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Notes from the Chair

*By Cornelia Higginson
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International Committee*

Global concerns took center stage at the Council on Foundations' recent Annual Conference in Philadelphia. U.N. Secretary-General Kofi Annan set the tone when he spoke eloquently in favor of a global fund to fight HIV/AIDS in his speech to the opening plenary session. Tim Wirth, president of the United Nations Foundation, similarly touched on the urgency of responding to the global HIV/AIDS crisis in his remarks to a record 220 international grantmakers and friends at the international dinner. The speeches were augmented by other stimulating sessions with global content, covering topics like international grantmaking, women and AIDS, the challenges of international disasters, the African women's movement, grant evaluation in developing countries, and additional sessions and roundtables bringing an international perspective to the conference.

The challenges and ambiguities of U.S. regulations governing cross-border grantmaking have been longstanding concerns of the International Committee. I am delighted to report that in response to efforts by the Council on Foundations over the past several years, the Internal Revenue Service (IRS) recently took steps to simplify an important aspect of the cross-border grantmaking rules. In an information letter issued April

18 to John Edie, the Council's senior vice president and general counsel, the IRS clarified that private foundations may use expenditure responsibility procedures for most of their international grants. A more elaborate discussion of this important IRS clarification can be found in the Legal Dimensions article in this issue of *International Dateline*.

This effort was carried out under the U.S. International Grantmakers (USIG) Project of the Council, launched five years ago in response to difficulties that both experienced and inexperienced grantmakers had with understanding and complying with existing rules. The goal of USIG is to simplify those procedures, make the legal requirements accessible in layman's terms and provide helpful resources in the United States and abroad to facilitate the cross-border grantmaking process. While still a work in progress, the now one-year-old USIG Web site (www.usig.org) is becoming a popular information tool for both cross-border grantmakers and grantseekers. We are gratified that it is receiving such an enthusiastic response.

Lastly, I want to take special note of the passing of Ibrahim Abu Lughod, an esteemed colleague and member of the Council's International Committee. Ibrahim, who directed The Qattan Foundation in Palestine, died May 23 after a long illness. His wisdom, insights and intellectual contributions to the work of the Committee were enormous. I speak for the entire Committee in saying that he will be greatly missed. ●

Providing grantmakers and their associations with information and resources regarding domestic giving on international themes, U.S.-based cross-border grantmaking and the development of philanthropic structures around the world.



NEWS & ANNOUNCEMENTS

Focus on AIDS at COF Annual Conference

United Nations Secretary-General Kofi Annan and United Nations Foundation President Timothy Wirth used two separate occasions at the Council on Foundation's Annual Conference to highlight the global fight against AIDS and to challenge members of the philanthropic community to contribute to it.

Speaking at the conference's opening plenary session, Annan illustrated the pandemic both with numbers (36 million people living with AIDS, 3 million dead from the virus last year, 1300 new cases diagnosed per day) and analogy (a population the equivalent of two cities the size of Philadelphia were killed last year; the number of AIDS orphans worldwide equals the number of children in Pennsylvania, New York, New Jersey, Connecticut, Maryland, Virginia and North Carolina combined).

Calling HIV/AIDS "the biggest single obstacle to development" in some countries, Annan said that the world should be prepared to spend between \$7 billion and \$10 billion per year on the pandemic over an extended period of time, and he proposed setting up a fund that would be able to do that. Most of the money, he said, would have to come from the governments and taxpayers of the industrialized world, but there would need to be a significant contribution from the philanthropic community.

In discussing the funding needed, Annan said "it is less than...the charitable foundations of a single country [the USA] are giving away each year." He said that "Several American foundations have already shown real leadership in the battle against AIDS," and added, "Those contributions are desperately needed, and I am here to ask you to increase and multiply them."

In a separate speech at the international programs dinner, Wirth illustrated the scope of the crisis by saying that "the Coca-Cola Company, the single largest employer in Africa, hires two people for every position it fills there because it assumes one of them will die from AIDS."

He then looked at the role of adolescent girls in halting the spread of the AIDS virus, and made the case that the education of adolescent girls will be a key factor in slowing the epidemic. Early on, Wirth said, the United Nations Foundation decided to stay focused on prevention instead of treatment, and aimed its activities at the most vulnerable segments of society: adolescents and young women.

The Southern African Initiative for Adolescent Girls, supported by the United Nations Foundation, is "promoting community-based HIV/AIDS interventions for adolescents...to improve health services, community support, peer education, micro-credit and livelihood counseling—the resources adolescent girls need to decrease their risk of infection."

OBITUARY

Ibrahim Abu Lughod, a member of the Council's International Committee, passed away May 23 at his home in Palestine after a long illness. Lughod was born in 1929, the son of a metal manufacturer in Jaffa, Israel. In 1950, he came to the United States where he later received a B.A. from the University of Illinois, and in 1953, a Ph.D. in Oriental studies from Princeton University. He began his academic career at Smith College, then McGill University in Montreal, before moving to Northwestern University, where he would stay for 34 years. Ibrahim was associated with the Center for

Curricular Reform, the Qattan Foundation and the Palestinian Independent Commission for Citizens' Rights in Ramallah, Palestine. On hearing of Ibrahim's death, fellow International Committee member Iftekhar Zaman wrote, "[his] death is an irreplaceable loss to everyone around the world committed to freedom of the individual and independence of the creative mind. Every word he spoke and everything he did carried evidence of the highest levels of scholarship and professional excellence combined with the firmest commitments of an activist dedicated to social change." Ibrahim Abu Lughod was 72.



PHILANTHROPY AROUND THE WORLD

Small Foundations Guide To Finding International 501(c)(3)s

Betty Curtis, the administrator of the Atkinson Foundation, a small grantmaker in San Bruno, California, wrote this article for International Dateline to offer guidance and motivation to smaller foundations interested in pursuing international grantmaking.

We get tremendous satisfaction from our international grants, as relatively few dollars can have tremendous impact—funding micro-enterprise, building wells or latrines, training village health workers or midwives, giving support to reforestation or agricultural projects. The same few dollars given to our own local organizations are swallowed in an instant with much less impact—particularly since we live in one of the most expensive counties in the United States. Since

we are essentially a small local funder with only one full-time staff person, the board consciously decided to continue international funding through U.S. 501(c)(3) organizations. It is as simple a process as making grants to our local community agencies.

In encouraging smaller or newer foundations or those who have never made international grants to enter this area, three major questions seem evident:

First—How does one identify and establish contact with the appropriate U.S. nonprofit that is delivering the kind of programs the foundation wants to support?

1. Access the InterAction Web site (The American Council for Voluntary International Action, www.interaction.org) or obtain a copy of the InterAction Member Profiles Directory (1717 Massachusetts Ave. NW #107, Washington, DC 20036). InterAction is a membership coalition of over 165 secular and religious organizations providing sustainable development, relief, refugee services, education and advocacy to the developing world. InterAction sets standards for its members and assists them in the effective delivery of their varied programs.

2. Information about potential international grantees may also be obtained from the Foundation Center, other foundations who give internationally (see the Foundation Center Directory subject matter index), media reports on various organizations and your own creative research.

3. Once an organization has been identified, ask for its annual report and other promotional materials. From this you can ascertain the countries it serves and the kinds of programs it delivers (relief, water, agriculture, micro-enterprise, medical services, planning, population issues, exchange students, refugee services, etc.) There is as great a variety in the international grant-making field as there is domestically—the program choices must be made by the funder.

4. Once a foundation makes one or two international grants, it will become part of the “foundation/grants database” accessible to all grantseekers. You will begin



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receiving many unsolicited inquiries and proposals providing additional opportunities for international grantmaking

Second—How does one do effective pre- and post-evaluation of proposals without the first-hand information gained from site visits?

1. Once the bona fides of the organization have been established, the usual review is standard (clear statement of goals and procedures, timeline, budgets and staff qualifications). Particularly important, however, are specific reporting requirements. Development of trust between the grantor and the grantee over a period of time depends on quality of the feedback, including photos of the project, newsletters, annual reports and personal contact between representatives and the foundation.

2. Often valuable information about a new proposal or organization can be obtained from other organizations working in the same geographical or program area.

3. Be prepared to accept a slightly greater degree of risk, at least initially, than you would with a local community grant. If you have any discomfort with the promptness, consistency and completeness of the feedback regarding your grant, there are many other organizations to consider funding to do the same or similar work.

Third—How do the criteria for evaluating international proposals and projects differ, if at all, from evaluating any other grant request?

1. History and size of the organization: Pay particular attention to who founded the organization, why and when. Many international service organizations were founded by physicians, missionaries, returned Peace Corps volunteers, all “hooked” by their international experiences and responding to the immense human needs they observed firsthand. Some of the agencies are long-established, enormous and worldwide, but can still identify reasonable small-scale funding opportunities. Others are newer, some very small, many with programs in just one country, but also providing direct, responsible, on-the-ground programs. Both are equally worthy of funding.

2. Sustainability: Except for direct disaster relief efforts, most foundations no longer provide funds for individuals to go into a country, start or do something, and then leave, often causing the activity to cease. We now look for the extensive involvement, training, and sometimes, employment of local citizens who are able to carry on the activities of the project indefinitely. Also important to sustainability is the use of locally available materials and supplies, appropriate technology and a sensitivity to the maintenance or improvement of the local environment.

3. Partnerships: Many agencies extend their program effectiveness by forming partnerships, both formal and informal, with the local indigenous organizations. The local people know their own geography, politics, customs and attitudes. These organizations may range from tribal or village councils, women’s groups, agricultural co-ops, village banking groups and church

CALENDAR

July 29–31

CORPORATE COMMUNITY INVOLVEMENT CONFERENCE

Boston Park Plaza Hotel

64 Arlington Street

Boston, MA

Kelly Swanson, 202/467-0426

August 19–23

CIVICUS WORLD ASSEMBLY

“Putting People at the Centre: Voluntary Action Shaping Social and Economic Change”

Vancouver, British Columbia, Canada

Shabna Ali, Conference Manager, 604/408-6722

Fax: 604/408-6723, e-mail: assembly@civicus.org

October 15–17

17TH FALL CONFERENCE FOR COMMUNITY FOUNDATIONS VANCOUVER CONVENTION CENTER

Vancouver, British Columbia, Canada

(With sleeping accommodations at the Pan Pacific Hotel and the Waterfront Hotel; Preconference activities begin Sunday, October 14)

Heather Scott, 202/467-0406



groups to more structured nonprofit agencies or non-governmental entities. Again, sustainability is extended by the “buy-in” of local groups in planning and implementing any project.

4. Replication: Replication occurs when the skills and knowledge taught to an individual or group are deemed important enough by them to pass on to others. This can happen informally between individuals, families, or villages, whether it be the doctor who has learned new skills, the villager who has learned the importance of potable water or the farmer who shares seed, cuttings or livestock. Replication can also be written more formally into a grant proposal—if a

project is successful, the organization will then seek to repeat it elsewhere. A proven idea, sustainable, appropriate and flexible, can spread far beyond the original grant, and grants should be evaluated with this possibility in mind.

5. Flexibility: All international grants should contain the flexibility to deal with the unexpected situations that often arise and are beyond the organization’s and funder’s control: natural disasters, civil unrest, changes in personnel, logistical problems. For instance, the relatively simple delivery of a hand-operated corn mill to a Central American village was delayed when the villagers fled due to warfare between guerrillas and

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NOTES

NEW COUNCIL PUBLICATION AIDS CROSS-BORDER GRANTMAKERS

With more and more foundations viewing expenditure responsibility as the preferred method for making grants to organizations outside the United States, a new publication produced by the Council on Foundations, *Expenditure Responsibility Step by Step*, is aimed at guiding grantmakers through the process. Expenditure responsibility—a procedure that must be followed by any private foundation granting funds to an organization not classified by the IRS as a 501(c)(3) organization—is often perceived to be dauntingly complex, leading many foundations to avoid potential entanglements by giving only to 501(c)(3) organizations. As the name implies, *Expenditure Responsibility Step by*

Step, written by Council Senior Vice President and General Counsel John Edie, methodically takes readers through each part of the process, outlines record keeping requirements, examines some of the potential penalties for not exercising expenditure responsibility, and provides a set of sample documents. The publication may be ordered from the Council’s Web site (www.cof.org) or by contacting the publications department at 1-888-239-5221.

NEW INTERNATIONAL PROGRAMS FELLOW

Gina Estipona has begun her term as International Programs Fellow assigned to the WINGS project. Gina comes to the Council from the Ayala Foundation in the Philippines, where she has worked since 1992. Since 1997, she served as a senior

development officer. In this role, Gina worked on the foundation’s Area Management Program, developed and maintained networks with various public and private sector partners and provided technical assistance to intermediary institutions to strengthen their capacity to plan, implement, monitor, evaluate and mobilize resources for various programs and projects. Just before coming to the Council, she began work on a pilot project to establish two community foundations. She has also assisted the head of the Social Development Division at Ayala in the development of new programs and worked on an integrated community development project for displaced farm workers. Prior to joining the Ayala Foundation, Gina worked for Andersen Consulting.



government troops. The funder was patient and the organization persistent, so that two years later when the situation stabilized and the villagers returned, the much-needed corn mill was available for their use.

The satisfaction in making international grants, for whatever purpose, is great, with often tremendous impact from relatively few dollars. The risk factor is slightly greater for lack of firsthand knowledge gleaned from site visits. The process is simple when giving to U.S. 501(c)(3) nonprofits, and possible—but more complicated—when giving directly to indigenous organizations. The Atkinson Foundation has chosen to accept the risk and the satisfactions, but doesn't spend the staff time, energy, or funds to deal with either international travel or direct grants to indigenous organizations. We easily find many appealing and effective programs to fund, and plan to continue to do so as long as U.S. organizations continue to do such vital work abroad.

ANNUAL CONFERENCE

JUST A REMINDER Session proposals for the 2002 Council on Foundations Annual Conference is July 13, 2001. The 2002 Annual Conference is being held in Chicago, IL from April 29–May 1. For a copy of a proposal form visit our Web site at www.cof.org/conferences/2002cfs.pdf. For more information contact Amy Delia at 202/467-0388 or e-mail cfs@cof.org.

Stay Current!

For the most current Council news, information and conference happenings, click on our Web site at www.cof.org.

WINGS UPDATE

Since January, The Worldwide Initiatives for Grantmaker Support (WINGS) has been working with the IMAG II Planning Committee and Philanthropy Australia to begin planning the International Meeting of Associations Serving Grantmakers that will take place in March 2002 in Sydney, Australia. The WINGS Secretariat has also devoted a great deal of effort to increasing and improving the communications tools it uses by issuing a request for proposals to redesign and upgrade its Web site and distributing the first issue of its new quarterly e-newsletter. It has also established new working groups that are reviewing and making recommendations on key strategic issues raised at the WINGS Strategic Planning Retreat in January.

In early April, WINGS held a Peer Learning meeting in Mexico City that focused on "Communication Strategies and Information Technology" for grantmaker associations. The Mexican Center for Philanthropy (CEMEFI) cohosted the meeting, which included representatives from 14 associations and support organizations. Participants were from Brazil, Canada, Columbia, Germany, Jamaica, Mexico, New Zealand, the Philippines, Russia, and the United States. Discussion at the meeting centered around the importance of developing communication strategies and tailoring communications activities to the different audiences with which associations interact, such as members, boards, NGOs, governments, media and business. Participants also identified the various types of communication tools they use (electronic, print, meetings, etc.) and discussed how specific information technology tools can assist associations in their work. They also shared best practices and policies related to both their internal and external communication activities. A report of this meeting will be posted soon on the WINGS Web site, www.wingsweb.org.

For additional information on WINGS, please contact Jayne Millar Wood, project manager, by e-mail at woodj@cof.org or 202/467-0399.



A CONVERSATION WITH...

Julia Szanton, International Programs Fellow

In the summer of 1996, the International Programs launched its International Fellows Program. The 12-month fellowship was created initially to coordinate the planning and implementation of the International Meeting of Associations Serving Grantmakers held in Oaxaca, Mexico, February 8–11, 1998. The program is now in its fourth year, and as Julia Szanton's time drew to a close, Isabelle Mack, staff writer for International Dateline, spoke with Julia about her tour of duty at the Council and what it has meant to her.

HOW DID YOU FIND OUT ABOUT THE FELLOWS PROGRAM AT THE COUNCIL, AND WHAT DID YOU DO PRIOR TO COMING TO THE COUNCIL?

I spent the eight years prior to accepting the Fellows position working to develop civil society organizations in the Czech Republic. I learned about the Council on Foundations' Fellows Program from people in the community foundation field in the United States.

DID YOUR PREVIOUS WORK PREPARE YOU IN ANY WAY FOR THIS ASSIGNMENT?

I worked primarily on the Worldwide Initiatives for Grantmaker Support (WINGS), a global network of associations of grantmakers and philanthropy support organizations. As the program was in its first year when I joined the Council, my stint as International Programs Fellow has involved a great deal of program and policy development and communications activities aimed at building the network of organizations participating in WINGS. Two of my principal activities in the area of communications have been establishing a quarterly newsletter and initiating a project to redesign and upgrade the WINGS Web site (www.wingsweb.org). I also took part in the early planning stages for the International Meetings of Associations Serving Grantmakers (IMAG) and in strategic discussions related to the future of the WINGS project.

As a member of the International Programs Department, I was involved in the 2002–04 strategic planning process for the department and provided

assistance to Council members with regards to international giving.

WHAT HAS BEEN YOUR KEY ASSIGNMENT DURING THIS FELLOWSHIP?

I believe my experiences developing training and networking programs for NGOs in the Czech Republic was invaluable to the start-up of the WINGS peer learning meetings, internship program and other aspects of the program. Through my involvement in various international conferences and networks, I was also already quite familiar with many of the key people, organizations and funders involved in WINGS.

COULD YOU TELL OUR READERS THE BENEFITS OF WORKING AT THE COUNCIL AS A FELLOW?

I feel that the year-long Fellow position at the Council offers an opportunity to obtain a good overview of the philanthropic sector in the United States and internationally and access to innumerable resources on the subject. The Fellow also learns a great deal about the work and challenges of associations of grantmakers that is



relevant for these types of organizations in all countries. The Fellow position also provides one with a solid education in issues related to international grantmaking by U.S. foundations and the opportunity to assist U.S. foundations interested in giving overseas.

WHAT KIND OF OBSTACLES HAVE YOU ENCOUNTERED IN YOUR ASSIGNMENT AND HOW DID YOU OVERCOME THEM?

I did not experience any serious obstacles. However, it did take me a while to adapt to the work and especially to the fact that I was working in an organization with approximately 100 staff, as opposed to the 10-person organization that I helped establish and worked for in Prague.

WHAT SUGGESTIONS WOULD YOU OFFER TO IMPROVE THE PROGRAM?

To the extent that this is possible, I would recommend allowing for some overlap between outgoing and incoming Fellows. In this way, new Fellows can be spared some of the effort of learning their way around the Council and getting oriented with regards to the WINGS Project, and so, can consequently get involved in substantive work as quickly as possible.

WHAT ADVICE DO YOU HAVE FOR YOUR COLLEAGUES IN THE FIELD WHO MIGHT BE CONSIDERING A FELLOWS PROGRAM IN ANOTHER COUNTRY?

I would encourage people to consider a Fellow experience. It is a useful way to broaden one's skills and understanding of philanthropy and become acquainted with key organizations in the field. The experience can also, as in my case, assist in clarifying one's professional goals.

The Fellow position provides a solid education in issues related to international grantmaking and the opportunity to assist U.S. foundations in giving overseas.

LIFE AFTER THE FELLOWSHIP—WHAT ARE YOUR PLANS FOR THE FUTURE?

I will be working with the Council of Michigan Foundations over the next six-month period, assisting them with programs and activities related to the development of community philanthropy organizations outside the United States. This position will also provide me with the unique opportunity to work with a number of community foundations in Michigan and to shadow key U.S. consultants and practitioners working overseas. At the end of the six months, I plan to return to Europe to apply these new skills to the development of community philanthropy initiatives.

The International Programs' Fellows Program is a 12-month position designed for a professional working in philanthropy outside the United States who is interested in learning about the Council and the work of its members. The Fellow will also be contributing experience and ideas to the work of the Council. The International Programs Department will be accepting applications until September 1, 2001 for the year beginning May 1, 2002. If you or someone you know is interested, please contact Jane Wood (fax: 202/785-3926 or e-mail: woodj@cof.org) to get more information and an application.