



NEWS RELEASE:

Firm Pilot Tests Business Model to Serve Nonprofits

Calvin Edwards & Company (CEC), a philanthropic advisory firm, announced today that effective in Fall 2010 it had commenced a pilot program to test the viability of providing services directly to nonprofit organizations in addition to its traditional clients, donors. For ten years, it has served only donors and grantmakers of many types, including government agencies. The pilot will run through much of 2011 and a final decision will be made on the business strategy later in the year.

Calvin Edwards, founder and CEO, said, “This issue arose because we were increasingly confronted with requests to provide our unique services more broadly to nonprofit organizations. Also, a very prominent funder urged us, repeatedly, to offer such services. So we were hearing from both the nonprofit and the donor side.” He added, “I had no intention, until recently, of considering such a change.”

Senior management had become increasingly aware that the firm’s “black and white” model—that potential clients were *either* a grantor or a grantee—was not viable. A wide variety of hybrid approaches were encountered. Funders partnering with nonprofits—rather than an arm’s length donor-donee relationship—have become more common. The world of nonprofits and giving is constantly changing, and there is more innovation and complexity than ever.

The firm is aware that this change raises certain issues, particularly for donors; therefore, to ensure there is no undisclosed conflict of interest, and to guarantee CEC’s objectivity and accountability, a number of measures have been implemented. This is handled primarily through affirmations and disclosures in the firm’s Engagement Letters, and associated policies. These include:

PROTECTIONS FOR CLIENTS

1. **Transparency.** CEC will disclose prior, related engagements; donors will be provided anonymity if requested.
2. **Notification of prior research.** CEC will disclose prior work done for another client on a nonprofit.
3. **Use of prior research.** CEC can use research from a previous engagement and such use will be disclosed to the new client.
4. **Permission for information portability.** Clients will be asked to sign a release that information may be used in subsequent engagements.

PROTECTIONS FOR THE MISSION: “MAXIMIZING THE GOOD OF GIVING”

5. **Accountability.** With each nonprofit engagement CEC will seek to include an independent “donor-sponsor,” approved by the nonprofit and CEC; this person will have certain rights in the project including receipt of a copy of CEC’s *Report*, and access to all communications and findings, upon request.
6. **Non-allowable services.** CEC will not raise money for nonprofit clients among donor clients, or facilitate their doing so.

Regarding these protections, Jerry Regier, COO & Consultant, stated, “Our concern is primarily that we serve clients well and with integrity, and that our hands are not tied from disclosing information that we know simply because it was discovered under a separate

engagement. We cannot ‘unknow’ what we learn, and we want to be able to share all that is necessary to serve clients well.”

The firm will continue to analyze, research, and evaluate organizations, programs, and grants; and will offer advisory services closely related to and derived from these analytical services. All services will make giving more effective—either because it helps a donor discriminate, or it helps a nonprofit be a more worthy recipient. CEC’s current family of 20 products will remain the core of future services for both donors and nonprofits.

“The firm has a very strong culture, ingrained over ten years, of objectivity, independence, and truth-telling,” Edwards stated. “This culture and the firm’s established practices will not change. This is who we are. Our distinctive brand—courageously stating the truth about charitable organizations by basing it in well-researched facts—goes to the heart of our values and is too important to compromise.”

Historically, Calvin Edwards & Company has been a consulting firm that provides philanthropic counsel to foundations, high net worth families, and government agencies. Using an extensive array of proprietary tools, it helps clients formulate giving strategies and renders professional advice; assesses giving opportunities in nonprofit sectors; evaluates organizations, programs, and grants worldwide; and designs and administers venture philanthropy projects. Since its founding in 2001, the firm has served about 80 clients. Based in Atlanta, GA, it advises clients across the United States and internationally.

For more information, contact Calvin W. Edwards, info@calvinedwardscompany.com, 770.395.9425.