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The ONE PERCENT CLUB

Live fully. Give freely.

news

April/May 2009

Our Pledge

- To increase philanthropy in our community; specifically, to enlist people to a new standard of giving - -
- To contribute 1% or more of net worth or 5% of income, whichever is greater, annually, to the tax-deductible cause(s) of your choice.

Panel on Philanthropy Marks Five Years of Hill Fellowships

By Henry Owen

Philanthropy for Extraordinary Times involves a lot more than choosing between social justice and soup kitchens, a panel discussion at the Hubert H. Humphrey Institute of Public Affairs concluded. The event, April 23rd, was held to mark the completion of the Louis W. Hill Jr. Fellowship in Philanthropy project, made possible by grants from the Grotto Foundation and the Northwest Area Foundation.

The program brought together, as panelists, the six recipients of Hill Fellowships—Joseph Selvaggio, Reatha Clark King, Sage Cowles, John Cowles, Jr., Laura Waterman Wittstock and Charles M. Denny, Jr. It was moderated by George Latimer, lawyer, educator and former St. Paul Mayor, who posed this question: “Where does philanthropy go now, and how has [receiving your] Hill Fellowship changed your view of philanthropy?”

The answers were provided in two program segments, beginning with five-minute presentations by each Hill Fellow, based on the papers he or she wrote to conclude a year-long study within the

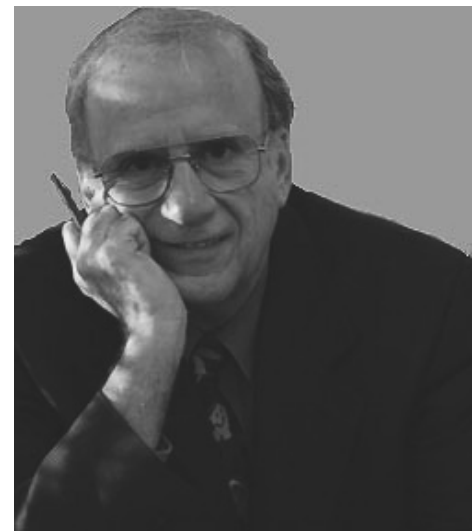
Humphrey Institute’s Public and Non-profit Leadership Center. A general discussion followed among panel members and the full-house audience of philanthropists and their representatives in the center’s Cowles Auditorium.

Prefacing the discussions, Kevin Walker, President and CEO of the Northwest Area Foundation, cited the need for action, instead of gridlocked introspection, in difficult times. He quoted Anne Frank—“How wonderful it is that nobody needs to wait a single second to improve the world.”

Melissa Stone, Director of the Public and Nonprofit Leadership Center, spoke of “the tone shifting to the future...looking ahead in extraordinary times,” which she compared to the Great Depression years of 1925-1931, “when the whole world changed.” Ellis Bullock, Executive Director of the Grotto Foundation, cited the panel’s opportunity to “educate, challenge and inspire us.”

The panelist presentations began with **Joe Selvaggio**, One Percent Club member, and founder of Project for Pride in Living, the One Percent Club, and MicroGrants, pointing out that, as someone who is “adaptable and progressive,” he was surprised when his views of philanthropy were “very much the same” before and after his fellowship. Selvaggio, who was the first Hill Fellow in 2003, said

that he continues to favor “getting the money out there,” rather than getting bogged down in a paperwork tangle of studies and proposals. He sees a role for large contributions but likes the idea of “thinking thriftily.” He believes “small is beautiful...low overhead and no fancy lawyers and accountants,” and prefers to find opportunities “to do simple, transparent things” that help in small but important ways. This reflects his current work with MicroGrants, which provides small grants for supplies to low-income persons of potential in the Twin Cities who want to become entrepreneurially self-sufficient.



Joe Selvaggio

Reatha Clark King, One Percent Club member, and retired President of the

continued

Panel on Philanthropy *continued*

General Mills Foundation and former President of Metropolitan State University, said that—unlike Joe Selvaggio—she changed her view of philanthropy through her fellowship. King, 2004 Hill Fellow, spoke of gaining a greater understanding of the need for change, noting that, without change, “I’m still in the cotton fields of north Georgia” instead of becoming an educator and philanthropic leader. As a Hill Fellow, King concentrated on “becoming educated and learning more about government regulations of philanthropy” and cooperative relationships of “philanthropic and public policies working together.” She “learned the history and scholarship behind philanthropy.” As a result, she noted, “I’m a different kind of a person. I had been a practitioner. Now I’ve become more of a thinker. That was the focus of my work and why it changed me.” King mentioned some of the assets philanthropy brings to community issues, such as flexibility, knowledge, vision, creativity, credibility, in addition to actual dollars, but, she added, the problem with philanthropy is that it is risk averse. “Philanthropists expect the world to change. We need to be the change we want to see.”



Reatha Clark King

Sage Cowles and John Cowles, Jr., both One Percent Club members, were the 2005-2006 Fellows but Sage was quick to note, “*We* are not a *we*,” when it came to collaboration as a couple. Each followed a different course, with **Sage Cowles**, a dancer and choreographer, focusing on learning—and especially engaging “our youngest citizens” in philanthropy. Her premise was that philanthropy can occur only when people are engaged with their community and involved in “educating the whole being.” She commented that the word, philanthropy, often is “a block not an invitation” and noted that it originates from the Greek word meaning the love of mankind. Philanthropy is an attitude first. “You do it, and it comes back.” For Sage Cowles, the fellowship was “a treasure hunt about how people learn [through the] sense we can tap into.”



Sage Cowles

John Cowles, a journalist and former CEO of Cowles Media Company, stated that “in our contemporary culture we have a very narrow view of philanthropy, rich people giving money.” He said that

there are many other expressions of giving and we need a broad definition of philanthropy. In his fellowship studies, Cowles came away with a radical idea—that foundations spend themselves out of existence in 25 years. He suggested that foundations pay “far too much attention to the value of their stock portfolio.” He urged foundations to think of their giving in terms of “where would we put the money, if we were going out of business in six months?” That might include deciding to increase giving from 5 percent to 10 percent over, say, three years. It is, he said, better “to put the money to work” today, rather than “seeking perfection in fifty to a hundred years.” He also suggested that foundations consider making not only grants but also loans so, for example, a “city short of funds could go to a foundation for a loan for a worthy project.” This is not an easy approach, he recognized, because “change is hard.”



John Cowles, Jr.

Laura Waterman Wittstock, 2007 Hill Fellow, spoke of philanthropy as “an expansive idea that can’t be contained by a dictionary description.” This is in con-

text with the American Indian community where giving and sharing, she said, are “the glue of cultural cohesion.” With her fellowship, Wittstock sought to tell the story of cultural giving through American Indian tribes. A media and education consultant and founder of MIGIZI Communications, she emphasized the importance of early education of “the little guys who will lead us in the future.” Also important, she said, is communications media to inform and educate about “how Indians fit into the totality of U.S. culture.” She described an internship program between the American Indian community and Fox News Network that is having some success helping this process along.



Laura Waterman Wittstock

Chuck Denny, One Percent Club member, and 2008 Hill Fellow, called his internship experience “a totally consumptive process” that often found him pounding away on his computer keyboard from 2:00 to 4:00 a.m., as ideas occurred during the night. Denny, a former Honeywell executive and retired

Chairman and CEO of ADC Telecommunications, chose to study the role of corporations in modern America. For years, he said, he had participated in corporate philanthropy without really thinking about it. Through his fellowship he probed the appropriate roles for government, the nonprofit world, corporations, and charitable giving. He concluded that a better balance is needed between what the private sector and government can and should do, similar to the economic patchwork that works in Europe. For example, should business concentrate on providing jobs as its contribution to society while government engages in social programs? He was prompted by the disparity of services that a large company such as IBM can provide in contrast to the capabilities of medium-size or small companies.



Chuck Denny

In the question and answer period following, Carleen Rhodes, One Percent Club member, talked about “the many equal voices” of givers in the expanding world of e-philanthropy. “The future is already here,” she said, describing how www.kiva.org can direct donations of as little as \$25 to entrepreneurs in the developing world to equip them to lift themselves out of poverty. She also cited

www.razoo.com as a website where philanthropists can find and research organizations, donate, and manage their charitable life. “There are new players in philanthropy engaging people in new ways.”

Roger Hale said that more thought ought to be given to “what motivates people and organizations to give. There are many different approaches and motives, some not so exemplary.” Hale noted that not all donors are trying to change the world and it is important to understand that sometimes motivation for giving is based on a personal agenda or the desire for publicity. John Cowles spoke disapprovingly of foundations with huge staffs that based decisions on a petitioner’s ability to write time-consuming and complex grant proposals, and suggested that “Just ask” ought to be the approach.

After a brief summary of the conversation was offered by Jon Pratt, One Percent Club member, and Executive Director of the Minnesota Council of Nonprofits, moderator Latimer concluded the program by commenting, “There’s something that happens on the way to forging public policy,” which he called the “collapse of consensus.” He said that philanthropy has a proper role to play in advocacy and could do a lot more to bring public dialogue to respectability among participants. “I’d like to see philanthropy get the conversation moving toward non-partisan policy ... a more civilized exchange of ideas ... and compromise.”

The Hill Fellows’ reports are available online at the Public and Nonprofit Leadership Center’s website, www.hbh.umn.edu/centers/pnlc/research.html. They are included in the section called “Louis W. Hill Jr. Fellowship in Philanthropy.”

Live Fully. Give Freely.

A MESSAGE FROM THE BOARD PRESIDENT



Judson M. Dayton

If the One Percent Club were powered by a gasoline engine, we'd be purring along at 100 miles per gallon. That's thanks to lots of volunteer hours and a frugal approach to expenses. However, as thrifty as our organization is, we do need fuel for our economical engine, which is why I am asking you to make a gift to help fund operations.

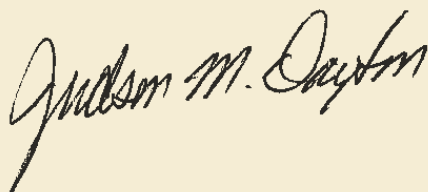
Given current economic stress, we need your help not only to maintain our demonstrated impact on the community but also to increase it. One way is through informational efforts to recruit additional members, and you can help us do this. In this way, our One Percent Club can help sustain the historical trend of giving, which is that giving

doesn't decline during tough times. In today's economy, giving is even more important!

We're entering our second decade of service at the same time the Humphrey Institute celebrates the completion of the Louis W. Hill, Jr. Fellowship in Philanthropy project, with a seminar, *Philanthropy for Extraordinary Times*. The program, reported in this newsletter, featured all six Hill Fellows, and I'm proud to note that five of them are One Percent Club members: Joe Selvaggio, Reatha Clark King, Sage and John Cowles, and Chuck Denny.

Please use the enclosed self-addressed envelope to send your tax deductible contribution to the One Percent Club to support our work to guide and enhance giving during these unfortunately extraordinary economic times.

Thank you!



Judson M. Dayton
Board President

SAVE THE DATE

Charities Review Council's
Annual Forum:
**Accountability:
Now More Than Ever**

Honoring One Percent Club
Member, Mike Ducar, with
Leadership Award

Wednesday, June 17, 2009
11:30 a.m. – 1:30 p.m.

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Second Annual Engaged
Philanthropy Conference
Hosted by Social Venture Partners

Thursday, June 18, 2009
9:00 a.m. – 4:00 p.m.
Graves 601 Hotel

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One Percent Club Gathering:
Navigating the New Normal:
a \$1 Trillion Opportunity

Thursday, September 17, 2009
6:00 – 9:00 p.m.

For more information, please see
the Events page of our website:
www.onepercentclub.org.



The ONE PERCENT CLUB