

WEBINAR

Strategic Giving in Times of Crisis



Philanthropists are in a unique position to help people and rebuild communities recovering from crises, whether they've experienced a weather-related event, such as a storm or wildfire, or they're still struggling to vaccinate their population from COVID-19. **Foundation Source recently hosted a webinar to identify the current challenges and dynamics that are shaping crisis giving — and discuss the best ways for philanthropists to offer support.**

Panelists included **Zack Rosenberg, co-founder of SBP**, a social impact organization focused on disaster resilience and recovery; **William McNulty, head of mission at Operation White Stork**, a humanitarian organization on the frontlines in Ukraine, and **co-founder of Team Rubicon**, a nonprofit that utilizes the skills and experiences of military veterans and first responders to deploy emergency response teams rapidly; and **Jeffrey Haskell, our chief legal officer. Gillian Howell, Foundation Source's head of client advisory solutions**, led the discussion.



GILLIAN HOWELL
Head of Client Advisory
Solutions, Foundation Source



ZACK ROSENBERG
Co-Founder, SBP



WILLIAM MCNULTY
Head of Mission, Operation
White Stork



JEFFREY HASKELL
Chief Legal Officer,
Foundation Source

Gillian Howell: What makes giving in times of crisis different from other charitable giving? Are there some best practices to keep in mind?

Zack Rosenberg: It's important for intentional philanthropists to bring their business mindset to the world of philanthropy. While it's important to consider established, Charity Navigator-vetted operations, in times of crisis or war, we need to use an entrepreneur's or an investor's mindset to look for other indicators of success. For example, Will's group has zero track record operating in a war in Ukraine because this is the first time recently there has been a war in Ukraine. They don't have 990s or tax returns or proof points.

But if you look at the sort of indicia that an investor would look at when funding a new business, it's all there in spades. You have leadership who has done it before at scale. Will founded Team Rubicon, which is, in many ways, the biggest recovery organization in America. He has built a leadership team of others who have operated in similar environments and their experience in the military makes them uniquely positioned to thrive and deliver results.

So, if I had advice for funders, it would be to take a ruthless, tenacious focus on outcomes, not just relying on a comfort level in evaluating legacy partners. There's a timeliness where a bigger organization at various phases of our country's history might have been the right answer, but now nimbleness and laser focus on outcomes are what's required.

William McNulty: You have to focus on what's working and how to support it. That's what we did with Operation White Stork, which is an organization that's made up of a group of veterans, operators, and other professionals who were just offended and motivated by the Russian invasion of Ukraine. We've now built an organization that is targeting critical aid to the front lines across Ukraine, as well as conducting evacuations.

We have evacuated over 22,000 people so far—the majority of whom are women and children. We're also at about a thousand pets. In addition to the evacuations through our partner organizations, Ukraine Friends and Airbnb, we are offering 30 days of temporary housing anywhere in the world, except Ukraine and Russia. In addition to that, we provide individual first-aid kits to the front lines. We supplied approximately 4% of what the Ukrainian military requested at the beginning of the war, which was 400,000 IFAKs.

One important thing we did is to introduce strong accounting controls early. This was a mistake that we made early on at Team Rubicon, on our very first operation in Haiti, where we didn't have an accounting team in place. And so, one of the very first things we did at White Stork was ensure we had a network of volunteer bookkeepers and accountants who are tasked with making sure that we have the proper accounting controls.



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Howell: How can funders think long-term when choosing grantees after a crisis?

Rosenburg: Short-term recovery really ends within two or three weeks, but it's the intermediate and long-term recovery that's really crucial to whether families are going to get pushed off that cliff again or be positioned to endure.

If we really care about the people affected by crises, the answer isn't rebuilding more houses, but obviating the need for the rebuilding work in the first place, and that is what centers SBP's work. The reason for it is clear: Home is both the tipping point between upward economic mobility and negative generational impact. It's SBP's belief that while response is important, long-term sustainability and positioning people to be their best selves and avoid being pushed beyond the breaking point is driven through resilience. And that's driven through long-term recovery.

We're also driving resilience and helping people navigate recovery at a scale level. We don't want people to have to turn to SBP or any other nonprofit at their moment of peril and say, "I can't do it on my own." So we're helping folks understand what they can do to become more resilient before disaster, and then how to navigate recovery, maximize FEMA, and avoid contractor fraud.

Howell: Crisis giving may also involve more direct, individual grants than other charitable means. What are key considerations for funders?

Jeffrey Haskell: There are many benefits to giving aid via grants, including the ability for the foundation to control exactly who will receive it. By contrast, when you grant through a public charity, you outsource the selection process to that charity. Direct giving may enable you to have a direct impact more quickly. And there may not be a relief organization serving the impacted region, or it may not have boots on the ground in all the impacted areas. Depending on the circumstances and the organization, it may have higher administrative costs than your foundation, so you may save those costs by choosing to make grants directly to individuals from your foundation.

Keep in mind that grants given to individuals to relieve stress, like disaster relief or emergency medical or hardship assistance, do not require advance approval from the IRS. But the IRS does still require that the grant recipients be selected from an open-ended group known as a broad, charitable class. The foundation must make a specific assessment of an aid recipient's need, taking into account the cost of living and currency values relative to the dollar.

Howell: What are the considerations for direct grants of longer-term, hardship funds?

Haskell: Unlike short-term distress relief, per the IRS, providing long-term assistance to needy families would require a financial need assessment before dispersing aid. The scope of that assessment should vary depending on the amount of assistance being provided. The IRS notes that individuals do not have to be financially destitute, but they must be unable to provide for their basic needs.

Although there's no bright-line rule dictating when short-term relief becomes long-term assistance, many foundations take the view that short-term assistance means providing enough to enable the recipients to take care of their basic needs for four to six weeks, maybe even longer.

Howell: What other advice do you have for funders on how to maximize the impact of their donations?

McNulty: Charities have to raise funds to operate, and there's a limited window for when donors are feeling really generous, and that window of interest is very tied to the media cycle. So donations significantly drop off when the media loses interest or moves on. My recommendation for those who are more careful and considerate with their funds is patience. Maybe wait a few weeks to see which organizations are really delivering impact because we really need to spread out giving across the entire cycle and not just have people experience donor fatigue right away, because they've given in the first few days of a disaster.

You can be more intentional with your funds that way. How could you focus your intention in a potentially better way to use those funds by understanding how that cycle works? As we introduce new challenges, be it a global hunger shortage of food or monkeypox, we need donors to understand that just like in Ukraine, we need them to show up today, but we also need them to consider the full cycle of how we're going to solve these problems.

Rosenburg: If you care about mental health, if you care about kids learning and domestic violence and families being ready to thrive, then you care about disaster recovery. And if you get it right, you're not preventing the bad, but you're optimizing the good. There are three things philanthropists can pay attention to: the amount of time between disaster and recovery; the existence of predictability; and access to resources.

Haskell: It takes a village, and by that I mean to really be effective, it's all about partnership and collaboration. No one can do it all by themselves; it's a waste of time, it's a waste of resources, and a waste of money. Why duplicate efforts?

People have different skills, different abilities, and different resources. So, if you could really think about it and reach out, who's in the area already? What are they doing? What are their needs? Where can I fill in where there's a need that's not being met? To reach people and be most effective, I think it's important to keep in mind that no one can do it alone. Reach out, collaborate, lead the way, perhaps fill in gaps, and—by all means—make a difference with your partners.



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This is a condensed, edited version of the conversation.

You can watch the [full video of the roundtable discussion here](#).

ABOUT FOUNDATION SOURCE

Foundation Source **empowers people and companies to create a better world** through philanthropy. As the nation's largest provider of foundation management services, we're a trusted source for philanthropic expertise. We invest in industry-leading technology for private foundations and offer a configurable suite of administrative, compliance, tax and advisory solutions that meet you where you are in your philanthropic journey.

For more than two decades, we've worked with individuals, families, boards and professional advisors to preserve legacies and make giving easier. Today we are proud to support **more than 2,000 unique foundations** and have facilitated over **\$10 billion in charitable aid**. With a 98% retention rate, we are honored to have earned the trust and loyalty of our clients.

HAVE A QUESTION?

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