

PHILANTHROPY
FOR THE
SOCIAL SERVICES AND SOCIAL WORK EDUCATION

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International Conference
on the
Third Sector and Public Governance
in Greater China

University of Hong Kong
March 9, 2012

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**Philanthropy and Non Profit Organizations
in the United States**

1.2 million organizations are registered as non-profit organizations in the United States

- They include organizations in the social services, health care, and education, as well as arts and cultural institutions
- All have a humanitarian purpose and private governance
- They are a major component of Civil Society (The Third Sector)

Non profit organizations are funded from a number of sources:

- Membership Dues
- Fees for Services
- Government Grants
- Philanthropy

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Role of Philanthropy

Definition: Donating financial support to increase the well-being of human kind.

(Private action for the public good)

- Historically a part of charity, but generally thought of as giving money rather than volunteering services
- Can be provided by individuals, groups, or organizations
- May be local, national, or international in scope
- Essential for successful functioning of non profit organizations in the United States

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Types of Philanthropy Individual

Annual Giving Campaigns

- Individuals and organizations donate money each year (sometimes through payroll deduction)
- Funds are then allocated to non profit organizations
Example: United Way (distributed to many social service agencies)

Major Gifts

- Individuals and/or organizations make one large gift (at once or over a period of years) to a specific agency or project
Example: Endowed professorship at a university

Deferred Gift

- Individual commits sum of money at some future date
Example: Stated in a Will
- Sometime set up through a Trust
Example: Charitable Remainder Trust

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Types of Philanthropy Organizational

Foundations

Non government organizations established for the purpose of making grants to unrelated organizations, institutions, or individuals for charitable purposes.

1. Private foundations derive money from a family, individual, or corporation
Example: Ford Foundation or Gates Foundation
2. Family foundations are smaller private foundations set up by a family to provide funds for a specific purpose and sometimes a specific agency.
3. Public foundations (including community foundations) derive support from diverse sources, which can include other foundations, individuals, and government agencies
Example: New York Community Trust

Corporate Giving Programs

1. Established to provide charitable giving with funds allocated from a profit making business

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Uses of Philanthropy

For Non Profit Social Work Agencies

Endowment – Provides a stable base of funds for permanent programs

Foundation and Corporation Grants – Provide funds for special projects and new initiatives

Annual Funds – Provide funding to promote and expand agency programs

For Schools of Social Work

Endowment – Provides permanent source of funds for senior faculty positions and/or student financial aid

Foundation and Corporation Grants – Provide funding for research and program development projects

Annual Funds – Provide opportunity for alumni to stay in contact and contribute to scholarships for current students

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**Philanthropy for the
Non Profit Social Service Agency**

(An Example from the United States)

Social Service Agency Budget \$5,000,000

Sources of Funding:

Philanthropy 70%

- Endowment Income 35%
- Foundation Grants 30%
- Annual Fund 5%

Other 30%

- Government Grants 20%
- Fees for Service 10%

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**Philanthropy for Social Work Education
at a Private University**

(An Example from the United States)

School of Social Work Budget \$10,000,000

Sources of Funding:

Philanthropy 15%

- Endowment Income 5% to 10%
- Foundation Grants 5% to 10%
- Annual Fund 1% to 2%

Other 80%

- Tuition 70%
- Govt. Research Grants..... 10%

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**Philanthropy for Social Work Education
at a Public University**

(An Example from the United States)

School of Social Work Budget \$10,000,000

Sources of Funding:

Philanthropy	5%
Foundation Grants.....	3%
Other	2%
• Endowment	
• Annual Fund	
Other	95%
University (tuition).....	85%
Govt. Research Grants.....	10%

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- Philanthropy for the
Social Services and Social Work Education**
- Conclusions
- Philanthropy has played a major role in the development and the sustainability of the Third Sector in the United States.
 - The funding of non profit social services has depended heavily on various forms of philanthropy.
 - Educational programs for social workers have also received considerable benefits from philanthropy.
 - Philanthropy comes in many different forms and it is important to match the type of philanthropy with the function of the program or project.
 - Many social agencies and educational programs for social workers have Development Officers, who are responsible for accessing philanthropic funding.
 - Social agency directors and social work deans in the United States must be knowledgeable about sources of and avenues to philanthropic funding.
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