

The GIVING SPREE

A new breed of benefactor is rewriting the rules of philanthropy. Meet some of those leading the charge.

BY JACKIE COOPERMAN PHOTOGRAPHY BY MARK MANN

PHILANTHROPY IS CHANGING. Spurred by the Covid-19 crisis, America's racial reckoning, increasingly frequent climate disasters and a profound sense that traditional ways of giving are insufficient to meet burgeoning needs, donors are re-examining not only what but *how* they give.

"We're at a point of inflection for philanthropy. When we look at the past 18 months, there is a growing awareness that existing approaches to social impact are not enough," says Nicholas A. Tedesco, president and CEO of the National Center for Family Philanthropy. "When you look at the crises in aggregate, what we're seeing is an inability to recover. Philanthropists are starting to reflect on how we might provide guardrails to be more resilient and hopefully to prevent additional crises—to the extent possible—from happening."

Following the examples of donors like MacKenzie Scott, who has given away more than \$8 billion in short order with a "no strings attached" approach, philanthro-

pists are revamping their protocols. They're lessening reporting burdens on grantees and establishing more trusting relationships with the communities they want to help. Progressive benefactors are also adding an urgency to their spending, eschewing foundations that operate in perpetuity and creating models to spend their entire endowment in as little as 10 years.

These innovations come as charitable giving in the US is rising, with American individuals, bequests, corporations and foundations contributing \$471.44 billion in 2020, up nearly 4 percent from 2019 when adjusted for inflation, according to statistics from the Giving USA Foundation.

Robb Report spoke with leaders in the field, including philanthropists and executives, who are addressing pressing issues, notably racism, mass incarceration, education inequalities and the climate crisis, with both sophisticated financial structures and the simplest of tools: the will to effect change, and to do it quickly.

Jennifer and David RISHER

#HALFMYDAF, FOUNDED IN 2020



A MONTH AFTER COVID HIT SAN FRANCISCO, Jennifer and David Risher found themselves ensconced in their Napa Valley home, discussing how they could step up during the crisis.

Jennifer worked for Microsoft early in her career, as did David, and has long shared her largesse with organizations such as Planned Parenthood, the United Way and NPR. David, after leaving Microsoft and later Amazon, founded Worldreader, an organization that has distributed over 67 million digital books to more than 18 million children and young adults since its founding in 2010. But the pandemic made them rethink their approach to giving. “Covid has spotlighted the reality of economic and racial inequality, and we’re facing climate change in new ways,” says Jennifer. “We knew that nonprofits were strapped and stressed, and we thought, ‘What can we do to help?’”

The couple quickly hit upon a solution: targeting the money that was sitting at the ready—but languishing in donor-advised funds, or DAFs, which hold an estimated \$140 billion. “We were highly aware of all the money stuck in DAFs. There’s this whole ‘wait for a rainy day’ mentality,” she says. “This is the rainy day. This is the moment. We need to move that money.”

And so they have: In May 2020, the couple joined with GivingTuesday to launch #HalfMyDAF, offering \$1 million in matching grants to donors who pledged to spend half of their DAF accounts by the following September 30. Qualifying donors nominated nonprofits, and the Rishers selected grantees at random from a vast array of organizations, including the Alzheimer’s Association, the Chinese Progressive Association, Earthjustice and the Equal Justice Initiative.

“We didn’t insert ourselves in the process,” Jennifer says. “The goal was just to get the money moving.”

It is. Since its inception, #HalfMyDAF has inspired donors along with others who have now joined the Rishers in matching donations to move \$19.2 million from donor-advised funds to nonprofits. “The conversation is very exciting, with donors telling us, ‘This is the nudge I needed,’ and families talking about values and what they

wanted to give,” says Jennifer, who delved into issues about money and family dynamics in her 2020 memoir, *We Need to Talk*.

The couple plan to continue #HalfMyDAF, but while it’s helpful, the Rishers believe it’s not enough. “We need policy changes,” Jennifer says. “I should pay more taxes, we need to increase minimum wage, we need a higher social safety net, we need to make reparations.” In particular, she supports the Accelerating Charitable Efforts Act, bipartisan legislation that would require DAF holders to distribute their funds within 15 years in order to receive upfront income-tax deductions.

The country’s racial reckoning, particularly around health disparities highlighted by Covid, has fueled her sense of urgency, prompting her to invest with Black women and Latina fund managers. “When I look at philanthropy, it’s white people of privilege controlling the wealth,” she says. “I want to cede my power and my capital to marginalized communities, and to the people on the ground helping those communities.” Re-evaluating traditional philanthropy, Jennifer says, is essential to creating a healthy society, but, with many of us uncomfortable talking about money, transparency is not easy. “Our silence keeps the status quo in place and keeps us from examining our relationship with money, from holding ourselves accountable,” she says, “and it keeps us in a bubble unaware of our own privilege.”

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Christina LEWIS

ALL STAR CODE, FOUNDED IN 2013

SELF-DESCRIBED “PHILANTHROPRENEUR” Christina Lewis has a mission: “to provide not just something decent, but something excellent,” to Black and Latino boys, she says, “which is what they deserve.”

Lewis is fostering those high standards through All Star Code, which she founded in 2013. All Star Code takes a holistic approach, identifying promising Black and Latino high school boys and enrolling them in summer intensive programs in computer coding. The New York City–based nonprofit mentors the students, leading most of them to major in computer science in college and ultimately to land jobs at blue-chip companies such as Microsoft, Facebook, JPMorgan Chase and Google. To date, All Star Code has graduated over 1,000 students, nearly 70 percent of whom qualified for free and reduced lunch and 95 percent of whom went on to college.

“All Star Code has broken this ground with tech and media companies,” Lewis says, and has inspired AT&T, JPMorgan Chase, Goldman Sachs and other major corporations to contribute by serving as sites for the courses and helping with college-search and job-placement efforts.

Lewis’s own family story straddles the opportunity divide: Her father, Reginald Lewis, was raised by his mother and grandparents. “I grew up knowing about my father and his mother and others being Black in segregated Baltimore and having to work all their lives for white people who thought they were inferior, cleaning houses for a buck and change,” she says. “That story has always been with me.”

Reginald went on to become a prominent corporate-takeover financier, a self-made multimillionaire and the first Black man to own a company with more than \$1 billion in annual revenues, TLC Beatrice International Holdings Inc., before his death at age 50 from brain cancer in 1993. He was also a philanthropist, bestowing millions upon Howard University and Harvard Law School, his alma mater, as well as homeless shelters and churches. His daughter, who wore his monogrammed shirt for *Robb Report*’s photo shoot in tribute to him, grew up in privilege and studied at Harvard.

After working as a journalist at *The Wall Street Journal* for

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five years, Lewis attended her first tech conference in 2011 and noted the industry’s dynamism. “It was such a fun business, but I saw no Black or Latino people participating in the core of that,” she says. “I realized this was where Black people need to be to close the wealth gap, to leapfrog over historic inequities. I wanted to build on the legacy I was given.” Working with her mother, she founded All Star Code and remains actively involved in students’ lives, exchanging direct messages and

encouraging them to polish their LinkedIn pages.

The aftermath of George Floyd’s murder has spurred her to more action: Lewis recently cofounded Giving Gap, formerly known as Give Black, a platform connecting donors to over 700 Black-founded nonprofits. “I do feel more urgency. The language around systemic racism has been really empowering,” she says. “When I started All Star Code, I had to explain the entire history of segregation in this country and make a link from segregation to the wealth gap to entrepreneurialism and to the business sector and to boys and girls. I don’t have to do that anymore.”

As for her own legacy, Lewis is mindful of teaching her three young children the importance of collaboration and helping others, often bringing them to events. But when they eagerly asked if they are part of All Star Code and Giving Gap, her response reflected another value she inherited from her parents and hopes to pass along: hard work and fierce independence.

“I said, ‘No, those are my foundations,’” she says with a smile. “‘You’ll have to start your own.’”

REGAN PRITZKER GREW UP IN CHICAGO, vaguely suffocated by seeing her famously philanthropic family's name on schools, hospitals and even parks. "It felt very self-congratulatory, instead of focusing on community and the true root of Jewish philanthropy, which is to be more anonymous in your giving," says Pritzker, who distanced herself by moving to California and working as an elementary schoolteacher.

With her siblings, Pritzker served somewhat halfheartedly on the Libra Foundation, a social-justice nonprofit founded by her parents, but became more enthusiastic when she confronted her qualms. "My discomfort came from recognizing that my wealth came at the expense of others," she says, and from realizing the issues she cared about profoundly—environmental and social injustice—were connected to the wealth inequalities from which she benefitted.

Her work at Libra with groups such as Movement Generation—which seeks to shift traditional philanthropy, with its top-down management and frequently onerous reporting requirements, to a more relationship-based and community-minded endeavor—helped persuade her to start the Kataly Foundation in 2018. Part of her goal, she says, "is to say to philanthropists like me, people with money and race privilege: 'We need to be willing to critique the system that we have benefitted from in order to move forward.'"

Led by Nwamaka Agbo, a social-justice activist and specialist in the field of restorative economics, Kataly was capitalized with \$445 million and focuses on economic and environmental justice, community wealth-building and mindfulness training. The foundation has a notably short 10-to-15-year horizon to spend out its assets and directs them to communities of color.

Crucially, Agbo notes, Kataly's program directors "come out of direct lived and movement-building experience," which helps them build trust. "BIPOC communities experience systemic barriers in accessing the typical 'friends and family' capital that wealthier communities have," Agbo says. To offset obstacles imposed by structural racism, Kataly provides "non-extractive" loans, permitting financial loss in return for greater social impact. The foundation's Restorative Economics Fund enables stakeholders to make collective decisions about which initiatives to invest in.

"It seems so obvious to me that philanthropy should be funding projects like that, but many foundations have restrictions on capital projects—they won't fund a building campaign or an ownership campaign," Pritzker says. "For us, that's the clear way to make these resources durable and have a benefit that outlives our foundation."

Kataly funds nearly 300 organizations, an eclectic list that ranges from the East Bay Permanent Real Estate Cooperative, which helps BIPOC communities purchase mixed-use and residential properties, and the Asian Pacific Environmental Network, a green advocacy group representing immigrant communities, to the Harvard Divinity School.

The twin crises of Covid and racially motivated violence further solidified Kataly's relevance, Pritzker says. "So many of our problems are all connected to this broader, unacknowledged history of racism in America," she says. "We've been showing up at a significant enough scale to get people's attention in the philanthropy world, and therefore to serve as an invitation to others. Big funders are moving more money, they're moving it at scale, and they're moving it to Black-led and Indigenous-led groups."

For Pritzker, who spent years struggling with a sense of guilt, Kataly has provided a clarity of purpose. "I don't think traditional philanthropy has permission anymore to be holding all the cards," she says. "Private individuals with wealth shouldn't be the ones determining where community resources should go."

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Nwamaka
AGBO

Regan
PRITZKER

KATALY FOUNDATION, FOUNDED IN 2018



DECADES AGO, WHEN AGNES GUND was just beginning to explore charitable giving, her mentor, the late philanthropist Irene Diamond, provided seminal advice. “She told me: ‘Be generous during your lifetime,’ rather than creating an endowment, says Gund, who is matter-of-fact and humble, despite her outsize role supporting dozens of organizations, including the ACLU; the Barnes Foundation, where she is a trustee emerita; the Cleveland Museum of Art, on whose board she currently sits; the Museum of Modern Art, where she is president emerita and life trustee; and the Studio Museum in Harlem.

Since 2017, the New York City doyenne of philanthropy has spent more than \$100 million fighting mass incarceration with her Art for Justice Fund, which aims to safely reduce the prison population and, like many of her efforts, incorporates art and artists in the solution.

In 1977, when the city’s dire financial situation led to art classes being slashed at public schools, Gund rallied her art-world friends to help create Studio in a School, bringing instruction and working artists directly into classrooms. Studio now encompasses eight US cities, managed by two organizations—Studio in a School NYC and the Studio Institute—with a combined operating budget of \$7 million. Celebrated contemporary artists, such as Glenn Ligon and Sarah Sze, teach classes, and the program also offers coveted training for public school art teachers.

“All of this is based upon Agnes’s vision of equity and inclusion and serving the communities that need us most,” says Alison Scott-Williams, president of Studio in a School NYC.

At 83 years old, Gund remains sharply focused on making her philanthropic dollars stretch, often awarding multiyear grants to ease the burden on nonprofits and providing direct support rather than funneling money through other foundations, which then fund grantees and sometimes take administrative fees. “This allows me to make immediate impact and pivot more quickly if needed,” she says.

That sense of urgency has propelled Gund, a white heiress to a banking and real-estate fortune, to become a leader in the fight for criminal-justice reform. After seeing Ava DuVernay’s documentary *13th*, which draws a direct line from slavery to mass incarceration, Gund began reading about the issue and seeking out Bryan Stevenson, Michelle Alexander and other experts. Her horror prompted her to sell one of her favorite paintings, Roy Lichtenstein’s 1962 *Masterpiece*, and use \$100 million from the proceeds to start the Art for Justice Fund.

In the four years since its inception, the fund has dispersed \$92 million to 287 nonprofits, while also raising nearly \$25 million from over 100 individual donors, including art collectors, artists and incarcerated people. Among the beneficiaries is A New Way of Life, an organization providing housing and support for formerly incarcerated women. Gund also continues to personally donate to nonprofits that she “loves and adores” in the field, such as Puppies Behind Bars, which trains prison inmates to raise service dogs for wounded war veterans and first responders.

Not one to rest, Gund has visited prison and detention centers and is now actively involved in helping female inmates who have suffered severe abuse at New York’s Rikers Island jail. She is also turning her attention to climate change, citing artist Maya Lin’s installation *Ghost Forest* in Madison Square Park as inspiration. Harnessing art as a force for good remains central to her approach.

“Agnes is an extraordinary philanthropist. She has an incredible sense of timing,” says Helena Huang, project director of Art for Justice. “She is wonderfully impatient. She’s always saying, ‘Why can’t we do more?’”

In four years, Art for Justice has dispersed \$92 million to 287 nonprofits working against mass incarceration.

Agnes GUND

ART FOR JUSTICE FUND, FOUNDED IN 2017

