

The Edwards Report

SUMMER 2002

MAXIMIZING THE GOOD OF GIVING

Trends

Philanthropy in America is changing. Religious philanthropy, the largest segment of giving, is no exception.

Donors are becoming more reflective and intentional. They are seeking out organizations to support that not only align with their passions, but also measure up to their standards of performance. Thoughtful donors are estimating the impact they can have with a gift and then assessing whether the intended effect is accomplished.

Calvin Edwards & Company serves those who support Christian charities and provides services that help donors participate in new philanthropic strategies.

Research for Intentional Giving

Through personal and foundation giving, the Jones family is renowned for its philanthropy. Around Raleigh, North Carolina, they are well-known. Seby B. Jones was the mayor of the city in the early 70s.

Committed to education, over the years Mr. Jones has given to four colleges or universities. Toccoa Falls College, a Christian school, is a favorite. The family foundation has given generously in the past, and Seby served as a trustee.

But times have changed. The school is adding two remote campuses, it has completed a large building project, it has a new and energetic president, and it has formed a foundation to serve the College. They are hitting the 21st century running.

Seby Jones recently passed away and the decision as to where to donate funds is now in the hands of family members who desire to support educational institutions that are likely to maximize the use of those funds.

So the Seby B. Jones Family Founda-

tion discussed with Calvin Edwards & Company the idea of performing a *Strategic and Operational Audit* of the school. This would give a snapshot of what the College was doing and how it was doing it.

A 25-page report told the story. One of the foundation trustees commented, "This report gives us a clear picture—in a businesslike way—of just how the College is operating. The balance of 'big picture' and detail is exactly what we needed to assess how we might support the school in the future. We also want the College to provide this report to other donors; it will help them be more committed in their giving."

An investment in research provided an independent third-party assessment of the College, gave clarity and peace of mind, and enabled a thoughtful discussion at the Foundation as to how and where to support ■

Contact us if you would like our *Product Profile* on the Strategic and Operational Audit.

I'm a Believer

"The need for wisdom in our giving is greater than ever due to the growing number of excellent opportunities to advance the Gospel, coupled with the extraordinary level of wealth in America today. To whom much is given, much is required, and seeking counsel to effectuate one's giving is becoming more and more important."

— David Wills, President
National Christian Foundation

If you are interested in learning how an advisor can help with your giving or how to obtain research on a giving opportunity, contact Calvin Edwards & Company. See details on the reverse side.

Tools & Resources

Annual Generous Giving Conference

Ritz-Carlton Huntington Hotel & Spa
Pasadena, CA
February 28–March 2, 2003

This excellent program provides many couples a needed "getaway" to think over their giving plans. Includes guest speakers and peer sharing.

See www.generousgiving.org.



CONSIDER THIS



If we are to be intentional and proactive in our giving, we need structured ways to think about it. This can include evaluating our giving in categories such as local vs. national, church vs. parachurch ministries, religious vs. non faith-based, or U.S. vs. foreign.

There is yet another way to think through our commitments to church and ministries: to analyze what we give by *sector*. The thousands of religious organizations that have flourished over the past 50-plus years fall into various sectors based on their purpose for existence.

Common purposes include poverty and disaster relief, Christian education, discipleship, public policy and advocacy, foreign missions, and others.

It seems that Christian donors have tended to overlook one sector: human services. Some of the reasons for this have been documented in Marvin Olasky's *The Tragedy of American Compassion*, where he shows that during the 20th century, both government and secular social welfare agencies aggressively invaded the territory that was historically occupied by faith-based groups serving the needy.

Religious groups got squeezed out. Their donors left with them.

Curiously, Scripture is replete with admonitions for believers to take care of the poor, the disenfranchised, the needy, the widows, and the children.

In fact, the Bible identifies only two "sectors" to which we *must* give: God's work through the church and relief for those in need. This latter category is prominent throughout the Bible and is taught by the prophets (Zechariah 7:9-10), Jesus (Luke 10: 25-37), and the apostles (Romans 12:9-21 and James 1:27).

With the advent of government

programs and the "welfare state," it has been easy to ignore the command to give to the needy. This, despite anecdotal evidence that faith-based human services agencies are far more effective than their secular counterparts.

And the government actually *does* very little. It contracts most of it out to a vast labyrinth of social services agencies, many quite large and with a liberal political bent.

In his address, "The State of Religion and Public Life," Professor John Diluilo observes an openness to ministries working on social problems: "Something happened on the way to privatizing God. For the first two-thirds of this century, secularization predominated. In the last third, the picture has changed considerably. Religion refused to stay in the private ghetto to which modernity had assigned it. . . . Over the past decade, foundations, philanthropies, universities—and now even *governments*—have been either welcoming godly people back into the public square, [or] welcoming religious programs back into civic life."

This renaissance of faith-based ministries doing good in the community in an old-fashioned, hands-on, manner—and providing access to programs that meet the spiritual needs of those served—is a blessing to society.

With governments welcoming ministries that tackle social problems and with stronger support from major donors, we just may create a society that is more Christlike, more compassionate. ■

PROV

A Word From the Word

"A generous man will prosper; he who refreshes others will himself be refreshed." *Solomon, ancient king of Israel, Proverbs 11:25, NIV*

Have you "refreshed" anyone recently with your generosity?

PhilanthroPHACTS

- Giving to relief and recovery after September 11 amounted to about 0.9% of total contributions for the year.
- Charitable giving in the United States during 2001 totaled \$212 billion, of which 75.8% was given by individuals.
- 38.2% of giving in 2001 went to religion; 15.0% to education; and 9.3% to human services.
- According to a recent survey, the type of charity that is most trusted is religious organizations—the least are civil rights and "community action" groups.

NEWS

■ **The BBB Wise Giving Alliance was formed in 2001 by the merger of the National Charities Information Bureau and the Council of Better Business Bureaus' Foundation and its Philanthropic Advisory Service. The Alliance establishes standards for charities and reports on nationally soliciting organizations that are the subject of donor inquiries. (See their website at www.give.org.) Recommendation:** Request *Wise Giving* to assess your favorite charity and publish the results.

■ **President and Mrs. Bush gave 11.6% of their taxable income to churches and charities last year. ("Bushes, Cheneys Release Charitable-Giving Data," *The Chronicle of Philanthropy*, May 2, 2002, p. 36.) Recommendation:** Evaluate your giving as a percentage of taxable and gross income.

■ **The IRS has ruled that e-mail receipts for contributions are acceptable. ("E-mail Receipts O.K., IRS Tells Charities," *The Chronicle of Philanthropy*, March 21, 2002, p. 38.) Recommendation:** Suggest that ministries you support offer this cost-saving method for donors who like it.