## The Place of Children: Using GIS to Map Foundation Fund Distribution in Richmond, Virginia

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### Abstract

This community-based research project explores the role of local foundations in enhancing social equity. We used GIS to analyze one year of local foundation giving to youth and family programming to learn geographic and demographic patterns and issue areas the foundations targeted. By comparing fund distribution patterns to neighborhood demographics, we created baseline information about foundation giving in 148 Richmond neighborhoods, with an emphasis on funds targeting children in poverty. The study illustrates the necessity to negotiate predictable challenges, like building trust among data partners and understanding the time and resource commitment, and therefore financial investment, necessary. The use of community data and powerful visual tools like GIS to inform communities can be influential, but only if those working to solve social problems (i.e., donors, service organizations, government) actually utilize these tools. Information producers will need to be strategic about how to best ensure usage.

## Introduction

The role of foundations in social equity and their potential for greater enhancement broadly inform this study. We analyzed one year of local foundation giving to youth and family programming to learn geographic patterns and issue areas the foundations targeted. By comparing giving patterns to neighborhood demographics, the data were used to create baseline information about what is and is not known about foundation giving in 148 Richmond neighborhoods, what can be learned by analyzing current funding patterns, and how data might inform donors and service providers about the current landscape of social problem solving. We explored the intersection of poverty, wealth and philanthropy by:

- Partnering with nonprofit organizations to learn what questions to ask;
- Partnering with area foundations to access contributions data;

- Mapping, using GIS<sup>1</sup> software, the geographic areas to which funds were distributed;
- Comparing fund distribution to other demographic factors (e.g., race, income, children in poverty);
- Categorizing and quantifying contributions by purpose, program type, income status and age of children targeted; and
- Categorizing and quantifying contributions as either amenity services (programs intended to enhance the variety and quality of life) or social services.

The study integrates and responds to the work of Smith (1937 [1776]), Wolpert (1993), Burtless and Smeeding (2001), Dowie (2001) and Krugman (2002) through an analysis of the state of foundation philanthropy in Richmond, Virginia in 2002. The analysis of local and regional contributions patterns is important because the vast majority of giving is both solicited and expended at the community or regional level (Wolpert, 1992, p. 23). As in most of the country, Richmond's nonprofit sector has grown rapidly in the last 20 years. Foundations have facilitated this growth not only because their number and size also increased rapidly during this time period but because many established criteria that exclude general operating funds from grant consideration and instead encourage innovation. While there is some informal sharing of information through personal relationships among donors and an informal donor's forum that meets a few times a year, foundation leaders do not have a comprehensive view of the geographic dispersion of philanthropic dollars, specifically the neighborhoods and populations being targeted for assistance. One assumption of this study is that this kind of basic data could enhance social problem solving and the one objective of the pilot project is to inspire thinking about other data that could inform community efforts to improve the quality of life. Information affords the "haves" a different view of their capacity for changing the lives of the "have nots" in an economic climate that will require the smart use of every resource.

In addition, the research team strove to make the project an example of "participatory action," or "community-based" research, a collaborative research method in which those who are typically "researched" take an active role in the research process about a change in their programs. Participation by the relevant stakeholders distinguishes participatory action research from other community-based research methods. It also differs from other methods by its reliance on the local knowledge of the people who identify the problem. Finally, participatory action research anticipates action, based on the information gathered, to bring about change (Couto, 2000). Stakeholders, including foundation and nonprofit organization leaders guided the development of research questions and contributed data. Lastly, results were shared with stakeholders, who helped shape interpretation of the data.

## Literature Review

An analysis of the literature explores the role of foundations in the greater social support system in the United States.

## Government and Foundation Social Service Spending

Today in the United States, to a degree unmatched in any other country, the US nonprofit sector is protected in constitutional law, instrumental in the provision of many

<sup>&</sup>lt;sup>1</sup> A Geographic Information System (GIS) is a computer system capable of capturing, storing, analyzing, and displaying geographically referenced information; that is, data identified according to location.

social services, and inextricably bound up with broad social processes of change and governance (Clotfelder, 1992, p.1). While all three sectors, nonprofit, government, and private, contribute to the provision of social services and together form the overall social support system, in the past 20 years the country has undergone a period of devolution from spending at the national to the state and local level with a concurrent boom in private philanthropy and expansion of the nonprofit sector. Beginning with Reagan in the early 1980s, the federal government has consistently called for 'welfare' or social net spending decreases and for philanthropy and voluntary service at the community level to take its place (Clotfelter, 1992, p. 34). This has been the thinking behind the successive waves of legislative changes that sought to return responsibilities for human services to the level of state and, especially, local communities throughout the 1980s (Odendahl, 1990). The 1996 welfare reforms continued this trend, and there have been significant calls from the current Bush administration to cut back funding for social services and give the responsibilities to the level closest to the particular need (Sawicky, 2002). Therefore, local nonprofit and government agencies are theoretically working together to respond to need.

Paradoxically, thriving nonprofit sectors are more likely to occur in places that are generous in their state and local government programs. Locales with higher government spending tend to be generous in their charitable contributions as well (Wolpert, 1993, p.36). Also interesting is the tendency for politically liberal philanthropists to support the more amenity oriented nonprofit activity, while conservatives are more likely to support human services (Wolpert, 1993, p.36). The elimination of government spending does not necessarily boost donation dollars, nor does the addition of federal money always decrease the amounts foundations give. In addition, some believe that the human services once provided by the government have been cut back to such an extent that the losses can never be completely offset by philanthropy (Dowie, 2001, p. xxxii) as social services are not the predominant program type foundation and private donations target (Gronbjerg, 2001). At 44%, religious organizations receive the largest share of philanthropic dollars, followed by education (14 %) and health (10 %). Human services accounted for just 9% in 1998, the equivalent of about \$16 billion (Weitzman et. al 2002, p. 56).

Despite increased donor demands on nonprofits to collaborate and quantify needs and projected outcomes, foundations often make decisions with little knowledge of what is occurring at the neighborhood level and without knowledge of other philanthropic resources. Many local donors follow old models (e.g., good stories) for making funding decisions and few target the infrastructure organizations need to work effectively, especially as they are stressed by an economic downturn that makes fewer dollars available and increased demand for services.

Conflicting views on what effects federal cutbacks and devolution to the states have had and the comparatively modest contributions foundations can make raise questions regarding how foundations that operate simple grants programs can expect to make a difference. Some, mostly national, foundations have recognized the value of collaborative approaches to funding and their potential to strengthen philanthropic investments by advocating for complementary public policy. At the same time, the growth of philanthropic dollars in the 20 years preceding the economic downturn in 2001 is a widely recognized force in shaping the current state of the nonprofit sector. Foundation gifts increased 81 % between 1990 and 1998 (Weitzman, 2002, p. 53) and between 1987 and 1997, the number of charitable organizations in the U.S. increased at an annual rate of 5.1 %--more than double the rate experienced by the business sector (Weitzman et. al, 2002, p. xviii). Today, foundations and corporations account for more than one-sixth of all gifts to charity (and more than one-quarter to secular groups), growing from 12.5% to more than 17% in the 1990s and nearly 47,000 foundations (Lenkowsky, 2002, p. 356). It has been argued that the nonprofit sector should take a greater role in assuring accountability at the state and local level to see that the funds the states and localities actually are receiving from the national government are spent effectively, but, as is the case with advocacy, most philanthropists are unwilling to fund such a role (Eisenberg, 2000).

Even if the nonprofit sector and its benefactors could meet the needs once handled by government, questions remain regarding suitability, responsibility, accountability and the public sphere. Nonprofit efforts to adjust to increases in caseload and expectations when federal social service programs are cut often have mixed success (Twombly, 2002). Nonprofit organizations have historically excelled at innovation and demonstration (Wolpert, 1993, p. 40) and, even at current high growth rates, lack the resources to handle the nation's complex social issues bred by poverty. Foundations, however, play a key role in signaling what is important in a community, thus together nonprofit service providers and the foundations that support them share a leadership role in shaping social change.

### Philanthropy, Power and Social Equity

Philanthropy in the U.S. takes place among all income levels; however, those with the largest fortunes have the ability to affect the greatest amount of change. They also have the greatest ability to maintain the status quo, if they so choose. Although private wealth is the basis of the hegemony of this group, philanthropy is essential to the maintenance and perpetuation of the upper class ideology in the US (Odendahl, 1990). Between 1983 and 1998, 47% of the total real income gain accrued to the top 1% of income recipients, 42% went to the next 19% and 12% accrued to the bottom 80% (Stille, 2001). Concurrently, the amount given by foundations has risen, and along with it, foundations' influence on society and the agenda of the wealthiest people has flourished. Hence, though just a small percentage of the nonprofit sector's funding comes from foundation sources, foundations are likely to play an important role in the success of the human service system because they are generally controlled by influential citizens. These citizen leaders determine priorities and underwrite research that influence social policy and service grants that support agencies and programs that are an integral part of the human service system (Gronbjerg & Paarlberg, 2000). In many ways, this system appears to have created a double-edged sword for those who desire change because, although many elite philanthropists are civic-minded and sincere, the system they help to maintain may actually reduce the extent to which basic human services are provided on a democratic basis.

Nonprofit and government support for welfare and amenity services are very unevenly distributed across the United States (Wolpert, 1993, p.51). Strong links between the level of giving for social expenditures and per capita income per state demonstrate how economic inequalities and fiscal disparities severely limit or expand generous tendencies and impose different standards in services from year to year and from state to state (Wolpert, 1993, p.28). The decentralization of government support for human services and the large geographic

variations that take place in the donation realm make those who rely on such services vulnerable to differences in local generosity, particularly in today's tenuous economic climate.

#### Donor Decision Making

The donor community is a diverse group. It includes individuals; the United Way and community and public foundations that raise funds on an ongoing basis from the general public and use community boards in allocating grants; corporate foundations and giving programs that are closely tied to the economic fortunes and management philosophies of a single business corporation; and independent and family foundations that depend on invested endowments but differ in their governance structures (Gronbjerg & Paarlberg, 2000). Although people of all classes participate in the work of the nonprofit sector, most foundations and service organizations are controlled by a few very wealthy board members, and many charities benefit the rich more than they do the poor. The vast majority of nonprofit agencies and programs do not primarily serve the needy (Odendahl, 1990).

As diverse as the donor community is, it should not be surprising that studies suggest that the way donors conduct the giving process is similarly idiosyncratic. No institutional processes dominate the philanthropic funding of human services; however, the broader patterns are not random (Gronbjerg & Paarlberg, 2000). All grant-making foundations must award their grants to charitable nonprofits; as such, they are free to set their own funding priorities and criteria. The grant award process is constrained by the nature of funding available and the governance structures under which donors operate. It is also constrained by the existence of ongoing relationships between donors and grant recipients that are infused with expectations and mutual understandings. Funding decisions range from carefully rationalized choices to positions that represent the idiosyncratic interests and proclivities of founders, donors, supporters, board members, and/or staff. Often funders give out of friendship or obligations rather than signs of need, reflecting pervasive task ambiguity and weakly institutionalized norms (Gronbjerg & Paarlberg, 2000). Personal knowledge and preferences may come to dominate the decision-making process. Alternatively, strong institutional norms may create a cognitive framework to guide decision-making. Coalitions or agency associations of nonprofits are insignificant in affecting the decisions of donors because the philanthropic funding system itself is not sufficiently organized or institutionalized to accommodate a collective action of this type (Gronbjerg & Paarlberg, 2000).

### The Context of Richmond, Virginia

Census figures for Richmond, Virginia in 2000 show a population of just under 200,000 people, about 22% (43,247) of whom are children. One in three of the city's children lives in poverty. City residents, who are 57% African American and 38% white, live in a highly segregated neighborhood structure. Similarly, the city operates separately from its surrounding, relatively wealthy, white suburbs. Plagued by it's racially divided past highlighted by its status as the capitol of the Confederacy, Richmond's current battles consist not only of weekend Civil War reenactments, but of highly charged and often bitter political, economic and social disputes. Local policy decisions are often sealed by influential citizens behind closed doors before they are paraded in front of city council for public comment and vote. Violent crime is a growing problem, as are gangs. Homicides were up in 2003 for the second year in a row and youth

comprised more of the alleged perpetrators and victims--16 of the 94 victims were teenagers, one was a 5-month-old boy (Akin, 2004). Finally, Richmond's public school system is, by any measure, deeply inadequate.

# Methods

# Overview

This study was conducted during the summer of 2003 as a pilot project of *DataShare*, a collaboration of the City of Richmond, area universities and community development organizations exploring the development of a local data resource that would collect, interpret and disseminate data about our city and the effectiveness of our social programs. Pilot projects were intended to inform the partnership's planning efforts in organizing and accessing local or regional data; analyzing data; using local or regional data for more effective programming, planning and/or policies; and developing and using technology for improved data access and use.

In keeping with a participatory action research approach, the methodology was slightly modified throughout the research period as we learned partner and data providers' needs and concerns.

# Purpose and Research Questions

The purpose of this pilot study was to map charitable contributions in the Greater Richmond area to learn where and for what purposes foundation funds were being invested. *DataShare* partners had a specific interest in funds targeting children and families, thus we eliminated contributions specifically targeting individuals (i.e., not families) over the age of 18 (primarily colleges and programs serving the elderly). Within that purpose were three distinct questions:

- What are the challenges in gaining the cooperation of foundation partners in study participation and mapping the distribution of funding among various service areas?
- How can GIS inform citizens and institutions working to improve the quality of life for children and families living in poverty?
- How can current funding patterns inform future fund distribution?

## Foundation Selection

We targeted private and corporate foundations located in Richmond, Virginia identified through the Grants Connection's Directory of Virginia Foundations in May 2003 using three criteria. Foundations:

• must have assets of at least \$10 million;

- must have awarded grants in the Greater Richmond area<sup>2</sup> during 2001 (the most recent year for which secondary data were available) or 2002; and
- must have awarded some grants that benefit children and/or families.

We excluded foundations giving only to pre-selected organizations.

# Data Collected

Twenty-one foundations, two of which were corporate, one community (omitting all but "competitive" grant dollars) and 18 private, met our criteria. We collected information about each foundation's grants, omitting grants targeting populations that exclude children (e.g., grants targeting college students or adults only), for the most recent year available (2001 or 2002). The information categories and their definitions were:

- Grantee name, contact information, grants amount, year received
- Purpose of funding:
  - Capital (primarily building construction and repair);
  - Program (expenses directly related to providing services);
  - General Operating (administrative expenses such as rent, salaries, and grants designated as "general support" or "annual fund");
  - Capacity-building (expenses related to improving the organization's ability to serve its target population); and
  - o Research.
- Program description of fund use (i.e., after-school programs, construction of a particular building, etc.), age group, gender and primary service area targeted
- Recipient income level the income level of targeted population, as defined by the following three categories:
  - low-income (this term is not quantitatively defined for data collection but is defined by the donor's intent)
  - o mixed-income (service is not related to economic need of target population)
  - high-income (largely private schools primarily serving children whose families pay tuition)
- Primary service area the geographic location of the primary population served by the grant.

# Soliciting Foundation Participation

In May 2003 we sent the foundations an initial request for data regarding their 2002 grants, which included a cover letter guaranteeing them anonymity, a copy of our research proposal, an offer to create an individual GIS map for the foundation and a letter of support from a foundation leader. A week later, we followed up by phone to encourage participation. We tried to be persuasive in our solicitation, re-emphasizing that the information would be kept

<sup>&</sup>lt;sup>2</sup> We used United Way's definition of "Greater Richmond," which includes the cities of Richmond, Petersburg, Hopewell, and Colonial Heights, as well as the surrounding counties of Hanover, Henrico, Chesterfield, Goochland, Powhatan, Dinwiddie, Prince George, Charles City, and New Kent.

confidential, that participation would not require a major time commitment, and the usefulness of our study. We asked each foundation to complete a spreadsheet template of information categories and definitions outlined above.

If foundations declined to participate, we obtained the most recent IRS form 990-PF available either from the foundation itself or from online databases such as Guidestar, the Foundation Center, and Grant Smart to determine grant recipients. We obtained grant details by contacting the recipient organizations directly; all but a few participated.

# <u>Analysis</u>

We assigned each grant one of the following "program" codes, based upon those used by the Community Foundation serving Richmond and Central Virginia:

- Youth and Family Development a broad category including promotion of child and youth development, with an emphasis on underserved neighborhoods, promotion of families, youth recreation and life skills programs, basic human needs and job skills development and training.
- Health prevention, detection, and treatment of illness. Includes pregnancy care and pregnancy prevention, as well as EMS services.
- Community Enrichment quality of life enhancement, such as science, or history education programming, general support for the arts community (i.e., museums, performing arts), historic preservation and environmental quality.
- Community and Economic Development strengthen community infrastructure, such as housing, crime prevention, promotion of local businesses, fire departments and community revitalization.
- Promoting Philanthropy programs that strengthen the local charitable sector.

2. "Recipient type" as defined by the following three classifications:

- private non-profit the bulk of the organizations would fall into this category. These are private organizations that file an IRS-990 form, excluding organizations that meet the criteria for the "religious" classification below.
- public any group, program, or department that is run by the government. This would include public libraries, public schools, public fire departments, and government agencies (e.g., Social Services).
- religious religious organizations (especially churches) that do not serve a primary purpose other than religion.

3. Age targeted (prenatal, early childhood (ages 0-5), elementary school (grades K-5), middle school (grades 6-8), high school (grades 9-12), general population (includes children and adults).

To prepare the data for mapping, we transformed each spreadsheet cell into a numeric value, or "code." If a particular grant spanned multiple classifications, such as age group targeted or program code, the grant was split into smaller grants. Additionally, if grant funds were used at multiple locations, the funds were split among those locations.

# Geographic Information Systems (GIS) Mapping

A Geographic Information System (GIS) is a system of computer hardware, software and procedures designed to support the capture, management, manipulation, analysis, modeling and display of spatially referenced data for solving complex planning and management problems. GIS technology can be used for scientific investigations, resource management and strategic planning.

We used the following list of steps used in the GIS analysis:

1. The funder for each grant defined a geographic service area for each grant, resulting in an initial yield of more than 100 service areas for this study.

2. All geographic service areas with portions lying outside Virginia borders were excluded. These areas will not significantly impact the model because the attribute amounts are uniform across the study area and the dollar amounts are diluted by large areas.

3. All remaining grant amounts were aggregated by service area using Microsoft Access.4. All services areas with aggregate amounts less than \$10,000 were excluded. These 33 areas make up an extremely small percentage of the total dollars.

5. All grants with a geographic area of "neighborhood" were georeferenced by the service address provided by funder using ArcMap. All neighborhood addresses within the Richmond city limits were aggregated to the neighborhood level using the city's neighborhood shapefile (the neighborhood shapefile was created by the City of Richmond). All neighborhood address outside the city were buffered by one mile to create a neighborhood polygon to define the service areas.

6. The remaining services areas were then defined by a polygon shapefile layers in ArcMap.

7. Each polygon was given an attribute to represent the aggregated dollar amount for that area.

8. A new attribute was calculated for each, Dollars per Square Mile (DPSM). This attribute used the dollar amount for each polygon divided by the area (in miles) for each polygon resulting in a "dollar density" value.

9. All shapefiles were converted to grids and reclassified using ArcGIS Spatial Analyst.10. All resulting grids were added together using the Raster Calculator in Spatial Analyst resulting in a final grid which is represents the dollar densities for the entire Richmond area.

11. This grid was then converted back into a shapefile where the total dollars for each polygon was calculated (DPSM x area).

12. The resulting polygons were then spatially joined to another copy of the Richmond neighborhood shapefile.

13. The resulting aggregation was then combined with 2000 US Census data aggregated to the same neighborhood shapefile.

14. Maps of each attribute and a table of all attributes were then created.

15. Using the number of children in poverty estimates for each neighborhood generated by census data, we estimated Philanthropic Dollars (spent) per Child in Poverty.

# <u>Results</u>

Responses to the research questions are outlined here.

<u>Challenges in Gaining the Cooperation of Foundation Partners in Study Participation and</u> <u>Mapping the Distribution of Funding among Various Service Areas</u>

The study reviewed contributions data from the 21 largest foundations based in Richmond that target at least some funds for children. Their combined assets were \$1.07 billion, but because our review of Community Foundation grants omitted \$317 million in assets that distribute to noncompetitive grants, the distributions examined here are based on \$753 million in assets. Of the nearly \$40 million in annual foundation contributions, after omitting dollars targeting populations that excluded children, we examined the distribution of \$29,632,432. Fifteen of the 21 foundations voluntarily contributed data to the study and eight of these partially or fully completed the data spreadsheet, as requested. The six foundations that chose not to participate cited privacy (i.e., they wished to keep their contributions anonymous), time concerns and policy (i.e., they do not participate in research).

Despite the fact that foundation funding is public information, a few of the foundations challenged researchers rights to funding data and challenged the legitimacy of the research; one foundation president said he had never heard of reporting requirements or an IRS form 990. In cases where foundations did not want to participate, annual grants could be located using IRS form 990s, but, in some cases the data reported were surprisingly incomplete. Even when data regarding grantee organizations was available, researchers then had to track down someone within each agency who knew the specifics of the grant (i.e., population and service area targeted). Some grantees expressed concern about releasing information regarding donors. We were unable to trace four organizations listed as grantees despite searches using a nonprofit list serv, phone books, queries to other funders and the internet.

# How GIS Can Inform Citizens and Institutions Working to Improve the Quality of Life for Children and Families Living in Poverty

Broadly, the data generated using GIS technology provides a view of neighborhood funding that we have not had previously. Appendix A contains Figures 1-7, which illustrate the following:

• Fund Distribution by Purpose

Figure 1 illustrates the purpose for which donors gave their monies. More than half of the dollars contributed, or about \$15 million, funded capital projects. General operating support (\$6.8 million) and program funding (\$6.7 million) accounted for most of the remaining dollars, with capacity building grants (\$823,000) and research grants (\$222,000) comprise the remaining 1% of contributions. It should be noted that at least two university-based capacity-building programs that were funded in 2001 and 2002 were inadvertently omitted when we excluded funding to higher education based on the age of the population served.

Foundation Center estimates of the types of support awarded in 2001 by all foundations do not include a "capacity building" category but otherwise allow for a comparison with the foundations studied here. National foundation contributions averaged: 21 % capital; 16 % general support; 49.6% program support (with another 11.3 % going to student aid, which we classified as program support); and 8.3 % research. Three of the study sample's 21 foundations

limit giving to capital projects, which may account in part for the disproportionately high (nearly 2.5 times the national average) proportion of capital contributions in Richmond. Richmond was very low as compared to the national average in percentage of funding used for research; almost 50% higher than the national average in general operating support; and low (less than half the national average) for program support.

• Fund Distribution by Program Type

Figure 2 illustrates the types of programs supported by foundation funds. Most (44%) went to "youth and family development" programs, with "community enrichment" and "health" at 28% and 24%, respectively. "Promoting philanthropy" captured less than 1% of donations. Figure 3 illustrates grant distribution specifically targeting low-income citizens. Here, more than two-thirds (68%) targets youth and family development; 23% targets health; 6% supports Community and Economic Development and just 2% was intended to support community enrichment.

• Fund Distribution by Income Status

Figure 4 shows the percentage of funds targeting low (31%), mixed (61%) and high (8%) income citizens. Figure 5 shows the distribution of funds by children's income status. Here, programs serving low income children captured the largest percentage (48%) of dollars; mixed income dropped to 32% and high income increased to 20%. The income measure appears to be the best measure of amenity (69%) versus social service (31%) spending by foundations.

• Fund Distribution by Age

Figure 5 shows that the majority of funding (61%) went to support programs that benefit the general population. The remaining 39% targeted programs serving children. Figure 7 shows the distribution among dollars targeting children, with most (61%) going to "all ages" of children. Monies targeting programs serving elementary-school-aged children captured 27% of funds; high-school-aged children's programs got 7%; initiatives targeting ages 0-5 received 3.6%; middle school programs got 1.4%; and prenatal support received less than 1%, which may be an effect of the data we reviewed (i.e., prenatal programs may be targeted by foundations focusing on "health," which would not necessarily have shown up in this study). Due to ambiguities in the data, elementary school funding is likely overstated.

## GIS Maps

Appendix B contains GIS maps illustrating the city of Richmond's neighborhood demographics in terms of median income (Map 1), percent African-American citizens (Map 2), percent children living in poverty (Map 3), estimated number of children living in poverty (Map 4), and Map 5, "Dollars per Square Mile," generated from the foundation contributions, to illustrate concentrations of dollars in each neighborhood. Comparisons between dollar concentrations and maps indicating human service needs are fairly consistent when viewing the entire map area, suggesting programs and dollars are responding to neighborhoods in need. There are specific areas of town that appear underserved and over-served, if the intent is to more concentrate dollars on low-income children. Map 6 illustrates estimates of philanthropic dollars spent per child in poverty in each neighborhood.

### Neighborhood Profiles

Appendix C contains a spreadsheet outlining the numbers that contribute to Figures 1-7, including estimates based on census data for percentage African American citizens, percentage of children in poverty, number of children in poverty and median income. The last two columns are calculations based on data generated here and census data that estimate philanthropic dollars per mile and per child in poverty in each neighborhood.

The philanthropic dollars per child in poverty (DPCP) estimate is interesting and perhaps useful. Of the 148 city neighborhoods, the range of DPCP is \$41 Cottrell Farms at the southern tip of the city to \$17,829 in the relatively wealthy West End neighborhood of Stonewall Court. The median DPCP is \$394 in the centrally located Randolph neighborhood.

### How Funding Patterns Can Inform Future Fund Distribution

The final research question is addressed in the discussion section below. While we have looked at just a few parameters of the data here, much more could be examined and we hope that donors and service organizations will continue to contribute ideas and questions regarding how the data can be used to better the work of Richmond's social sector.

### Discussion

Time costs presented challenges to the study, both in generating contributions data for foundations that chose not to participate voluntarily and devising a GIS map that would best reflect contributions by neighborhood, the latter requiring several iterations. Both data categorization and GIS mapping mandated researcher decisions regarding numerous ambiguities, thus, like many funding studies, all findings are considered estimates. Trust of data holders tended to be gained or lost in the initial contacts with organizations, thus diplomacy became a priority in the research process. One unexpected result was learning how little some donors and recipient organizations knew about the actual use (i.e., specifics of program benefits, target population or service area) of foundation funds.

Looking at how the data can inform donors and organizations working to improve the quality of life and future funding, we need to stress once more that the dollars per square mile and dollars per child in poverty are estimates and cannot be mistaken for fact. Overall, alignment between low-income neighborhoods and foundation giving suggests programs and dollars are responding to need. At the same time, taken together, the maps suggest that the nonprofit and foundation communities may want to look at a few neighborhood/contributions and dollars per child in poverty (DPCP) disparities. Comparatively low concentrations of dollars were distributed to impoverished areas of North Side neighborhoods Laburnum Park, Washington Park, Whitcomb and North Highland Park; South Side neighborhoods Belmont Woods, Elkhardt, Commerce Road Industrial Area, and the Jefferson Davis corridor. The most prominent areas in which comparatively high concentrations of dollars were distributed to relatively high income neighborhoods are the corridor from the Fan to the West End and the downtown business district. The DCPC data provide further explanation for some discrepancies

but, overall, concur with dollar per square mile estimates that indicate low spending for children and families in poverty. For example, Laburnum Park's low concentration of dollars per square mile can be explained by the dollars per child in poverty. Laburnum Park is among the few lowincome neighborhoods in the highest 25% of DCPC at \$3,556, which indicates there are few children living there. Otherwise, neighborhoods in the highest DCPC quartile tend to be relatively wealthy with the exception of the low-income neighborhoods of Manchester, Bellevue and Swansboro and John Marshall. Neighborhoods in the lowest quartile for DCPC are exclusively low income and house some of the highest concentrations of children. Of the 148 city neighborhoods, the range of dollars per child in poverty (DPCP) is \$41 in the Cottrell Farms neighborhood at the southern tip of the city to a high of \$17,829 in the relatively wealthy West End neighborhood. These numbers will be most valuable to philanthropic and service organizations exploring specific neighborhoods but also potentially provide a preliminary picture of the social problem solving infrastructure of various neighborhoods

Looking to how the Richmond's foundation fund distribution compares to national distribution, local foundation gifts to general operating support were almost 50% higher than the national average, which many nonprofit advocates would interpret as favorable as it suggests donors trust recipients to use their funds judiciously. Richmond's donor community may want to consider its disproportionately high capital contributions, offset by lower than national averages for program and research requests, though this may be a function of the foundation endowment size targeted here. While the average percentage of assets contributed annually is above the 5% mandated by the Tax Reform Act of 1969, Richmond's 5.6% is still below recent calls for increased annual payouts that better reflect endowment earnings.

The other indicators measured do not have national figures for comparison. Giving to amenity versus social services is probably best captured using the income targets, thus an estimated 31% of grant funds were distributive, targeting social services. About 69% of donations targeted amenity services, contributing to an improved quality of life for all citizens. Given that one in three children in Richmond lives in poverty, fund distribution by income deserves further exploration and incorporation of government spending. A final striking result is the very low (3.6%) percentage of funds targeting pre-school-aged children, particularly in light of all that is known about the importance of the first three years of life in a child's future productivity.

### **Conclusion**

*DataShare* is an ambitious community-based social change initiative that Richmond has the intellectual and technical resources to accomplish. Community data and powerful visual tools like GIS to inform community-based work can be influential, but only if donors and service organizations use it and we will need to be strategic about how to best ensure usage. This study illustrates the necessity to negotiate predictable challenges, like building trust among data partners and understanding the time and resource commitment, and therefore financial investment, necessary. The work also suggests that the group will need to assume a prominent education role regarding the value of the collection, strategic interpretation, and dissemination of data in improving the effectiveness of Richmond's social support network. This education will in part be guaranteeing a participatory role for data partners, not only because their input generated a better study, but because their "buy in" is essential to the research having value. Donor partners, an admittedly select group of area foundations that approach their grant making strategically, understand their key role in signaling the importance of using data to drive decision making in service organizations. But real change in service provider behavior regarding the use of data will only be seen when donors demand data to support funding requests. Finally, given limited resources and limitless conditions that would benefit from research, a data resource that houses and makes accessible existing information and creates new data in response to funded requests appears the most feasible solution for the first phase of *DataShare*.

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