

# TRADING BLACK TIES FOR COMMUNITY TIES

## Baltimore's New Philanthropists

BY ELIZABETH A. EVITTS

Last fall, a group of young philanthropists from the B'MORE Fund made a few house calls. They knocked on the doors of three nonprofits to surprise three social entrepreneurs each with a check for \$5,000. Unlike most grants, this money had no restrictions; it could be used any way the individual deemed fit. For Sean Smeeton, executive director and founder of the Sylvan Beach Foundation, it was a saving grace.

Smeeton's foundation runs Sylvan Beach Café in Mount Vernon, an ice cream store managed by at-risk young men looking for a fresh start. "We're almost totally self-funded and the day they came in our bank account was almost on zero," Smeeton says. "The timing couldn't have been better." The money helped Smeeton float through the lean times and he recently opened a second Sylvan Beach Café location in Mount Washington.

The group also paid a visit to Tisha Edwards, high school principal of the innovative Baltimore Freedom Academy on Lombard Street. Edwards encourages her students to become critical thinkers in order to foster young civic leaders. The B'MORE Fund surprised her during a school assembly, and after the shock wore off and the applause died down, the lauded principal addressed a full auditorium.

"A lot of you live in neighborhoods where people tell you that doing the right thing doesn't matter," Edwards said. "What you just witnessed today [shows] that when you don't think that people are watching, they are. They're watching to see if you have the cour-

age, they're watching to see if you have the perseverance, they're watching to see if you are bold enough to do what's right."

The B'MORE Fund, one of several giving circles in the city, is on the cusp of something bold. There is an international movement known as venture philanthropy and, just as the new economy rewrote the way we do business, this charitable model is rewriting the way in which the next generation of philanthropists dedicates donation dollars. There's a new group of givers in town. And, yes, they are watching.

Tom Loveland, 44, wanted to get involved in charitable endeavors. As the founder of Mind Over Machines, a Baltimore-based information technology company, Loveland was well versed in the city's corporate community, but he had never been introduced to the charitable side. The Oregon native did not know how to access what he perceived as Baltimore's closed-off world of philanthropy. "For most of my adult life I thought I should be active and engaged [in philanthropy]," Loveland says. "But I had no idea where to begin."

Loveland wanted to do more than just give money and hope for the best. He wanted to understand how to support real change. He wanted to learn about the needs in urban areas, and to study how nonprofits and philanthropy work. "That was really important to me," Loveland says.

Loveland's hands-on interest represents a shift in how the new generation gets involved in its charity. Rather than passively writing a check and attending the occasional black-tie gala, donors are beginning to question the accountability of their dollars. People no longer want to armchair quarterback; they want to be on the field.

Venture philanthropy evolved in the 1990s out of this emerging class of givers who, like Loveland, were interested in understanding how their time, talent, and dollars could make a viable difference. It is a movement that seeks to better understand the culture and concerns of the nonprofit sector and to support social entrepreneurs.

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Thomas J. Donaldson is the director of the doctoral program in ethics and legal studies at the Wharton School of the University of Pennsylvania. Donaldson tracks socially responsible business investment practices and he says venture philanthropy represents a broader cultural shift of people looking to do more through their giving. "We're trying to break that bifurcation between what we do in our work-a-day worlds with our investments and what we do when we are trying to do good," Donaldson says. "It's another wave of philanthropy, of responsible social involvement, and it has to do with tying our goals when we give our money away to the heart of what we're doing as a family and a business person."

Giving circles are one evolution of this new philanthropy and Baltimore is at the forefront of the movement. A giving circle is a pooled fund, usually hosted by a charitable organization. Locally, the Baltimore Giving Project (BGP) of the Association of Baltimore Area Grantmakers fostered the growth of this trend by connecting the newly wealthy and under-represented populations to philanthropic giving. The BGP has helped 14 giving circles form and grow in the last few years and they have raised approximately \$1 million to date in actual and pledged funds.

The Baltimore Community Foundation (BCF) also hosts three active giving circles, including the B'MORE Fund. "The real question today is, How do you distinguish philanthropy from charitable gift giving?" says Gigi Wirtz, director of communications for the BCF. "There's a real concern of cause and effect. It's not necessarily about the money. It's about engaging in the process."

Loveland agrees that being an active part of the process is paramount to new philanthropists. Traditionally, Loveland might have been asked to join the board of a major charity through his business endeavors. But as corporations shuffle and evolve for the new global economy, that method is no longer as viable. "It's not about being tapped like in the old corporate structure," he says. "It's not about my coming to a place where everyone's been there and there's this structure and a hierarchy."

**75% of charitable giving comes from individuals and a mere 25% comes from government and foundations.**

The B'MORE Fund plays to a younger giver. Anyone can join. It requires a two-year commitment of just \$500 a year from each member, opening it up to a broad spectrum of givers. Members not only donate money, but also learn about philanthropy. They scour the city and make site visits to seek out visionaries working for a better Baltimore. They nominate candidates and vote annually. Recipients are awarded money with no strings attached, which is unusual in a day where most grants carry specific restrictions for how the money is spent. This particular giving circle gives away 100% of its contributions so that all the money donated flows right back into the community.

Once Loveland became engaged in the B'MORE Fund, he also became engaged in the city and its realities. "I had this vague notion that government was out there providing the social safety net, and that's not the case," Loveland says. "As we've met individuals who are doing these [social programs] in Baltimore, it struck me that if that person hadn't seen the hole and stepped up to try and fill it, the hole would still be there."

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Loveland was shocked to discover that 75% of charitable giving comes from individuals and a mere 25% comes from the government and foundations. "I was surprised that that much comes from Tom, Dick and Harry. And of course we're not filling the gap like we should."

Now in its second year, the B'MORE Fund recently gifted grants to four more social entrepreneurs in the city. One of Loveland's nominees was awarded a grant. Loveland, who once thought of "philanthropy" as a locked room of rheumy-eyed board members, now sees the vitality and possibility for his contributions. "I've been here for 17 years and it's been a slow process for me getting into Baltimore," Loveland says. "I didn't feel connected at all. Now I feel connected."

And as for those boardrooms that he once perceived as closed off? "I may knock on some of these doors now and say let me in."

## 8 Modern Ways to Be a Philanthropist

### Global Giving

Charities are taking their show on the road, offering donors the opportunity to travel to remote areas of the world and witness the effects of their patronage. You can hike through rural Cambodia with Trek for Literacy or tour AIDS-relief programs in South Africa through UNICEF. Giving Global, a nonprofit founded in 2002, matches donors interested in hands-on experiences with international nongovernmental organizations willing to take them on location. [www.GivingGlobal.org](http://www.GivingGlobal.org)

### Thoughtful Tourism

And speaking of travel ... traveler's philanthropy is an emerging venture that allows you to see the world and help save it from ecological damage at the same time. Donate financial resources, time, or talent to protect and positively impact cultures and environments around the globe. Sustainable Tourism International, based in Boulder, Colorado, provides a directory of organizations offering eco-friendly holidays. [www.EcoTourismTravel.com](http://www.EcoTourismTravel.com)

### eGiving Portals

A variety of companies allow consumers to purchase items over the Internet and then donate a proceed of their sale to the charity of their choice. This can be particularly fun and useful around the holiday season. One eGiving portal is: [www.CharityAmerica.com](http://www.CharityAmerica.com).

### Better Business

It's possible to be financially savvy and socially conscious at the same time. Stock indexes like England's FTSE4Good Index Series track companies dedicated to ethical practices and philanthropic endeavors. Thomas J. Donaldson, professor of legal studies and ethics in business at the Wharton School of the University of Pennsylvania, helps identify companies that make giving back a part of their business models. He says it represents "a new wave in corporate philanthropy" and it means you can watch your investments make a return on more than just dividends. [www.ftse.com/ftse4good/index.jsp](http://www.ftse.com/ftse4good/index.jsp)

### Leave a Legacy

Start a Donor Advised Fund. The fund, held by a community foundation or other public charity, allows you to direct your giving and to leave your legacy to future generations of family members. Hollywood couple Will and Jada Smith started one through the Associated Black Charities of Maryland to address pressing needs for African-American kids, but you don't need to have their bankroll to begin. Most funds can be initiated for \$10,000. The Baltimore Community Foundation, the Associated Jewish Charities and the Associated Black Charities of Maryland all support Donor Advised Funds.

### Online Giving

Have fun with your family researching your favorite charities online. Many charities now accept online donations, so this holiday season, and throughout the year, you can give to any Maryland nonprofit online at: [www.HelpingMaryland.org](http://www.HelpingMaryland.org); and find any nonprofit across the country at: [www.GuideStar.com](http://www.GuideStar.com).

### Make a Call

Switch your long-distance carrier to an organization like Working Assets, a nonprofit supporting human rights programs, and 1% of your phone charges are donated at no extra charge to support charitable endeavors. [www.WorkingAssets.com](http://www.WorkingAssets.com)

### The Tried and True

The most valuable assets? Your time and talent. Invest in our community by volunteering. If you need help getting started, contact the Maryland Association of Nonprofit Organizations for a list of local charitable organizations. [www.MarylandNonprofits.org](http://www.MarylandNonprofits.org)

— Compiled by Elizabeth A. Evitts with Buffy Beaudoin-Schwartz



Amy Childs, a happy customer, enjoys ice cream at Sylvan Beach Café, one of the benefactors of the B'MORE fund.

PHOTOGRAPH: KRISTINA MCDONALDS

# Philanthropy in Baltimore: Four Perspectives

BY LILY THAYER



## Participants:

**Ann Allston Boyce** is president of the T. Rowe Price Associates Foundation and president of The T. Rowe Price Program for Charitable Giving, a national donor advised fund founded in 2000 to promote philanthropy. She has more than 35 years of experience in the nonprofit sector, including the positions of president for the consulting firm Boyce-Mansfield and deputy director for administration at the Baltimore Museum of Art.



**Richard Cook** is director of the Social Work Community Outreach Service at the University of Maryland School of Social Work. This program places graduate students as interns in community-based settings. He has 35 years of experience working with rural and urban grassroots organizations and coalitions in a variety of capacities, including organizer, trainer, executive director, mentor, initiator, consultant, and fundraiser.



**Robert C. Embry Jr.** is president of the Abell Foundation, which has contributed more than \$12 million over the last 30 years to support community development, workforce development, education, health and human services, conservation and environment, and arts and culture in Baltimore City and statewide. He has also served as president of the Maryland State Board of Education, and as head of the Baltimore Urban Renewal and Housing Authority.



**Brian Le Gette** is CEO and cofounder of Baltimore-based performance-wear manufacturer 180s. He is also founder of a work-based mentoring foundation called b4students, which brings awareness, opportunity, and inspiration to “at-promise” students in the city’s most underserved high schools. This citywide initiative began as a small-scale partnership between 180s and a handful of local schools and has expanded to include Constellation Energy and DAP as corporate partners.

Philanthropically, Baltimore represents something of a conundrum.

Long a center of the finance and healthcare industries, the city attracts residents of enormous talent, intelligence, and financial means. But it is also home to one of the poorest, most drug-addicted and HIV-infected urban populations in the country.

Baltimore-area nonprofits, private givers, congregations, and corporate donors have worked for decades to find reliable ways to bridge the city’s harsh economic and social divides and to sustain and encourage the social and cultural institutions that make Baltimore a better place to live.

Four members of Baltimore’s philanthropic community gathered recently for a wide-ranging dialogue on the notion of giving, the focus of charity in Baltimore, and the strengths and weaknesses of the nonprofit sector. They noted that there are often unilateral endeavors happening in this city, a reality that was vividly demonstrated when two members of the panel discovered that they were each involved in related initiatives about which the other was unaware. They were contemplative about philanthropy in the city, asking as many questions as were answered.

They all agreed that while there is much need in Baltimore, there is also a desire on the part of residents to give both time and money. What is critical, and critically difficult, is communication among those who are like-minded in order to consolidate philanthropic efforts and make those efforts more effective.

## Urbanite

Let’s start with the very notion of philanthropy. How would each of you define “philanthropy”?

## Bob Embry

With my job it means giving somebody’s money to somebody else to promote some social good. Philanthropy is, in our view, transferring resources in order to improve the community.

## Brian Le Gette

My simplified answer would be to give time, money, or talent in a way that doesn’t return financial gains to you and helps the community.

## Ann Boyce

Looking at it from a corporation point of view, it is taking corporate responsibility, helping the community in which the company does business, enhancing the life of the community for its employees and for others in the community—and hopefully making it a better place to live and work.

## Dick Cook

The literal meaning is “love of mankind,” and in some ways philanthropy and social work have common origins. Currently, we think about it in terms of giving money and [that] perhaps distorts what the meaning is and what needs to be done.

## Urbanite

We live in a city where there’s tremendous wealth and world-renowned healthcare institutions. Yet, we also have some of the poorest, sickest people here. What is our responsibility in this community?

## Dick Cook

I see it in terms of being citizens. You can’t live here and be uninvolved without shirking that role of what citizenship is. Baltimore has this interesting structural dynamic of neighborhoods, and the easiest way for many people to get in is through that vehicle, get involved with the neighborhood.

## Ann Boyce

There’s a lot of expertise and talent within a corporation such as T. Rowe Price. So it is getting those individuals involved in the community, bringing their expertise, and what is often a different point of view.

**The symphony goes out to raise \$40 million or \$50 million, but I can’t think of anybody ever raising \$50 million for any poverty-related issues.**

## Urbanite

How do we engender that kind of involvement? And maybe, Brian, you could speak to this. As someone who’s of a younger generation, how do we encourage others to get involved?

## Brian Le Gette

I have a difficult time with simply looking at things from a responsibility standpoint. It’s really easy for anybody who’s sitting in this room to grasp that and understand it. It’s the people who don’t actually feel that way, who feel that they’re there to get, rather than give, and that’s the lion’s share of their life’s purpose. It becomes easier [when] you recognize that a smile on somebody else provides you a tremendous amount of value. As soon as [a person gets] to that point, I find it very easy to talk that person into doing all kinds of things. It is simply talking them into trying out that one thing, whether they like it or not, kind of pushing them a little bit: “Just go do it.” Because as soon as they get that return hit, they’re hooked.

## Dick Cook

There was a lot of opposition to the community service requirement that is now a part of the city school curricu-

lum, but if that requirement is implemented in a way that gives people opportunities rather than just being make-work, it does exactly that kind of thing.

## Bob Embry

Having been involved with passing the state community-service graduation requirement, there’s a great deal of theory in this area, and very little empirical data in terms of people’s assertions as to how they would define involvement.

## Urbanite

How do you get closer to a definition of involvement?

## Bob Embry

There are defined activities that satisfy the state requirement, but they involve dealing with some organizational structure. They don’t involve some personal interaction with somebody that is on the street or somebody who needs help, in a one-on-one kind of involvement. We’re trying to measure it. You narrow the field of philanthropy to the extent that you define it, for some bureaucratic purpose of measuring its impact.

## Brian Le Gette

It’s tough to get people involved, but it’s tougher to then keep them involved, unless they get a quick hit. Our foundation has a twenty-year time horizon to have a measurable impact. In our society nothing takes that long, and so communicating that it takes time, and lowering expectations in return, is incredibly important to keep people involved. I think it’s been easy, at least for people who I’ve talked to, to get them to go to a meeting. They all do that, but it’s when it starts getting tough a little bit later, that’s when the involvement stops.

## Dick Cook

I think some of it has to do with even the way we talk about philanthropy. This dichotomy that we create about doing things for others and doing things for ourselves isn’t exactly true. I mean, my activity in my community is motivated by real selfishness. I want my community to be the kind of place that I like living in.

Somehow we have to get that across to young people, that it’s the connection between doing things with others, because if you just do it by yourself, you won’t get it done.

## Ann Boyce

Time is a major factor. It’s really difficult for young people to set aside time to work with others when they’re so focused on the issues of just living their lives.

## Brian Le Gette

We’re taught throughout school to focus on improving yourself, in a very competitive way. I think it’s the companies’ responsibility to [promote involvement]. We believe that companies have a better chance over religious- and government-based organizations to create change. I’ve got a lot of young people; they’re starting families, they’re not sleeping, they’ve got kids screaming at three in the morning, they’ve got other activities. I, inside of my workday, their workday, am putting them in a position of almost demanding them to do something. And the company actually is more profitable, has more loyal, more productive, happier people [because of it].

## Urbanite

What are the causes and issues that we really need to be looking at in Baltimore?

## Dick Cook

If you’re not looking at public education and the issue of substance abuse, you’re not going to get to many others. We’ve got to tackle those in a real serious way, because they have an underpinning that reaches out to all of the other issues that we struggle with.

## Bob Embry

The overwhelming problem in the city is poverty. There are various aspects to the poverty issue, but one I’d particularly select is the African-American male population, which is disproportionately going into or coming out of prison and is disproportionately uneducated, disproportionately has child support payments

to make and is addicted. There isn’t any societal focus on their problems, whereas a poor female moves to the welfare program, where social service and other programs have somebody who’s focused on changing their situation. The male population is ignored, in large part.

## Urbanite

What do you think the focus of philanthropy is in Baltimore? Are people focusing their money and their time on the right things?

## Bob Embry

Well if you look nationally where money is given, it overwhelmingly is to organized religion and to higher education and the cultural institutions. I have no reason to think that that is different in Baltimore. A very small percentage of it goes to poverty-related issues. The symphony goes out to raise \$40 million or \$50 million, but I can’t think of anybody ever raising \$50 million for any poverty-related issues.

## Brian Le Gette

If I break through all definitions of philanthropic giving, there’s nothing more base and more profound, I think, than [social issues]. The drugs and education are certainly the two biggest buckets to point at, but it’s about teaching self-responsibility and it’s about looking long term.

**It’s the people with much higher incomes who have much lower rates of generosity. It’s the folks in the trenches who are doing and giving.**

## Bob Embry

Values and motivation are clearly very important factors. You can see immigrant children coming into the same school system, same drug-infested neighborhood and going to school every day, doing their homework, not out on the street, and graduating from high school and going on to college. On the other hand, there are issues, such as being abused as a child, having your father not around, and environmental degradation, that are beyond the control of the person no matter what their value structure is.

## Urbanite

How does Baltimore philanthropy compare to other cities that you’re aware of?

## Dick Cook

If we look at Baltimore overall, it’s oftentimes been ranked fairly low on charitable giving and generosity indexes ...

## Brian Le Gette

In terms of per capita measure?

## Dick Cook

Yes. But the Association of Baltimore Area Grantmakers did a study and parceled out different income groups and found that there’s a great deal of generosity, more than the average, up until you get to the point of about \$200,000 a year income. It’s the people with much higher incomes that have much lower rates of generosity. It’s the folks in the trenches who are doing and giving. We do a disservice to the extent that we don’t democratize the notion of philanthropy, because there’s an awful lot of people doing an awful lot with a little, and pooling resources and contributing a great deal.

## Urbanite

Are there philanthropic strategies in other cities that have proved successful and might be applied here?

## Dick Cook

I think that the most interesting, exciting thing that’s going on now is going on in Baltimore, and that’s the notion of giving circles. They’re making an enormous difference.



**Ann Boyce**

I'm co-chair of the Baltimore Women's Giving Circle. It's a few years old. The group now includes about 170 women, who each gives \$1,000 and then all of that money is given back to the community. It's educating a group of people about the issues and good solutions. Without the giving circle, it would be very hard for some of these individuals to know about these small nonprofits.

**Brian Le Gette**

I'd like to ask a question: I struggle with focus, with the breadth of the problems that are out there. Rather than giving something to a few organizations, we're just going to do one thing and we're going to do it all of us. It is one of the initiatives we have on our yearly plan with the rest of our business activities. That's the only way I've seen progress. Maybe there's four or five companies focused on one problem and not forty, but they're putting everything into it. If we can divide them that way, is there more success?

**There are incredible resources that remain untapped and almost tamped down in our communities, and part of the job we have is to figure out ways to liberate those resources.**

**Ann Boyce**

If you're looking at small nonprofits or companies that are doing very specific projects, how do we connect these groups to share their knowledge? One of the biggest problems in the community is that there's no coordination. [Philanthropy] is obviously a company, foundation, and government responsibility. It's involving all aspects of the community. How do we bring them together to know exactly what each is doing? I don't know.

**Dick Cook**

More than what each is doing, because that keeps changing. At least share some of what works well. Those are things that could be shared.

**Brian Le Gette**

Join together the missions that are exactly the same. We were trying to figure out what we wanted to do as a company, and we said, "There's got to be a mission statement in this city to solve everything you could possibly imagine times ten." It isn't about trying to recreate another one of those things; it's how do you find everybody that believes like you do, pool them all together and then just solve the larger problem.

**Dick Cook**

When we talk about philanthropy, we're also talking about looking for resources, and there are traditional places that we look for resources. We look at the foundation world; Abell is a prime example. We look at the corporate sector. We look at well-to-do individuals. There are incredible resources that remain untapped and almost tamped down in our communities, and part of the job we have is to figure out ways to liberate those resources. A social worker came to me about four or five years ago. She worked in a nursing home where there were two guys who were at the ends of their lives, lying on gurneys as a result of lives of substance abuse. She was concerned because her child, who was approaching teen age, was beginning to experience issues related to substance abuse, and when she talked to these guys in her work life, they wanted nothing more than to be examples and talk to kids about what you shouldn't do. So we arranged a visit from a public school to the nursing home. The students got more of an education there than from 100 lectures about the evils of substance abuse from their teachers. If two guys at the

end of their lives as a result of substance abuse are resources to our community, think about the resources that we flush every day, in our public schools, in our neighborhoods. We don't think about ways to liberate those resources, and until we do, we're going to keep struggling.

**Ann Boyce**

The weakest field in nonprofit work is program evaluation. [We must] figure out how to communicate what makes a program work, really understanding program success, helping nonprofits choose programs that have a better chance of success, getting them to give up programs that aren't working, getting individuals to understand what is success so they know when they give their dollar they feel comfortable with that success.

**Brian Le Gette**

If you were able to take all of your dollars and focus them on getting other businesses to go do things, rather than on the programs themselves, they would have all the acumen that all those not-for-profits need.

**Ann Boyce**

I don't totally agree with that. We tend to think business people bring common sense or financial management, marketing, media. Businesses are used to doing that through promotions, through firing, through something very active, and that doesn't

always work when you're dealing with people in poverty. To me, it's a real balance.

**Brian Le Gette**

I was looking at the management of these philanthropic groups. I've gotten involved in certain ways with many of them and I've just been amazed at what they're doing with their money or how they're doing things. They have all the passion and commitment you could possibly want and they just don't have the financial acumen, the marketing, the whatever it is.

**Dick Cook**

We need to create forums where nonprofits can learn some of those things from business, and business can learn a whole bunch of things from nonprofits. I was once at a conference on bringing business skills to nonprofits. There were two businessmen on a panel with a woman who had run an African-American museum for about five years. The two businessmen spoke first and said, "What we need to do is bring business skills to nonprofits." And the woman running the museum said, "I've run this museum for five years with no money. I want you to explain to me how you run a business for five years with no money." That is what nonprofits are doing.

Read more of this conversation on the Web at [www.urbanitebaltimore.com](http://www.urbanitebaltimore.com).



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