sourced income. The findings emphasised the importance of private investment, as 65% was used to fund core programme costs and operational costs of the organisations. The remainder was allocated to various projects, primarily of a capital nature.

Analysis

The survey results show that investment by businesses, individuals, trusts, foundations and endowments is being achieved in Ireland, but at varied levels. A number of key findings stand out and prompt action points for all stakeholders to consider if we are to ensure the sector can compete effectively and increase overall levels of private investment.

Develop Fundraising Capacity

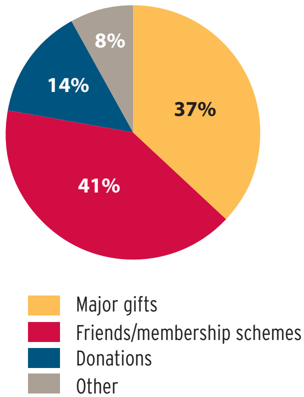
With 12% of participants' total annual income coming from private sources, the research proves that private investment is an important element of their operating funding model. However, the fact that only 20% of respondents had full-time resources dedicated to fundraising, and less than 40% dedicated staff to this function on a part-time basis confirms that there is both an opportunity and requirement to develop staffing resources and fundraising expertise.

Business to Arts believes that improving the capacity of the sector to generate new partnerships with the private sector and, where appropriate, rewarding this behaviour through innovative public funding models will enable greater sustainability. Simultaneously, it must be realised that dedicating full and part-time staff resources to development and fundraising can be impractical for the 63% of organisations that have between zero and five full-time employees. This suggests that there is the potential for a new model for the sharing of these skills across art forms as well as the arts and cultural sector as a whole.

Increase Individual Giving

An interesting finding from the survey was the level of individual giving reported by respondent organisations. However, previous research carried

Figure 2. **Sources of individual giving**



Business to Arts provides support and specialist resources to all private investors in Irish art and culture as well as providing training and strategic advice to arts and cultural organisations through our wide-ranging Capacity Building Programme. The Private Investment in Arts and Culture Survey Report can be downloaded from www.businesstoarts.ie or contact Business to Arts on +353 1 6725336 for further information.

Stephen Pittam, Secretary,
Joseph Rowntree Charitable Trust

out by Business to Arts has found that individual contributions are typically given in response to capital campaigns, which causes this figure to fluctuate year on year. As a result, an accurate level of individual giving is best analysed over a longer period of time when the outcome of major arts and cultural capital campaigns are apparent.

Even considering the challenges of the new economic climate, Business to Arts believes that there is a clear opportunity for growth in individual giving and that it will become an important source of income for arts and cultural organisations and the wider non-profit sector. Working with other important stake-holders in this area, such as Philanthropy Ireland, Business to Arts supports the development of policy, practice and regulation that will encourage a positive culture toward philanthropic giving in Ireland.

Collaboration across Arts & Cultural Organisations

With the strong 62% response rate to the survey, it is hoped that all stakeholders realise that investment in the arts and cultural sector can only grow through shared-learning and collaboration. *Business to Arts* believes that increasing the level of cooperation between development managers within the arts and cultural sector will help increase their overall level of success. With this in mind, we have established a Development Managers' Forum which provides a platform for greater collaboration in the sector.

The requirement for information sharing and the on-going measurement of private investment applies to the non-profit sector as a whole. We share a vision with Philanthropy Ireland that a widespread culture of giving will evolve over the next ten years.

Views from the Field: Stephen Pittam

Unlike pension funds and insurance companies, endowed grant-making foundations like JRCT do not have immediate financial liabilities beyond their commitments to grantees and running costs. In this respect they are in the fortunate position of being able to take a long-term view of the market without being overly concerned about fluctuations in the value of their underlying assets.

We use a tried and tested sustainable income formula which takes into account a whole range of economic indicators. It allows us to predict how much the Trust can spend each year if it is to continue to be able to spend at the same level in real terms indefinitely into the future. It is used to set expenditure levels for up to 10 years, although the ongoing validity of underlying economic assumptions is reviewed at least every five years. It has proved to be a reliable formula for the past 20 years, and allows us to regard our endowment as 'virtual' so that we do not have to refer to the ongoing fluctuations.

This long-term view also means our investments are almost exclusively in equities, which have yielded 5.8% over the last century, as opposed to investments like fixed securities which have produced 1.5% over 100 years.

So next year we will be raising expenditure in line with the formula as planned, and we feel strongly that we should not lower spending in tough times. We also intend to continue our existing investment strategy. We do not rule out that at some point there might be a paradigm shift, possibly due to global warming, but we do not currently believe we are at this stage.

This article first appeared in a 2008 newsletter of the Association of Charitable Foundations. It is reprinted with kind permission from Stephan Pittam.
For more information about the Joseph Rowntree Charitable Trust, visit www.jrct.org.uk.

How Good giving can become Great giving

by Hans Zomer

This may seem like a very bad time to be speaking about philanthropy. Surely as the havoc wreaked by the current economic crisis is becoming greater by the day, the best thing for wealthy individuals to do is to hang on to what they have and secure it against the ravages of the foul economic weather?

Stock markets across the globe have crashed and the Irish economy is looking more and more like it is in a tailspin that cannot but end in a lot of pain and grief - why would anyone think of giving away what's left of their precious savings in such a climate?

Because people need your support now more than ever.

The global crisis that began in the credit-fuelled boom and bust in the US and Europe has spread to developing countries and is hitting poor countries and poor communities hard. These people, who did nothing to cause the crisis, lack any of the buffers that enable rich countries to weather the storm.

Any developing country capacity to withstand economic downturn had been eroded before the current crisis hit. The meteoric rise in the price of basic food stuffs had brought poverty and political instability to many countries, while recurrent droughts have sown the seeds of conflict in many countries - conflict over water.

And now, the crisis that was born in high-rise offices in far-away rich countries is tipping many poor countries over the edge.

As international trade falters, private sector investment in Africa is drying up. Private capital flows to the world's emerging markets are predicted to decrease from \$928 billion (€732 billion) in 2007 to \$165 billion (€130 billion) in 2009. Sub-Saharan economic growth, at a healthy 6.9% in 2007, is set to decrease to 3.25% as demand for poor countries' exports - mainly raw materials - plummets. Remittances (money sent from expatriates to their families at home), which totalled €146 billion in 2005, are decreasing rapidly and millions of workers are returning

Hans Zomer is Director of Dóchas, the umbrella organisation of Ireland's Development NGOs

home after losing their jobs in industrialised countries. On top of all this, long-promised aid is being cut. As with poor families and communities, poor countries are feeling the crisis acutely, but are helpless in the face of adversity, as they have neither the reserves nor the fiscal space to respond.

The compound food, economic and climate crises could well prove calamitous. The world's hungry population has increased by an estimated 130 million, and according to the World Bank the current economic crisis has pushed 46 million more people into absolute poverty. The rich world continues to look on, and turn away: the amounts promised to Africa amid much fanfare were never delivered - actual aid only amounting to about half the promises of an additional $60 billion (€47 billion) per year.

And the institutions set up to assist the poor in these times of crisis are also feeling the effects of the recession. UN agencies have seen contributions from member state governments fall, and NGOs are being squeezed by rising costs and falling incomes: government funding, private giving and corporate donations are down significantly, and at a time when charity shops are attracting new customers, donations to those same shops are down, so there is less for those customers to buy, and thus less revenue for the charity.

Although the problem of falling incomes and rising costs applies across the NGO sector, not all organisations are affected in the same way. Organisations that rely on community fundraising point to the encouraging fact that supporters are continuing to host events, and that their - admittedly modest - returns are similar to that of other years. Organisations with large fundraising departments claim their greater diversity of income streams has softened the blow considerably.

What the current crisis shows, therefore, is that the case for aid is now stronger than before, as is the case for high quality aid. Economists are pointing to the need for aid to play a 'counter-cyclical role' through much-needed investment in physical and social infrastructure. Similarly, they praise those banks and lending institutions such as the African and Asian Development Banks that applied conservative policies and are now able to draw on their reserves to stimulate economic activity.

A similar argument can be made for 'conservative' NGOs. In the boom years, very few NGOs were praised for their investments in governance and quality control. Most donors emphasised 'value for money', interpreted as meaning immediate and tangible project outputs. A new model of 'can do' development became popular, focusing on volunteering and physical assets. Across the world, Irish people were encouraged to paint orphanages, drill water holes and build houses. In the spirit of 'we have no overhead costs', Ireland prioritised charities working for immediately visible results over initiatives that sought to invest in long-term social and systemic change.

When the member organisations of Dóchas decided in 2005 to pursue sector-wide quality criteria, few applauded the initiative. Charities were expected to 'do', not to invest in research, advocacy, codes of conduct or strong governance. Now, only a few years later, the wisdom of the established Development NGOs that make up the Dóchas network to prepare for the future by putting in place quality standards and oversight mechanisms has become apparent to all.

And this is where good giving comes in. Philanthropists can and must lead the way towards high-impact Development work. As major donors, they can provide the cash that is the lifeblood of Ireland's Development NGOs, who work tirelessly to bring lasting change to the lives of the world's poor. But philanthropy can do so much more. It can help shape how we in Ireland think about what it means to 'make poverty history'. It can help change public perception of what is involved in truly effective development processes, by moving from 'charity' and 'corporate social responsibility' to 'sustainable development' and 'inclusive business'. And - possibly more tangibly - good philanthropy can encourage and reward NGOs that go beyond the obvious and immediate, and that invest in research, user-driven analysis, policy-related advocacy and standards of behaviour and accountability.

If philanthropy can achieve that, then it will truly have made a difference in our collective wish to bring an end to the outrage that is global poverty.

For more information on Dóchas, visit www.dochas.ie

Social Entrepreneurs Ireland Awards

Celebrating Ireland's Leading Social Innovators

If ever there was a need for creative thinking, innovation and proactivity that time is now.

by Annalisa O'Carroll

With society under rapidly increasing economic and social pressures, it is clear now, more than ever, that we need powerful change agents to come up with new and innovative solutions to tackle the many challenges that face society today. These change agents are social entrepreneurs: people who, like any entrepreneur, are passionate, innovative and resourceful, driven to succeed and prepared to take a risk to advance systemic social change, to shift behaviours and perceptions. Rather than measuring performance through profit and market value, they measure social impact and the creation of social value to transform some of the most vulnerable facets of society from within.

Social Entrepreneurs Ireland believes in the power of individuals to bring about significant social change and has been supporting social entrepreneurs since 2004 by providing finance, training, mentoring and networking supports.

Guest speaker on the night was Liam Black, former CEO of Fifteen, Jamie Oliver's social initiative for disadvantaged youths. Liam reiterated the importance and necessity of innovation in creating social change and progress, and of supporting those who are leading the change. Liam himself has held several high-profile social enterprise leadership positions including at Liverpool's FRC Group, widely seen as one of the UK's pioneering social businesses.

The Awards night also saw the announcement of a three-year partnership with NTR plc, who committed €450,000 over the period to help Social Entrepreneurs Ireland deliver on its vision of bringing about fundamental social change. Speaking at the awards, Jim Barry, Chief Executive Officer of NTR plc, outlined the strong fit between the two organisations through their entrepreneurial cultures and their belief in the importance of supporting those who have the vision and are prepared to take risks to fulfil their ambition for fundamental social change in Ireland.

The Awardees, who showed outstanding innovation in their communities, were honoured at the ceremony where two levels of awards were presented. Of the 38 Awardees, 8 were honoured in Level 2 (for projects at the growth and development phase) and 30 were honoured in Level 1 (very early stages of development).

Among the Level 2 winners on the night were Robert Mulhall founder of Lucca Leadership, a organisation that provides transformational leadership courses for young people; Golden Anikwe, a native of Nigeria, who set up Co-operative Support Services to help establish co-operative businesses for ethnic communities in Ireland; and Kate Gaynor and Kieran O'Donoghue for Special Stories Publishing, set up to provide high quality and child focused material that addresses some of the serious social and health issues that so many Irish children face.

Social Entrepreneur Awardee Kate Gaynor and Friends Reading Special Stories .JPG

Dennis O'Connor,
Director, 2into3

Level 1 winners included Niall Buckley who set up WorkFair, an initiative providing advice and representation for migrant workers, Olivia Carr, for WOVe, set up to empower women coming from violent environments, Charlotte Dryden for Love Music hate Racism, and Dara Hogan for Fledglings Childcare, a franchise model to provide affordable, quality childcare to disadvantaged communities.

In the last three years, Social Entrepreneurs Ireland has committed funds in excess of €2.8million to 116 social entrepreneurs. The activities of last year's awardees alone have directly benefited over 17,000 people and more than 165,000 have indirectly benefited.

Social Entrepreneurs Ireland believes these social entrepreneurs are uniquely suited to address the problems they encounter because they understand them from within, often being personally impacted by or having a close understanding of a particular issue. This gives them an innate knowledge of the situation and insight into the solution, more than a traditional organisation or government body can generally have. They are the subject matter experts, who also have the drive and the passion to deliver. What they need is the support and encouragement to go out and do it.

To find out more about Social Entrepreneurs Ireland, go to www.socialentrepreneurs.ie or call 01 6618935.

About Social Entrepreneurs Ireland

Social Entrepreneurs Ireland, established in 2004, is a privately funded, not-for-profit organisation that believes that innovation and social change in Ireland will be driven by exceptional people with exceptional ideas. They have developed a support model that helps these social entrepreneurs grow their ideas from concept to reality.

Views from the Field: Recessionary times: Challenge and Opportunity

The sudden and, in many ways, fundamental shift in the global economic situation is impacting all segments of society and the Third or Non-Profit sector is not escaping. In Ireland, the effect is heightened by a number of factors, such as the proportion of income that is sourced from the State and a small number of Philanthropic Foundations, the relatively small size of organisations, the traditional focus of fundraising on events and cold mailing and the capacity of Management and Boards.

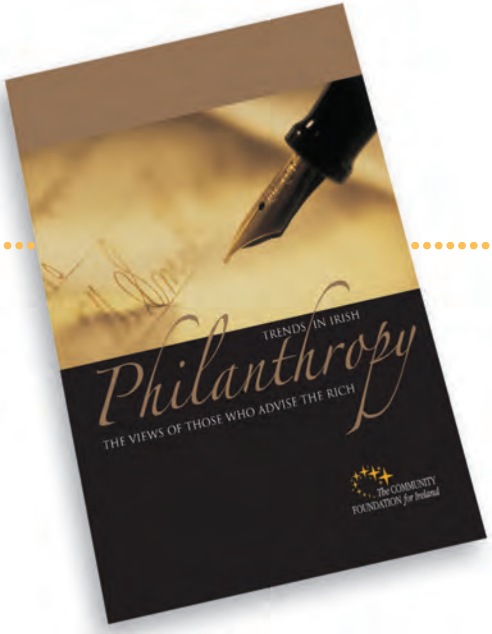
2into3, with a wide range of clients across the sector is a witness to both the challenges that Non-Profits face but also some of the opportunities emerging.

We have seen a significant reduction in the volume of recruitment activity at senior management level, but an increased emphasis on leadership and fundraising skills when CEO's are being sought. On the other hand, the supply of quality candidates, especially from the private sector, is more plentiful and salary expectations have moderated. Contrastingly, we have had a significant increase in demand for Management Consulting support to assist with both strategy development and fundraising assessment and review. Organisations are considering how best to deliver on their mission and exploring all options, from diversifying their income to merging with others. Many organisations are looking to strengthen their Boards so that they are better placed to chart a course through the rapidly changing world in which they now operate.

For the Non Profit sector as a whole there is also an opportunity. The limitations of the market and the state have been demonstrated, yet the needs of society continue to grow. In many areas, from Schools to Hospitals to Homeless services, it is Non Profit organisations that are best placed to meet these needs and, when equilibrium returns to the global and Irish economies, the Non-profit sector will command a greater share of the economy than today's 8.4% of GDP and 8.8% of employment.

For more information about 2into3, visit www.2into3.com.

The Role of Professional Advisors



In August 2008 The Community Foundation for Ireland released the findings of its professional advisor philanthropy research entitled *Philanthropy: The views of those who advise the rich.* This was Ireland's first ever detailed philanthropy research with professional advisors.

by Niall O'Sullivan, the Community Foundation for Ireland

The full text of the 'Philanthropy, The Views of Those Who Advise the Rich' report is available at www.foundation.ie/news
Professional advisor newsletters are also on the site at www.foundation.ie/advisors/resources.htm
Niall O'Sullivan, Head of Fund Development at The Community Foundation for Ireland, is contactable at 01 874 7354 or by email nosullivan@foundation.ie.

Some of the findings in this report include:

- 27% of professional advisors reported an increase in enquiries about philanthropy in the last 12 months
- When asked about their approach to the topic of philanthropy 58% of advisors had never discussed philanthropy with a client.
- When asked how a change in the current tax would affect philanthropy in Ireland 85% said a removal of the tax cap would increase giving.
- 43% believed that clients require assets in excess of €1m, excluding one's principal residence, to start to think about philanthropy.
- 44% of advisors say less than €10,000 is the average left in wills for charitable purposes. While overall levels of charitable bequests are low there are however some very significant charitable bequests being included in wills, figures from €50,000 to €50million were mentioned by advisors.
- 30% said their understanding of Donor Advised Funds was high or very high.

The Community Foundation for Ireland believes that professional advisors have the opportunity to help their clients realise their philanthropic goals in a manner that is efficient and impactful. The research showed that greater work on philanthropy structures and the mechanics of how and when to introduce philanthropy are required and, consequently, The Community Foundation for Ireland developed a range of educational opportunities and publications to support professional advisors with their philanthropy-related client services.

In 2009, The Community Foundation for Ireland will hold a seminar/workshop for advisors while continuing to produce 'Philanthropy Matters', a quarterly

Dr. James Magowan, Fund Development Manager, Community Foundation for Northern Ireland

newsletter developed especially for professional advisors. The newsletter introduces topics of interest and relevance to advisors; previous topics include tax efficient donations of shares, family philanthropy, information on the tax cap on philanthropy, estate planning, and a briefing on donor-advised funds.

Last year, The Community Foundation established a dedicated sub-committee comprised of leading professional advisors to further develop links and a more strategic partnership approach with professional advisors from across the advisory spectrum. Philanthropy advice is a new phenomenon in Ireland and the involvement of key players will help broaden the understanding of when and why to include philanthropy in conversations with clients.

Philanthropy Ireland & Professional Advisors

In association with STEP Ireland, Philanthropy Ireland held 'Spreading Wealth: The business of philanthropy' on 19th November 2008 at the Conrad Hotel in Dublin. Approximately 70 people attended the conference, which included presentations from Martin Brookes, Chief Executive of New Philanthropy Capital; Mark Evans, Head of Family Business & Philanthropy at Coutts & Co., and Paraic Madigan, Partner at Matheson Ormsby Prentice in Dublin. Philanthropy Ireland also launched its Guidance on Setting Up a Foundation in Ireland at the Conference. The Guidance and the presentations from the Conference are all available on our Web site, Philanthropy.ie.

Views from the Field: Dr. James Magowan

There has been much discussion and comment recently on the impact of the economic downturn on charitable giving. Most has been associated with doom and gloom but some has offered current, and historic, evidence of private giving holding up during recession. There is however an added dimension now which relates to the breakdown in trust and continued uncertainty. Our experience in the Community Foundation for Northern Ireland is that while net worth is being revalued there is an associated realignment of values that affect not only a person's, or an organisation's, propensity to give, but also the way in which they do so.

There is no doubt that there have been severe and immediate impacts – such as reduction in the value of assets of the high profile donors and of the endowments of charitable foundations, and of the increase in the demand for services of voluntary and community sector organisations already operating within very tight financial constraints. We would contend that the current recession represents a bump in the road of a philanthropic journey which is potentially dangerous, but while requiring caution and a reduction in speed, should not divert anyone off course. There is no less desire to give to good causes, in fact there is probably a greater awareness of the vital work of the voluntary and community sector and in particular those organisations that struggle, operating below the radar of the mass appeal. These include the thousands of local groups that rely, often entirely, on volunteers, and yet form part of the social fabric that binds communities together and addresses grass-roots issues. The shift from charitable giving as a financial transaction to strategic philanthropy as a form of social investment has been driven over the last number of years by the new generation of largely self-made donors. In the current economic climate, the need for value for money, achieving impact, and linking with personal or corporate goals has never been greater. So while estates need to be settled, transfers of wealth are made and tax returns are completed, people still want to make a difference. Philanthropy will continue to prosper.

Community Foundations have a critical role to play at this time, helping people plan and execute their philanthropic journey, and of course making it as smooth and as fulfilling a ride as possible.

For our part we continue to build on our local knowledge and have commissioned research on financial exclusion and the impact of the credit crunch on low income households in order to determine the type and scale of emerging needs and challenges for organisations offering support, advice, and services. This intelligence adds further detail to our route map, which offers a range of directions and destinations for the road less travelled.

For more information about the Community Foundation for Northern Ireland, visit www.communityfoundationni.org.

Ruth Guy, Director of Fundraising and Marketing, Barnardos

Child Care

Philanthropy Scope met with Ruth Guy, Director of Fundraising and Marketing, to discuss the economic downturn and what it means for Ireland's leading children's charity.

'Like many charitable organisations, Barnardos is anticipating that 2009 will be a challenging year. We are already seeing the signs of increased hardship and the impact that is having - particularly on the children – in the communities in which we work. We are facing the dilemma of increased demand without increased funding to deliver those services.'

Barnardos responds to the needs of individual children and their families, aiming to provide practical and professional supports for children from the very start to teenage years, as well as their families. These services include pre-school groups, after-school programmes and emotional and practical support for caregivers, which are offered through a network of over 40 centres in communities across Ireland. This year, it will cost an estimated €26.5 million for Barnardos to maintain its wide range of quality services for children and their families, including over €5 million that must be raised from private sources.

Barnardos offers a range of services for children and their families in more than 40 centres across Ireland

When asked whether Barnardos has seen a sharp decline in money donated in recent months and whether this is expected to continue throughout 2009, she says 'We have always had tight budgets and have to work hard to compete in a crowded charity and media market. The coming year will be no different in that respect.' Ruth adds that, while the amount of donations has fallen in the last six months, the number of donors has actually increased. This, she believes, is the result of people becoming more aware of need in their own communities and wanting to contribute even as they face financial hardships of their own.

Communicating Barnardos's impact has always been a challenge, mostly because the organisation offers such a broad range of services. This year, Barnardos will launch a new campaign that will educate the public about the issues the children and families they work with are facing. 'When people have more clarity about what the organisation does and what it achieves, they will see how our services really change people's lives.'

In response to the current economic downturn, Barnardos will also be developing its volunteer-led, regional fundraising networks. These networks play a crucial role in Barnardos's fundraising strategy, informing the public about their work and attracting new donors. 'Last year, our supporters raised money through beard shaves, table quizzes, marathons, golf events, disco nights and even a 'Lovely Man' pageant! These people who donate their time, energy and creativity for Barnardos are truly inspirational... they are ones who are making a real difference in the lives of the children we work with.'

In the current climate, Ruth acknowledges how important the support of private donors is, saying 'Because we cannot continue to work with the children who so desperately need us without the income from fundraising, we will continue to go out there and, no matter how bad things get in 2009, we will keep asking because now more than ever we, and those children, need that support.' Barnardos shows its appreciation for this support by continuing to offer high-quality, effective services for children and families. This commitment, she believes, will keep Barnardos's supporters engaged and energised despite the downturn.

For more information on Barnardos, visit www.barnardos.ie

We are already seeing the signs of increased hardship and the impact that is having - particularly on the children – in the communities in which we work.

Philip Jacob

The Greatest Reward of All

Philanthropy Scope **talked with Philip Jacob, who recently retired as a Trustee of the Katharine Howard Foundation (KHF).**

KHF was established in 1979 by Katharine Howard, who, upon her death in 1990, left to the Foundation the residue of her estate as well as the funds of a family trust over which she had power of appointment. Up to this point, KHF had been primarily a 'reactive foundation' disbursing grants to projects benefitting disadvantaged children and the elderly as well as general community initiatives in County Wexford.

Two years after he retired as a stockbroker, Philip Jacob was asked to be a Trustee of the Katharine Howard Foundation. Initially recruited for his expertise in financial planning, thus began a satisfying and fruitful 18 years as a Trustee, providing guidance and oversight as well as playing a key role in numerous research initiatives. David Kingston, Chairman of KHF, notes that Philip gave much of his time and energy helping to guide the Foundation into carefully thought-out new initiatives in a manner of which Katharine Howard would surely have approved.

Philip notes that 'there are thousands of worthwhile projects for which anything from €500 to €2,000 would make a huge difference' and, to that end, the KHF has continued to disburse small grants to community-based organisations offering support services for children and families, minority communities, the elderly and people with disabilities.

As a Trustee, Philip played a key role in the 2005 strategic review, at which time it was agreed that the Foundation would continue to provide small grants while allowing for more specific priorities to be adopted as appropriate. This has allowed the Foundation to respond proactively to the lessons learned from its grant-making activities by identifying specific priority areas and targeting these in a more strategic way. Examples of this approach are the Community Playgroup Initiative (CPI), the Tallaght West Small Grants Programme and the Parent & Toddler Group Initiative, details of which are described on at www.khf.ie.

Philip's involvement with the Foundation extended beyond approving strategic plans and distributing financial support to community projects. As one example of projects undertaken, Philip, Jim Walsh of the Combat Poverty Agency and Tony Fahey of the ESRI jointly managed the development of an important research report on social housing entitled *Social Housing in Ireland: Success, failure and lessons learned*.

Identified by Philip as the contribution to KHF of which he is most proud, the study explores why some social housing initiatives developed into vibrant communities while others became 'sink estates', riddled with crime and violence. Working with local communities, the researchers asked the residents of seven Local Authority housing estates their views on their communities, including the causes of any social problems in the area. Based on their responses, the researchers developed a series of practical, replicable steps that could be adopted by housing authorities across the country. The demand for copies of this report has necessitated at least one re-print.

During his 18 years as a Trustee of the Katharine Howard Foundation Philip's sense of satisfaction was magnified greatly by the Foundation's progress following the recruitment of the Development Director Noelle Spring. Noelle's commitment, good instincts and ability to identify and cultivate relationships with people at all levels, not least with potential co-funders, have allowed this relatively small Foundation to have an impact much greater than would have been possible on its own. This, he says, is the greatest reward of all.

Maurice Healy is Chief Executive Officer and founder of the Healy Group. A former President of IBEC, he is a strong supporter of social entrepreneurship and the involvement of Irish business with social deprivation issues, especially those geared at education deficits. An avid sports fan, he especially enjoys golf, rugby and hurling. He is married to Adelaide and they have four grown up sons.

Interview: Maurice Healy

The journey is best served by giving

Where did your philanthropic drive come from?

Since Adelaide and I got married back in 1975, we have always given part of our income (no matter how small) to good causes both locally and overseas. More recently and certainly in the last 10 years, given that our four children had or were maturing into adults, we both again agreed that there was more we could do.

Has there been anyone that has inspired your giving over the years?

Not particularly, it is and was motivated by my own desire to assist change.

Do you fund one particular cause or organisation, or do you support a broader range of initiatives?

I support many organisation and individuals, some to a great extent given my own particular journey. The selection process is based on my personal belief that the purpose/cause has and will offer a major benefit to the less well off.

What are some of the gifts of which you are most proud?

The Irish College in Louvain, Niall Mellon Township, Social Entrepreneurs Ireland, Ashoka, National College of Ireland, UCC, Bona Venture Limerick and the Cross Border Bursary Program.

What do you think the impact of the current recession will be on individual and corporate giving?

I think it will be very significant, particularly for charities and NGOs that depend on small donations from individuals. There will also be a significant number of 'New Wealth' individuals who will retrench for some years to come, maybe forever. There is, however, a large part of the population that have not been affected to that extent and who may not yet be involved in giving or volunteering. The challenge is to find them.

How do you evaluate your giving – what is your measure of success?

I evaluate based on getting to know the people and the cause. I never participate unless I can appreciate the project's potential impact and will normally spend some time with each project to see how it is progressing.

What advice would you give to new or prospective philanthropists?

The journey is best served by giving your time and talent first and then, where appreciated, your financial support.

Editor:

Jordan Campbell

If you are interested in preparing a piece for *Philanthropy Scope*, or in obtaining hard copies of the publication, please contact Jordan Campbell at jcampbell@philanthropy.ie.

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Founded in 1998, Philanthropy Ireland is the Association of independent philanthropic organisations in Ireland, including grant making trusts and foundations. Our goal is to grow and support philanthropy in Ireland through advice, advocacy, research and membership services.

Our Web site, Philanthropy.ie, is Ireland's leading source of impartial advice and information on philanthropy. It features resources for current and prospective philanthropists, grant seekers and philanthropic organisations, as well as research and general information on philanthropy in Ireland and overseas.

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