

WHY THIS, WHY NOW



Three years ago, the Center for High Impact Philanthropy was founded to provide analysis and decision-making tools to help philanthropists determine where their funds can have the greatest impact in improving the lives of others. Given the breadth and severity of the current economic downturn, the question we needed to answer was clear: Where can individual donors make a significant difference in addressing the suffering caused by the economic crisis?

We began this effort in April when we issued [High Impact Philanthropy in the Economic Downturn - Action Agenda](#). Since then, there have been many new developments, including major federal funding initiatives and hopeful signs that the economy is stabilizing. Yet as we write this, unemployment and foreclosure rates remain alarmingly high; foundation assets and state and municipal budgets have been drastically cut; and the nonprofits that provide a critical safety net in communities around the country continue to face heightened demand for their services precisely when their resources have shrunk.

Now, more than ever, donors need to understand where their resources can deliver big results.

To help donors understand where such high impact opportunities exist, our multidisciplinary team relied on numerous sources of information. These sources included available academic research, policy briefs, financial and performance data from nonprofits, and emerging statistics on the overall economic situation. We interviewed dozens of experts including economists, funders, nonprofit staff, government officials, and researchers. To understand client needs and the day-to-day realities of the nonprofits working with them, we conducted site visits, including observing housing counselor sessions and listening in on outbound and inbound help lines. (SEE INSIDE BACK COVER FOR THE FULL LIST OF INDIVIDUALS WHO CONTRIBUTED TO OUR WORK.)

Our hope is that by doing much of this legwork for you, we provide the kind of independent, practical advice that will move you to translate concern and good intentions into impact.

Why we focus on housing, health, and hunger

Although the needs for philanthropic support are great in many areas, this guide focuses on three issues in particular. They are:

- Preventing foreclosures
- Sustaining primary and preventive healthcare programs
- Ensuring access to food

We focus on these areas because in each case, the need has clearly spiked due to the downturn. Even with the recent surge in government stimulus, there remain structural gaps that philanthropic capital is well positioned to fill. Effective and cost-efficient nonprofit solutions exist. Acting now means not only addressing an immediate need, but also avoiding enormous future costs. In short, these are three areas where individual donors can obtain a big bang for their philanthropic buck.

What you can expect in each section

This guide was written for individuals seeking to turn their philanthropic capital into a meaningful difference in people's lives. To that end, each section includes the following:

- A brief analysis of the current situation
- A description of high-impact models to improve the situation, including an estimate of the impact and cost of each model. These estimates were derived either from our team's analysis of available data or from rigorous cost-benefit analyses
- Examples of the model in practice to help potential donors understand how nonprofits target these issues effectively
- Contact information for nonprofits mentioned and tips for finding a local nonprofit delivering these models in your community

As with all of our work, we have vetted this material with content experts, individual philanthropists, and advisors to ensure that our guidance is both smart and actionable. It represents the best advice we can offer at this time. We welcome continued input and are exploring ways to update this material to incorporate new information and new developments. To receive notices of updates to this guide, please contact impact@sp2.upenn.edu.