

May 18, 2007

## GIVING BACK

## When Small Donors Get Together

By ROBERT J. HUGHES

Donors with limited resources who don't want to see their modest contributions swallowed up in large charitable institutions are increasingly starting up giving circles to keep things personal.



The Community Foundation of Western North Carolina

The Circles Game: A member of Asheville, N.C., giving circle Women for Women visits a homeless shelter in Marion, N.C., to help determine if it will get a grant.

Women, an Asheville, N.C., giving circle that helps various regional charities. And, she adds, members learn about the region's needs.

Giving circles doubled from 2004 to 2006, according to a survey by the Forum of Regional Associations of Grantmakers, of Washington, D.C., a network of 32 organizations. Last year the Forum found 400 giving circles and estimates that circles have granted almost \$100 million in the past four years. The groups can be traced back to mutual aid societies and fraternal organizations from hundreds of years ago that pooled resources for their communities.

Giving circles let donors get connected in some vital ways to their communities and help fix their problems, says Daria Teutonico, director of the Forum's New Ventures in Philanthropy program. Some groups have minimums for entry -- from \$10 or \$20 to thousands of dollars -- and others combine giving with volunteerism.

Each member of the Women's Impact Fund of Charlotte, N.C., which now has 360 contributors, must give \$5,500 over five years. This month, the circle will be making \$344,500 in grants to five regional nonprofits in various fields. In New Orleans, the Zawadi circle has raised almost \$24,000 for a financial-education and savings program for low-income New Orleans residents and a math-tutoring program for students.

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In the circles, people pool their money to award grants.

The 14 twentysomething professionals of Gather and Give: Let's Eat, a group in Washington, D.C., each contribute \$75 to \$300 and focus on food-related causes. The Zawadi giving circle in New Orleans helps support programs for black Americans in the area, while the Queer Youth Fund in Los Angeles raises money for organizations to improve the quality of life for gay and lesbian youth.

"By pooling our financial resources, we can have a far greater impact" than individual donors, says Marla Adams, an attorney and founding member of Women for

One problem: where to put the collected money. Katy Love, who founded Gather and Give, says the group even considered a safe-deposit box before finding -- as many circles do -- a host organization to hold and distribute grant money, in this case the Washington Area Women's Foundation. (The giving circle must meet the foundation's criteria in its grants.) Giving circles are generally not registered as nonprofit organizations, and usually don't solicit applications for grants as large foundations do.

Another problem can be turnover. Many of Gather and Give's members are relocating to take new jobs. "We're losing half the giving circle at the end of June," Ms. Love says. "But those of us who are staying are interested in doing it again," around different issues. Members joined, she says, in order to "get together to be academic, critical, learn about our world." In a way, she says, they were continuing their education.

### Gift of the Week / Simons Say: Endowment



**Bren and Melvin  
Simon**

**Who gave it:** Melvin Simon, co-chairman of Simon Property Group, one of the nation's largest shopping-mall owners, and his wife, Bren, who owns a design firm.

**How much:** \$10 million

**Who got it:** The Indianapolis Museum of Art

**By request:** The funds will endow the position of museum director and chief executive.

**How it happened:** Almost a year ago, Mrs. Simon went to the museum's annual meeting to meet its new director, Maxwell L. Anderson. Although the couple belonged to the museum, they were known for supporting Jewish causes, children's charities and universities, including a recent \$50 million gift to the Indiana University Cancer Center. But Mrs. Simon says they were impressed by Mr. Anderson's abilities as a manager and antiquities scholar. Four months ago, he approached the couple with the idea of endowing his own \$360,000 job. Mrs. Simon says they were glad to underwrite the position's entire pay in perpetuity because "capable leaders of not-for-profits are even harder to find" than company executives. Next up: The museum hopes to endow its curators and conservators.

--Kelly Crow

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