

DONOR CIRCLES:  
Launching & Leveraging  
Shared Giving

WOMEN'S  
FUNDING  
NETWORK

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WOMEN &  
PHILANTHROPY



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## Women's Funding Network

*“Donor Circles: Launching & Leveraging Shared Giving”  
is one tool within a more comprehensive organizational  
development process, SMART GROWTH, created by and  
available from the Women’s Funding Network.*

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### Acknowledgements

Shared giving in formal or informal structures is an age-old tradition among women. This report draws on the 25 years of recent history of women’s giving in which women’s foundations have used giving circles or Donor Circles. It does not try to trace the long history of women’s collaborative giving patterns. Even so the report is based on the experiences of many people and organizations. It is important to acknowledge some of the most important contributors and influences.

The models, insights, and tools developed for this report are the products of several sources:

- Direct experience of a group of eight women’s foundations and the Women’s Funding Network (WFN) who experimented with new ideas for Donor Circles as part of a project (New Wealth, Women and Philanthropy Project-NWWP) funded by the W.K. Kellogg Foundation and carried out in partnership with Women & Philanthropy.
- Previous experiences of these and other women’s funds with the creation and management of Donor Circles (e.g. the Ms. Foundation for Women’s Democracy Funding Circle).
- Materials created for the 2nd Annual Women and Philanthropy Conference: “Taking Charge by Giving Back” sponsored by the Washington Area Women’s Foundation.
- “Creating a Women’s Giving Circle: A Handbook” by Sondra Shaw-Hardy and published by the Women’s Philanthropy Institute.
- “Growing Philanthropy through Giving Circles: Lessons from Start-Up to Grantmaking” by Tracey A. Rutnik and Buffy Beaudoin-Schwartz. Published by the Association of Baltimore Area Grantmakers.
- Conversations with Jenny Yancy, co-founder of New Visions: Philanthropic Research & Development, that uncovered shared perspectives in preparation for her October 2003 publication (with co-author Dan Siegal) “Philanthropy’s Forgotten Resource? Engaging the Individual Donor.”

In addition to the Women's Funding Network, the women's foundations who generously shared their experiences — both barriers and breakthroughs — as part of the New Wealth, Women and Philanthropy Project — include:

- Dallas Women's Foundation
- Global Fund for Women
- Michigan Women's Foundation
- Ms. Foundation for Women
- The Women's Foundation of California
- Women's Foundation of Colorado
- Washington Area Women's Foundation
- Women's Funding Alliance

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**INTRODUCTION**

**Purpose and Unique Contribution of This Report / Tool**

This report is intended to be a brief but persuasive document that will expand thinking about how to meet women on their own terms in their busy lives and inspire them to want to know more, give more, and change more for the good of women and girls, our families and communities.

The report explores the purpose and value of Donor Circles and describes an emerging “state of the art” about the developing and expanding definitions while offering guidance to foundations on how to use Donor Circles most effectively. While written primarily from the experience of women’s foundations, the findings of this report will be of value to all donors and all foundations considering the formation of a donor circle.

It is designed to help organizations consider a new dimension in their donor education and fundraising landscape. Donor Circles can be a bright spot in the fundraising package, but like all development strategies, they are only one piece of the portfolio. Similarly, Donor Circles provide an intensive mechanism for educating donors, but are best seen as part of a vigorous donor engagement plan.

Based on research comparing the experience of 16 Donor Circles and/or donor advised funds created by eight women’s funds and the Women’s Funding Network, the Report rejects the widely held assumption that donor or giving circles are a single concept using a standard methodology. Instead, the data suggests that there are actually a wide variety of tools that can be chosen strategically and used to meet specific needs or opportunities. Donor Circles are a stretching

**A New Typology**

One of the most important intentions of this Report is its creation of a typology of Donor Circles that vary from low to high intensity and require varying levels of time and commitment from donors as well as the host organizations. There is no absolutely right or wrong model. Instead the models suggested in the typology are articulated so that organizations and donors can choose strategically and opportunistically. Additionally, while these models grew out of the experience of women’s foundations they speak to the universal issue of donor relationships and translate well into other philanthropic settings.

and malleable device for partnering with donors. They are not one-size-fits-all. A description and analytical overview of five types or models of Circles are presented, then the Report offers a series of process steps for getting to strategic decisions about forming a Donor Circle.

This report is not intended as a sales pitch to implement Donor Circles; instead it is a tool that organization's can use to make highly strategic decisions about the value and viability of Donor Circles in their organization. Foundations—their staffs and boards—as well as individual donors will find descriptions of the “types” of Circles as well as some tools for self-guided analysis to enable strategic choices about the structural model that best suits their aims and resources.

In addition, the Report offers suggested steps for organizing and launching Donor Circles. At the conclusion, the reader should have nuts and bolts information about how to begin, implement and exit a Donor Circle. Finally, it provides references to other valuable publications and tools.

***Can't wait to figure out if Donor Circles are right for you?*** Skip ahead to the Decision Making Tools section on page 34 for a quick assessment quiz.

***Want to dig into the details?*** Jump ahead to the Decision Making tools section on page 34 for a table that gives you an in-depth description of five types of Donor Circles and their intensity.

## Background

Women prove over and over in everything from serious research about the formation of social networks to more capricious marketing studies about how they make toothpaste decisions, that they like to work together and find joy in shared decision-making and shared power. Women are also serious financial players with much to offer the organizations that know how to inspire and engage them.

***“American women...are the largest national economy on earth. We control \$1 trillion of our own earnings, and influence another \$1 trillion in household spending. We make up 43% of all Americans with assets greater than \$500,000... What are we going to do with it? Use it! Even in bad economic times.”***

Pat Mitchell, CEO, PBS and Board Member, the Washington Area Women's Foundation.

Women also recognize that the changes they seek in gaining full equality and participation of all women and at every level of society requires long-term financial capital. The formation of women's funds in nearly every state of the USA, and in countries around the world, is growing into a global phenomenon. Women recognize that they must use mainstream community capital to its best advantage. They must also create some capital of their own.

Women's funds, known for their cross-class, diverse and participatory cultures are already democratizing philanthropy, making financial giving an every day experience for people of every level of financial means. Amidst this participatory culture women's funds also are increasing their use of donor or giving circles. Donor Circles push philanthropy education toward empowerment of donors who come together to learn. Most also advise about issue strategies; and some make shared decisions about actual grantmaking.

*Giving Circles pool time, talent and resources among people who share a common interest in a social cause or issue and allow for a wide range in charitable styles, philosophies and politics, structure, size, and focus.*

Excerpt from "What is a Giving Circle?", Washington Area Women's Foundation.

Used informally by women's funds since the mid-70's and more formally since the early 1990s, Donor Circles are an attractive concept for capturing the energy, creativity, and commitment of donors. An old tradition, Donor Circles are relevant again as foundations and their donors seek higher engagement, including opportunities to learn and to give more than money.

Simply structured and less onerous than building an independent foundation, Donor Circles allow organizations to recruit donors or, conversely, to enable donors to self-organize into powerful and agile but temporary social change funders, capitalizing change as fairly and generously as possible.

## Why Do We Give? The Need to Meet the Motives Head On

One of the most basic of human instincts is generosity. Our inability to simply survive requires the most fundamental acts of generosity: feeding and sheltering each other. Beyond such basics, each person discovers and creates a unique brand of generosity just as we also form unique personality traits, interests, and problem solving skills.

When we make a decision to give of ourselves, or our resources, we use complex judgment skills that calibrate everything from our own self-interest, and the opinions of others, to the need, the immediate impact, and the long term consequences of giving. Sometimes in seconds or minutes we weigh all these things and decide if we will say "Yes" or "No" to a plea for our help.

For many people the value of giving is entwined with the pleasure of being involved with others

who share the same ideals and values. The company of others can make a huge difference in how much, and how often we are willing to give.

Research on philanthropy and donor behavior finds that those who are actively engaged with a cause are the most consistent and most generous donors. In other words we give more and more often to those ideas and organizations in which we are directly involved. Moreover, we usually get to that involvement when we have been recruited by a trusted friend or colleague and/or when the issue has touched us personally.

Fundraising experts have long taught that the best fundraising is “friend raising.” And most of us prove them right by responding better and more generously when we “connect” to an issue or organization through family, friends, and colleagues. Letters, phone calls, e-mail, recognition, awards, special events from dinners to golf outings, volunteering and activism are all ways in which we connect to the causes we believe in.

## DONOR CIRCLES / GIVING CIRCLES—THE BASICS

### What is a Donor Circle?

Since the 1970’s when the first women’s foundation was created, the challenge of “friend raising” also brought with it a demand from donors for learning more about issues and how money could pay for social change. In the 1970’s, with “consciousness-raising” conversations still in practice as lively ways of moving women through self-discovery and into political action, the idea of building commitment and raising money through intimate organizing of women and their interests was appealing. Women’s funds in their start-up stages served as this intense learning and participatory process.

In the early 1990’s, women’s funds, particularly the Ms. Foundation for Women and the Global Fund for Women, fused the necessity of larger-scale fundraising with women’s culture of intimate engagement in philanthropy. Although women’s foundations were already modeling “democratization in philanthropy” through the deliberate participation of many donors of diverse class in both giving and grantmaking, they wanted to do more to spread a sense of ownership of the issues and the foundations’ assets among more donors. They began to experiment formally with structures they called Funding Circles, or Donor Circles.

These Donor Circles modeled a best practice in which fundraising and social change activism are inseparable; both are pursued simultaneously as an intertwined process of building understanding of and commitment to an issue while also developing philanthropic creativity and loyalty.

Donor Circles also provided a lesson in donor cultivation. Potential donors often feel compelled by a specific issue at a particular point in time – and feel drawn to a contained and focused process like a Donor Circle. While the impact of Donor Circles on a particular issue can be great, Donor

Circles are also an important tool because they provide a means to cultivate donor attention and interest, beyond the issue at hand and onto the foundation's broader agenda.

While collaborative resource development like Donor Circles are longstanding practices in nearly every culture, no one person or group can lay claim to inventing them. Nevertheless women's foundations stand out in innovation and creation of Donor Circle's substantial body of practice and knowledge that laid the groundwork for this area of contemporary philanthropy. The culture of women's foundations made them a fertile place to advance the idea of participatory and responsive philanthropy – and helped push the concept of Donor Circles into other arenas.

Kimberly Otis, President and CEO, Women & Philanthropy and former Executive Director of the Sister Fund, recounts The Sister Fund's experience in the 1992 Women's Voices Circle hosted by the Ms. Foundation for Women: "one of the first [Donor Circles] was developed by the Ms. Foundation for Women and the Center for Policy Alternatives in 1992. Several women donors to private foundations, including Helen LaKelly Hunt of The Sister Fund, Mudge Schink of the Shaler Adams Foundation and Twink Frey of the Nokomis Foundation, came together to fund and help lead a major polling and public education effort around the potential of the "women's vote." The donors met by conference call regularly with pollsters Celinda Lake, Linda Williams and Linda Duval to hear about progress and respond to the needs of the project. Women's Voices became a major force for increasing the women's vote and had a major impact on identifying the gender gap in the 1992 elections – the "year of the woman." As one of the first Donor Circles, Women's Voices demonstrated that women could respond financially and effectively to a timely and important project if they were engaged and involved not only as donors, but also as supporters and leaders for the success of the project.

The Ms. Foundation for Women also created the Democracy Funding Circle. It has been active since 1996 and has distributed over \$830,000 to 26 grantees.

The Global Fund's experience has been similar. A Donor Circle active during the 1990s on the trafficking of women helped to expose the size and scale of the selling of women and girls and made some of the earliest grants for intervention programs. Although the trafficking Circle has ended its active phase the Global Fund continues to provide information and giving opportunities to the Circle's members. Recently, the Global Fund created an Initiative on Rights Within Religious and Cultural Traditions, making grants of nearly \$300,000 last year.

## A Women's Foundation Model

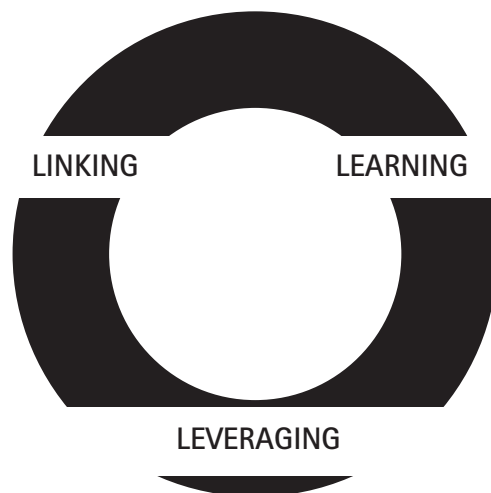
From these successful Donor Circles emerged a “women’s foundation model” for donor education and fundraising. When asked to teach others about their Donor Circles the leaders of The Ms. Foundation for Women and The Global Fund often cited these characteristics:

**Commitment:** A Donor Circle is a place for people who are committed both to an issue and to a process of learning, giving and participating.

**Contribution:** A Donor Circle is truly a fusion of giving financial resources along with ideas and time. Most Donor Circles set a threshold for giving to become a member of the circle. While the threshold can be flexible, many circles set the admission at a high level. At The Ms. Foundation for Women, for example, the annual gift for the Democracy Funding Circle is \$25,000.

**Change:** A Donor Circle is intended to be a transformative experience for its participants as they learn about issues and learn how to strategize together. In turn, giving by the donors is intended to generate both financial resources and new ideas for social change.

**Connection:** Donor Circles provide a critical link to the issues, people and resources that can be applied to the social change agenda. Paying attention to how donors connect with and exit a Donor Circle can have a large impact on the outcome for the foundation as a whole.



In a recent report about Donor Circles, The Ms. Foundation for Women has described the principal benefits to circle members as: Linking, Learning and Leveraging.

*A Donor Circle is commonly defined as:*

*a group of individuals who pool grantmaking resources to pursue common goals in a particular interest area and who commit to learn with each other and with leaders and activists in the field.*

In the WFN study—and in this report—it is assumed that Donor Circles are created in partnership with a sponsor or host organization (i.e. a women’s fund, a community foundation or special interest foundation) for facilitation, learning and for leveraging the impact of the funds raised and re-granted.

In a different—but complementary report—the Women’s Philanthropy Institute has published “Creating A Women’s Giving Circle: A Handbook” by Sandra Shaw-Hardy which focuses on sponsored, as well as independent, giving circles that choose and build a variety of organizations in the community. Shaw-Hardy’s report also highlights the same basic traits as those identified by WFN members especially the commitment to learning. In addition Shaw-Hardy found much of women’s giving focuses on:

- Commonality (all donors in the circle give the same amount even if they could afford more);
- Consensus (the participants choose the grant recipients and do so through consensus); and
- Collaboration (all participants work together in shared process).

As stated in the “Purpose” section, this Report departs from previous documentation about Donor Circles by recognizing that the real working definition of a Donor Circle is fluid rather than static. All Donor Circles build off the core concept and values of intentionally shared giving but diverge in scope, character, purpose, and outcomes.

## **The Definition of a Donor Circle is Now Expansive and Elastic**

Until recently Donor Circles—at their best—were accepted to be intense, personal, and long-term experiences that engaged their participants in learning, giving, and active social change. It was common wisdom that a Donor Circle would be chosen as an option only when either the host organization or the donors themselves desired a learning and sharing experience that would be individually and collaboratively “deep”; monetary-giving levels would be on the high end for individual donors; and the process would be about “more than money.”

**In recent work conducted in 2003 by the Women’s Funding Network through the New Wealth, Women & Philanthropy Project (NWWP), the terms of Donor Circles have been rewritten. The circles are being used along a scale of intensity of purpose and engagement. While some are striving for the maximum levels of donor participation in strategic philanthropy**


others are using circles in simpler ways to educate and win the loyalty of donors. The levels of giving are equally diverse and flexible.

In the Women's Funding Network's work, eight member foundations and WFN tracked and analyzed the formation, structure, characteristics, and effectiveness of 16 Donor Circles. In the process this work pulled the boundaries of Donor Circles back towards the more traditional notion of fundraising committees and "identity-groups" on the low intensity end of the scale and pushed out at the more intense end of the scale into structures like formal collaboratives and donor-

## Eight Donor Circle Indicators

The research indicates that Donor Circles take in a broad range of activity. This activity ebbs and flows on the axis of eight indicators. The intensity of each of these indicators in a given Donor Circle reveals its place in the Donor Circle typology. The eight indicators and the key questions they pose are below:

1. Fundraising Effectiveness/The Size and Scale of Donors/ Relationship to Organization:  
Key Indicator Questions: What is the level of donor we want, and have a connection to now? What is the type of relationship we want to cultivate?
2. Satisfaction of the Donor/Time Commitment:  
Key Indicator Questions: How much time are the donors willing to put in? What is the basis of the relationship? What kind of impact information will be compelling for donors? Are donors willing to include impact measurement as part of the facilitation and administration costs?
3. Empowerment of the Donor:  
Key Indicator Questions: What do people want to get out of it?
4. Learning Curve about the Issue and/or the Host Organization:  
Key Indicator Questions: How intense are the learning goals/needs of the participants? How much do we want to learn as an organization about a particular issue?
5. Relationship-Building and Collaboration  
Key Indicator Questions: How will donors relate to each other and the host organization?
6. Structure and Facilitation:  
Key Indicator Questions: How strong is our capacity to facilitate? How intensively do donors want to be staffed, facilitated and managed?
7. Giving Decisions/Engagement beyond the Circle with Grantees and Other Leaders  
Key Indicator Questions: How much control of giving are we willing to offer and how well does it fit within our values of participatory philanthropy? Autonomous grantmaking? Advising the board? Giving input? What kinds of relationships with grantees are needed?
8. Desire for and Evidence of Social Change Impact of the Circle:  
Key Indicator Questions: How much "proof" of impact is desired? What is our capacity for measuring social change impact?



In the Donor Circle continuum moving up the intensity scale is not necessarily a sign of more success or sophistication of a foundation. Instead the intensity indicators demonstrate the strategic tensions at play in Donor Circle development. For example, a Donor Circle that has a high giving threshold may also generate increased intensity in the donor's engagement beyond the Circle. Donors may be able to make allocation decisions – a responsibility often not shared beyond board members in some funds. This reciprocity among indicators is not a given, in fact foundations should make strategic decisions about each indicator area when planning a Donor Circle.

### **New Definitions, New Model, New Insights for Best Practices**

The Donor Circles studied by WFN through its own experiences and those of eight funds in the New Economy and Women's Philanthropy Project are widely varied along the spectrum of intensity of engagement but have in common the basic goals of:

- Pooling resources;
- Identifying and unifying donors around a common cause; and
- Enabling a learning process to advance the donor's commitment to the issues.

However, among the 16 Donor Circles in the study, five distinct types or levels of engagement were identified. (See model below). These types fall along the intensity continuum described above. Each type has clear markers, but in some cases they overlap or bump into one another. These levels of engagement are important because they help to define a Circle's goals and ambitions and indicate the appropriate structure and support services required.



**DONOR'S CIRCLES:**  
An Array of Options for Appropriate Engagement

Formal  
Collaboratives;  
Donor Advised Funds

Traditional Fundraising  
Identity Groups



High Intensity  
Types 4 and 5

Collaborative Circle:  
Making a Difference

Proactive Circle:  
Lasting Legacy

Medium Intensity  
Type 3

Active Circle:  
Learning and  
Giving Together

Low Intensity  
Types 1 and 2

Stakeholder Circle:  
Fundraising

Trust Circle:  
Friend-Raising

**Intensity indicators:**

1. Fundraising Effectiveness/ Size and Scale of Donors
2. Satisfaction of the Donor
3. Empowerment of the Donor
4. Learning Curve about the Issue and/or the Host Organization
5. Relationship-Building and Collaboration
6. Structure and Facilitation

- **Wonder what type of Donor Circle might be right for your organization?**

Jump ahead to the Decision Making Tools section on page 34 for a quick assessment quiz.

- **Want to dig into the details?** Jump ahead to the Decision Making tools section on page 34 for a table that gives you an in-depth description of each type and intensity.
- **Ready to get your Donor Circle moving?** Jump ahead to the How to Launch a Donor Circle Guide on page 41.
- **Want to know more about each type of Donor Circle?** Read along to get a full description of each type.

7. Giving Decisions/Engagement beyond the Circle with Grantees and Other Leaders

8. Desire for and Evidence of Social Change Impact of the Circle

In the following section, each of the 5 types of Donor Circles is described and analyzed. These types come directly from the experience of those funds within WFN's study. When compared to evaluations of the Social Venture Partners—which has modeled its organizing process on a Donor Circle model—the types are universal and hold for any group of donors who are being recruited, or who are self-organizing, even outside of women's funds.

The following descriptions are drawn from observations about all eight indicators that create the intensity scale in the overall Donor Circle Model (see pp. 15). However the analysis below is summarized and does not explicitly track results from all eight indicators. (For a complete description of each indicator see the Tools for Decision Making Section on page 34.

## Low Intensity Circles

### Type 1: Stakeholder Circle - Fundraising

In Type 1 the emphasis is on attracting or elevating donors to a particular giving level, then identifying them publicly as special donors. These donors may receive some extra "perks" from the host organization (e.g. access to events, additional information and educational materials, etc). While most intensity indicators in Type 1 are on the low end of the spectrum, those indicators related to giving level are typically high (often higher than even the Type 2 Circle).

These Donor Circles resemble traditional "industry groups" or "identity-levels" for donors. Yet they are different because the host-organization puts substantial time and effort into educating the donor about the organization and/or an issue that goes beyond "perks and recognition." The donor feels like a stakeholder, because of her financial commitment. The donor cares enough to give at a certain level, sometimes stretching her personal comfort zone to make it into that level. These donors are almost always already committed to the cause, though not usually giving at a high enough level prior to being cultivated into a Circle.

The donors relate directly to the host organization and there is infrequent or no personal

interaction among the donors, and the donors usually do not participate in designating the use of the funds.

**Characteristics:**

- Effective fundraising since the donor doesn't get "in" until giving at a certain level.
- Donors feel loyalty to the organization and are treated as stakeholders but they do not usually have decision-making responsibility for directing contributions.

**Relationships:**

- The donors primarily relate as individuals to the host/recipient organization but not to each other.
- Occasional learning events may be hosted but the emphasis is on increasing enthusiasm and synergy rather than on shared process or consensus about issues.
- This type of Circle may allow for a larger number of donors than some of the types that have a higher intensity educational experience.

**Staffing:**

- Requires staff and/or volunteer time to communicate with and cultivate donors individually for their initial and renewal gifts. The staffing for the Donor Circle is usually just one part of a staff member's job—thus it needs to be calculated in proportion to the number of donors being cultivated and the level of the giving threshold. (The higher the threshold, the more personal outreach is needed from staff and/or host organization's leaders.)
- Attentive fundraising and/or communications staffing works best. Interactions can be fairly limited, but need to be articulate, well-organized, and personal.
- If learning events are promised to the donors, then staffing or consultants need to be allocated for organizing and implementing such events.

**Challenges:**

- It is important to treat donors as more than "just donors", understanding who they are and what level of investment of time and learning they are able to make in order to further develop their giving.
- The "threshold" level can be modest or large. In the WFN study, the Type 1 circles ranged from threshold levels of \$1,000/year to \$10,000/year. Some of the Type 1 Circles set time limits for "membership" (e.g. \$5,000/year for 2 years)
- It is difficult to hold interest of donors in this type of identity circle over long periods of time; what is the next step for the donor's development with the organization?

**Worst Case:**

- The host organization is not prepared for this type of donor cultivation and facilitation; therefore too much staff time is spent and can feel overwhelming and disproportionate.
- Donors don't become sufficiently engaged, lose interest, and drift away, lower their giving level or fail to pay their pledge.

**Best Case:**

- Donors—challenged to give at new levels—become more interested in the host organization or

## Type I: The Women's Funding Network Wavemaker Giving Circle and the Quantum Leap Donor Circle

The Women's Funding Network (WFN), the international membership organization for women's foundations, raises funds for its core operations of providing direct program services to its members; at times WFN also raises pass-through funds for members' own programs and plans.

In the midst of a 10-year plan to help increase the size and scale of the member-foundations' endowments and grantmaking, WFN also has had to grow and intensify its services. To assist in achieving this core growth WFN, in 2002, launched two donor circles:

- The Wavemaker Giving Circle for women and men who “want to help foster a society where women and girls contribute equally and have access to every opportunity available.”

*The threshold gift is \$1,000 per year with open-ended and ongoing membership and/or moving up in giving level. In the first year, 39 donors joined and gave approximately \$50,000. Most donors know WFN or an individual women's foundation and some may already be donors.*

- The Quantum Leap Donor Circle is for women and men who “are no longer content with incremental progress for women and girls” and want to make bigger gifts to enable bigger change.

*The threshold gift for Quantum Leap is \$10,000 per year and donors agree to renew their commitments each year for 3-5 years. In the first two years, 25 donors joined and gave \$250,000. Nearly all the donors are sophisticated philanthropists who are already giving to the women's funding movement in some way and see that giving to WFN is a good way to support the overall women's funding movement.*

Both the Wavemaker Giving Circle and the Quantum Leap Circle donors designate their funding for WFN's core operations so that WFN won't have to take administrative costs from other funding so that it can pass through for member-foundation initiatives.

WFN's board of directors and many of its member-foundations have helped to identify and recruit the members of these Donor Circles. The members of both Circles relate primarily to WFN, its board and staff, rather than to each other. However, some members of both circles have stepped forward to take on peer-level responsibilities to help cultivate, retain, and appreciate other Circle members.

Both groups receive educational information and learning opportunities from WFN and the Quantum Leap Donors receive a special newsletter.

WFN sees both circles as opportunities not only to build a donor base, but also an important leadership network for WFN and the member-foundations. Some donors already have been active within WFN or member-foundations and others may serve in leadership roles in the future.

## Low Intensity Circles

### Type 2: Trust Circle: Friend-Raising

In Type 2, the emphasis is on finding potential donors and cultivating them through a learning or experiential circle without necessarily achieving either a strong threshold level for giving, or a systematic process for making grants. Like Type 1, Type 2 Donor Circles are lower intensity on most of the eight indicators. However, as compared to the Type 1, Type 2 Circles have much more intensive donor education and development components. Type 1 Circles often have more intense giving commitments, and fundraising cultivation; yet a less intense donor development factor.

This is almost a “pre-donor circle” yet some funds have found that an engaged and active approach to educating and cultivating donors lays the groundwork for more committed giving in the future. Often such circles are organized around one, or a few current or potential donors who want to engage their own friends, family, co-workers, etc. (who are not already donors) in the process of getting to know each other and the cause. This type of Circle is about finding potential donors, awakening their interests, and cultivating trusting relationships that lead to giving.

#### **Characteristics:**

- High learning curve for both the donors/potential donors and the host organization.
- Giving is set at “entry-level” and is usually free-will rather than being a threshold for entry.
- Gatherings are appealing at a personal or social level in order to engage people “where they are.”
- Gatherings are often events rather than meetings.

#### **Relationships:**

- Relationships are varied. The participants may have a relationship with the individual host-organizer or with host organization. Sometimes the participants know each other through another social connection (e.g. co-workers, book club members, running club members, etc.) but co-operating as donors will be new to them.
- The host organization is using the identity of a Circle to communicate to the participants that like-minded others who share value and ideals exist, and to inspire members to identify with the host organization or a particular issue.

#### **Staffing:**

- Requires staff or staff-equivalent for organizing and facilitating but this is a small-scale effort proportionate to the number of donors being cultivated. The “Trust Circles - Friendraising” can be small (outreach to as few as 5-6 people) or large (20-30) but usually seem to engage about 8-12 people.
- Often the staff spends substantial time mentoring or coaching the host-organizer.
- Since these Circles rely on one-on-one outreach to potential participants, staff might communicate directly with potential donors or support the host to do so. Often staffing is

provided by fundraising and/or communications consultants in place of or in addition to staff.

**Challenges:**

- Funds have reported that some donors, particularly those who are making their own wealth through demanding jobs, may be attracted to social events but resist time-consuming meetings or events.
- When the host organization convenes the donors they may resist the organization's assumptions about their pre-existing "common ground". They want to explore and create their own bonds. If donors are going to spend time and effort in a Circle, they want a strong enough emotional bond with others to sustain the time demands.
- Donors, if interested, will want to help create and define the circle and the rules of engagement.

**Worst Case:**

- The host organization spends time doing outreach and cultivation and supports a host(s) to offer individual events but a Circle doesn't form and sometimes the first gifts are disappointingly small.

**Best Case:**

- A Circle forms successfully.
- Participants resist the Circle concept but agree to become new donors, or agree to begin giving at new and larger levels.

## Type 2: Women's Funding Alliance

The Women's Funding Alliance in Seattle, in attempting to create their first formal giving circle, felt frustrated and unsuccessful in trying to create a group out of strangers. "It didn't work in our community. Even though we have some name recognition, women weren't willing to spend their time creating the whole experience for themselves."

Out of their early but false starts, the Alliance decided to approach women who are already organized in a social network and ask them to consider using their time together to learn about the Alliance and to become donors.

Although this is a "work in progress" the Alliance reports positive responses.

In addition, the Alliance decided to recruit six individuals and ask each of them to form a group around themselves (or go to a group they already participate in) and introduce the Alliance and its work. One such leader decided to engage her annual holiday cookie-exchange group and to use the holiday timing of the exchange to inspire her guests to consider beginning a donor relationship with the Alliance.

## Medium Intensity Circles

### Type 3: Active Circle—Learning and Giving Together

In Type 3 the donors are recruited or self-organize and come to the host for sponsorship. In either case they come with an emotional and/or intellectual investment in the issue and a desire to learn, give, and work together. Learning is the central activity of the group.

The entry giving level varies; it may be modest but it is a requirement for participation. Compared to Types 1 and 2, the intensity increases in Type 3 because of a more formalized, dynamic and intentional learning process.

#### **Characteristics:**

- Donors work/learn together face-to-face as a group; participants place high value on the new relationships made through the Circle.
- The Circle is focused on a specific issue of compelling interest to the participants.
- The pooled money is a shared resource and the Circle either makes the funding decisions or advises the host-organization.
- Learning is an intentional and organized process.

#### **Relationships:**

- Donors have their own one-on-one relationship with the host organization and also with each other. The energy for Type 3 circles typically comes from the enthusiasm of the participants for the group process and for the cause or issue.

#### **Staffing:**

- Staffing can look deceptively easy. Even though the circle meets only occasionally (quarterly or semi-annually) and the funding may be modest, staff or a volunteer must organize, schedule, arrange, and help to facilitate the process.
- Donor Circle meetings require planning so that donors can work together effectively in a short period of time. The host organization should have its own strategy for why and how the Donor Circle will be hosted and facilitated. Liaison staff should be sophisticated in grantmaking strategy and donor education without needing to over-control the circle.
- Host leaders and staff need to be skillful in working out an appropriate policy for advice or

decision making about grants.

**Challenges:**

- Type 3 is a typical choice for a host-organization that believes close donor engagement will be a long-term asset yet has mostly small donors and no track record in marketing the Donor Circle concept. This means that the threshold is likely to be fairly low (\$500 to \$2,500) and may produce a net deficit in staffing costs.
- If the promise is made to donors that they will have a provocative learning experience on the issues and will be able to learn and experience philanthropy, then the organization is committing itself to a very high level of donor education. Staff time and/or board volunteer time need to be realistically allocated to this commitment. Usually, the host-organization fails to plan for and calculate the full facilitation and service involved in this start-up donor circle. This can result in an abrupt dropping of services if the organization is tight on staffing. If donors do not understand, they can become alienated from the organization.
- To save staffing time and to smartly budget the amount of time required from donors, the host organizations should explore other creative communications and decision-making devices (online polling or voting in proposal reviews; films on the issues that can be loaned, in turn, to each member etc). Or organizations may want to ask members to foot part of the bill for facilitation of the Circle, by allocating part of their gift to administration.

**Worst Case:**

- Donors don't find the experience is exciting enough or really worth their time.
- Host organizations feel the funding level by the donors or the numbers of donors are not worth the amount of time and effort being devoted.
- The Circle can be ended too abruptly without creating other leadership or giving opportunities for the donors.

**Best Case:**

- Donors feel stretched and well-matched to the issue/organizational challenges.
- Donors begin looking for ways to increase their giving; or leverage their giving for the issue and the host organization.
- Donors help recruit other donors to expand or form new Circles.
- Donors enjoy each others company.

### Type 3: Wise Women for Change The Michigan Women's Foundation

The Michigan Women's Foundation created "Wise Women for Change" which is really two circles—one in the western part of Michigan and the other based in the east. Each Circle has about 12 members and the same threshold level of \$1,000 but membership is organized differently with the "West" group using geography as its primary organizing identity; the "East" group is focused on grants that serve older women. In each of these Circles, the Foundation acted as the catalyst and organizer though the early participants also helped to recruit others.

For Michigan Women's Foundation, the Circles have been a success for two main reasons:

- The Circle identity has helped participants focus on a particular need, which has motivated them to meet the threshold level, and often give or raise more than the threshold. The Michigan Women's Foundation has many small donors throughout the state so the scaling-up of donors is an important growth step. "Anything with a comma becomes a serious gift!"
- The participants want to care about something; they want to add emotional connections to their lives—connections to other women and connections to important issues. In the Circle the women learn more about The Michigan Women's Foundation and begin to care more. The emotional connections are key.

The main challenge has been the amount of staff time required to recruit and engage busy women. Unfortunately the most intense and time-consuming task is the scheduling! "The grantmaking process is easy in comparison to the scheduling!" The Circles actually required more time than was budgeted and therefore were difficult to accommodate. The approximate staff hours invested per circle in one year was 160 staff hours (or the equivalent of 20 days or one month of a full-time person's salary).

The Michigan Women's Foundation recovers 50% of each circle's gifts (pre-grantmaking), so that some costs are recovered and the Circles build The Michigan Women's Foundation's general grantmaking fund as well as expanding particular areas of the grantmaking. Both Circles are committed to doubling their size in year two by increasing resources and staff efficiency.

## High Intensity Circles

### Type 4: Collaborative Circle – Making a Difference

In Type 4, the participants are likely to be sophisticated donors who desire to make a noticeable difference on their chosen issue and are willing to make a large contribution of time and money to do so. The donors are willing to engage over time and want to learn from each other, from the host agency, and from the grantees. The participation in grantmaking is usually hands-on and is aligned closely in values and process with the host organization. Compared to Types 1, 2, and 3, Type 4 Circles bump up the intensity in most areas especially giving thresholds, interest in impact, involvement in grantmaking advice or decisions, and sophistication of learning processes.

#### **Characteristics:**

- Donors are highly focused on making a strategic difference with their money.
- The threshold gift is usually high (\$10,000 – 25,000/year); though “high” will be relative to the size of the hosts funding base.
- A higher level of financial commitment is often accompanied by more demanding appetite for learning about issues and seeing projects and NGO leaders firsthand.
- The participants often have direct grantmaking responsibilities and/or significant recommending power to the host organization board.
- Circle participants look for, or are cultivated for, other leadership roles in the host-organization’s governance and/or fundraising.
- Satisfying the expectations for close links among Circle participants and between the Circle and the host-organization requires more staffing and close coordination.

#### **Relationships:**

- The participants enjoy each other’s company and are willing to invest time and effort in dialogue and decision-making process.

#### **Staffing:**

- Facilitation of a Circle focused on strategy will be time consuming; it is like having an organization within an organization that requires strategic planning and accountability activities.
- A consistent staff leadership presence should be part of the Circle.
- A Circle with a strategic agenda requires alignment and coordination with the host organization.
- The Circle contributions should include a percentage allocated for the management and

facilitation of the Circle.

**Challenges:**

- The participants will likely have greater ambitions for social change than they have resources. They will need some careful guidance in setting goals.
- Participants will likely desire an active learning agenda, possibly including site visits, learning from experts, etc. Achieving such an intense level of learning will require negotiations between participants and host-organization. Donors usually add money to the Circle's fund to pay for travel and learning experiences or they reimburse the host organization for learning experiences.

**Worst Case:**

- Great fundraising and strategic success without cultivating a close relationship between the Circle and the host organization could result in a Circle seeking its independence as a separate foundation. The host organization needs to be prepared with other options that help sustain the partnership with the donors (a formal collaborative, a donor advised fund, etc.).

**Best Case:**

- Donors engage consistently over a period of time long enough to make a strategic difference on their issue or for the host organization (8-10 years).
- If and when the Circle is dissolved and/or donors leave, the donors have clear and interesting options for continuing or escalating their involvement in the issue and with the host organization.

## Type 4: The Ms. Foundation and the Women's Foundation of California

The Ms. Foundation for Women and the Women's Foundation of California have both developed Donor Circles with high intensity and impact.

The Ms. Foundation for Women is one of the leaders among women's foundations in organizing Donor Circles, and other collaborative efforts that engage donors, and challenge them to make a significant difference with their funding.

In 1996 The Ms. Foundation for Women launched its **Democracy Funding Circle** to amass grantmaking resources for "organizations that challenge the conservative politics of the right wing and build the strength and effectiveness of the progressive movement."

Since its founding, the Circle has given away more than \$830,000 to 26 nonprofits. The threshold gift is \$25,000 annually. Currently, the Circle is only open to women and has nine members. The group meets 3-4 times per year and makes its grantmaking decisions by consensus. It also includes a strong political education component. Since all the members are experienced philanthropists they are interested in issue-education rather than donor-strategy education.

In a recent study of the Circle, The Ms. Foundation for Women found that the motivations of the members included:

- Commitment to the issue
- Opportunity to learn
- Reputation of the sponsoring organization
- Chance for peer interaction
- Greater impact through pooled resources
- Broader array of grant applications than a single donor would attract

The study also revealed that the Circle has had an impact on its members in numerous ways:

- Increased knowledge of issues
- Enhanced grantmaking skills
- More strategic grantmaking
- Increased satisfaction from philanthropy
- Greater peer network
- Stronger relationship with The Ms. Foundation for Women

The study determined four internal indicators of success for the members:

- Caliber of education component
- Recruitment and retention of Circle members
- Quality of grantmaking
- Effectiveness of group process

And the study identified three external indicators of success:

- Increased pool of grant dollars
- Visibility for the issue(s)
- Effectiveness of individual grants

The benefits for The Ms. Foundation for Women as the Circle sponsor include:

- Increased visibility for the issues
- Donor education
- Greater pool of grantmaking resources
- Better relationships with the donors

And the challenges are:

- Staff and time intensive
- Administrative costs

The Democracy Funding Circle is staffed by the Ms. Foundation for Women's Director of Institutional Planning who has responsibility for managing the circle, setting agendas, facilitating circle meetings, overseeing the grantmaking process, and working with the educational consultant. The Executive Director is also involved in attending every meeting and helping with recruitment/retention. A consultant serves as the education director but the President also participates in many education sessions.

### ***Meanwhile in California...***

The Women's Foundation of California has created its "Race, Gender, Human Rights Donor Circle" with 6 member donors and has room for 2-3 more. The threshold-level gift is \$25,000 and since its founding in 2001 it has raised more than \$300,000, with most of those funds going directly into grantmaking.

The participants are highly engaged. The members spent a year and a half studying the race, gender, and human rights issues on which their grants are focused. They are not only active, but directive in the grantmaking process: they set issue area and geographic criteria, make site visits, review all proposals, and make funding decisions. First year funding went to media and communication strategies in economic justice and criminal justice organizations. In the second year they will deepen this work with a particular focus in the criminal justice area.

The staffing has been estimated as:

- One volunteer dedicated to donor education (10% FTE)
- Pres/CEO (3%)
- VP of Programs (5%)
- VP Strategic Partnerships and Communications (15%)
- Administrative Assistant (15%)

## High Intensity Circles

### Type 5: Proactive Circle - Lasting Legacy

In this type of Circle, the participants are donors who wish to give, learn, and lead on their issue of choice. They are looking for innovation, best practice, and serious social change investments. They want to leverage social change beyond their own Circle. They are willing to work together more formally with the help of the host organization to plan, fund, evaluate and learn. Learning circles at this level of intensity can lead to formal collaboratives; spin-offs to individual or group donor advised funds; and replication of either the Circle or the work the Circle has funded. Sometimes these Circles resemble “field-of-interest” funds or are structured and administered like donor-advised funds.

#### **Characteristics:**

- Being proactive in planning and making grants requires a higher level of resources and the threshold level is likely to be quite high (\$25,000 to \$100,000).
- Participation by donors requires a bigger time investment since the activities will range from planning to evaluation.
- The Circle budget must be structured to allow for grantmaking as well as evaluation and more formal learning activities.
- The Circle members will tend to expand their collaborative work by leveraging their giving with other philanthropists outside the Circle.
- Sometimes the host organization and/or a participant help to raise matching funds to maximize the financial impact of the Circle.

#### **Relationships:**

- The relationships among the Circle participants depend less on an emotional commitment to each other than on beliefs in shared strategy.
- The Circle has a closely aligned but semi-autonomous relationship with the host organization.

#### **Staffing:**

- Staff facilitation becomes intense as the Circle is functioning at a strategic programmatic level and not simply as a donor network.
- Staff is designated to the Circle and keeps the Circle aligned with the host organization.

However the work of the Circle may be a fully developed strategy resulting from focused planning by the members and therefore can be somewhat independent from the host organization.

### **Challenges:**

- The participants are usually experienced philanthropists, making it demanding to conceptualize and deliver appropriate learning experiences.
- Group process and decision-making require expert facilitation.
- As more money is available, and more insight develops, within the group, the group increases its expectations about the quality of grantees and the impact that those grantees will have.
- Participants are voluntary donors, not staff, and yet they may aspire to intense participation and leadership in the host organization. The more time they desire to invest, the more staffing is required.
- The hybrid nature of this type of Circle means that the dynamics often resemble the emotional or decision-making processes of a Donor Circle but the structure may be established as a donor-advised fund.

### **Worst case:**

- With more strategic focus it is possible that the group will experience conflicts that exceed their skills and those of the staff. The individuals may begin to disconnect from each other, the Circle and/or the host organization as a way of avoiding the conflict.

### **Best Case:**

- The financial asset of the Circle brings additional attention and assistance to an important issue.
- Each Circle participant is an ally for the host organization and the issue.
- Donors grow in respect and dedication to the host organization and look for additional opportunities to give and serve the organization.
- Donors begin making long-term commitments to the issue and/or the host organization.

## Type 5: The Women's Foundation of California and The Dallas Women's Foundation

The Dallas Women's Foundation is experimenting with group-based donor advised funds that blend Donor Circle culture with donor-advised structure. The Dallas Women's Foundation has established a circle of donors within the Texas Instruments Corporation who also have chosen a donor-advised structure.

The Dallas Women's Foundation originally aimed for recruiting 10 members, but got 25. The threshold pledge is \$5,000 (\$1K annually for 5 years). So far \$200,000 has been confirmed in pledges and gifts both from women who are executives at Texas Instruments, and spouses of men who are executives at Texas Instruments. Recently Texas Instruments decided to let the "Women of Texas Instruments" direct the use of its regular corporate giving to The Dallas Women's Foundation. The Texas Instruments Foundation has added some grant dollars as well.

The "**Women of Texas Instruments**" have made two significant decisions:

- As a donor-advised fund, the funds raised go to The Dallas Women's Foundation's endowment and grantmaking will be done from the interest income.
- The focus of their fund will be math, science, and technology for women and girls.

Because available grantmaking dollars are still small the members have not yet established process guidelines for making grantmaking decisions/recommendations with The Dallas Women's Foundation.

The Dallas Women's Foundation has found the work for this circle/fund to be somewhat less than expected. The women identify together as part of Texas Instruments and are somewhat self-sufficient, getting tasks done through their workplace connections. The model has proven to be both pleasant and productive for The Dallas Women's Foundation's staff and board and they are exploring options for creating circle/funds in other workplace settings (e.g. law firms).

The greatest challenges are the successful scheduling of meetings among such busy people and establishing clear action on recruitment of additional members leadership succession and decision making procedures.

## Beyond Type 5

While this report presents a typology for Donor Circles, the continuum blurs as we move beyond Type 5. Recently several new forms of philanthropy have emerged that are related, but are not the same as Donor Circles.

Donor Collaboratives, for example, build on the idea of shared learning and shared giving. Like Donor Circles, Donor Collaboratives function by engaging in shared learning and shared giving focused on a specific issue or theme. Donor Collaboratives differ because they frequently include institutions as well as individuals. The Ms. Foundation for Women was one of the first funders to establish a Donor Collaborative. Donor Collaboratives work at a higher intensity level than many other collaborative arrangements because they are generally “made up of funders who have agreed to pool resources and let the pool be allocated by the decisions of the Collaborative members operating as a group.” (From the Collaborative Fund Model: Effective Strategies for Grantmaking, The Ms. Foundation for Women, Donor Collaborative Fund for Women’s Economic Development and Collaborative Fund for Youth-Led Social Change.) Donor Collaboratives provide an interesting window into the future of social change philanthropy since they could provide opportunities for several women’s funds to work together on a shared strategy or for women’s funds to expand partnerships with larger funders in all sectors.

## So, Why Would an Organization Choose to Implement a Donor Circle?

In essence a Donor Circle fills a unique slot in an organization's fundraising and education portfolios; it provides an opportunity to engage a donor on an issue of importance to them – with their commitment to learn, grow and connect during the process of their giving. In every instance organizations want donors to become more connected to their work. Donor Circles present an intensive framework to build those connections in a way that gives substantial benefit to the donor. When implemented with a consciousness of connections to the overall organization, Donor Circles have proven to be a successful means of translating a one-issue donor to a movement-wide organizational champion.

Donor Circles also provide an exceptional pathway to realizing an organization's social change agenda. Donor Circles create pools of committed funds for grantmaking to make social change HAPPEN in a community. Donor Circles also create new knowledge, and transform everyday donors into well-informed advocates who can share knowledge in other arenas of a community. New knowledge, coupled with advocacy by donors has the potential to create a ripple of social change through a community.

Even given the great benefits, Donor Circles must match the capacity and strategy of a foundation to be worthwhile. Foundations may be presented with many opportunities to employ Donor Circles on new topics; however foundations are wise to choose only those opportunities that fit the strategic development of the foundation and the community. Not every issue of interest to the community (or even to women) may be appropriate for a foundation to invest precious resources in developing a Donor Circle. However when opportunities, issues and foundation strategy align, Donor Circles are powerful instruments.

The next section asks organizations to consider if they are ready to launch a Donor Circle, and if so what is the best strategy.



# Guide to Decision Making

## Choosing the Right Circle for the Job

The intensity spectrum is a key tool for choosing the right circle for the job.

Each consideration of forming a Donor Circle should start with a basic statement of purpose for the proposed Circle. Ask some common-sense questions appropriate to each layer of the intensity scale. For example:

1. Adding new donors to my foundation/fund does/does not dominate my motives for wanting to create a women's fund.
2. Educating existing and new donors coming to my fund does/does not dominate my motives.
3. There is an urgent or emerging need in the community served by this foundation and we need to energize donors around that specific issue.

These questions are only a few of those that could and should be asked about forming a Donor Circle. The following pages include the tools and materials you need to make a decision. They include:

- A. The 8 Indicators: An Intensity Comparison
- B. Capacity Check: A Self-Assessment Quiz
- C. How to Launch
  - Type 1
  - Type 2
  - Type 3
  - Type 4
  - Type 5
- D. Evaluations You Can Use with your Donor Circle
- E. References: In Print and Online

## Donors' Circles: 8 Indicators of Intensity



Intensity / Characteristic	Key Question	1. Stakeholder Circle: Fundraising	2. Trust Circle: Friend Raising	3. Active Circle: Learning and Giving Together	4. Collaborative Circle: Making A Difference	5. Proactive Circle: Lasting Legacy
Fundraising Effectiveness / Size and Scale of Donors / Relationship to Organization	<ul style="list-style-type: none"> <li>• What is the level of Donor we want? And have at least a connection to now?</li> <li>• What is the type of relationship that we want to cultivate?</li> </ul>	<ul style="list-style-type: none"> <li>• Levels of giving vary from a low \$1000 or less and a high of \$25,000.</li> <li>• One step beyond donor recognition – individualized relationships and learning.</li> <li>• Donor becomes and organizational "stakeholder".</li> <li>• Attract new Donors or stretch to next level.</li> </ul>	<ul style="list-style-type: none"> <li>• Giving is often "entry level" and free-will \$1000 or less.</li> <li>• Donors know host organization, or someone connected to the organization.</li> <li>• Relationship emerges through Circle, either at individual or group level.</li> </ul>	<ul style="list-style-type: none"> <li>• Giving is modest (\$500 - \$2500) but commitments are often requested for multiple years.</li> <li>• Donors may be newly recruited on issue or existing donors.</li> <li>• Donors have emotional or intellectual interest in issue.</li> </ul>	<ul style="list-style-type: none"> <li>• High threshold \$10,000 - \$25,000.</li> <li>• Donors are focused on making a strategic difference with their money.</li> <li>• Donors have strong relationships to one another and organization.</li> <li>• Organization leaders (or future leaders).</li> </ul>	<ul style="list-style-type: none"> <li>• Very high threshold \$25,000 - \$100,000.</li> <li>• Experienced philanthropists -have given to and been involved with the host organization.</li> <li>• Outside funds leveraged for the issue as circle progresses.</li> <li>• Relationship is one of partnership with the fund.</li> </ul>
Satisfaction of the Donor / Time Commitment	<ul style="list-style-type: none"> <li>• How much time are the Donors willing to put in?</li> <li>• What is the basis of the relationship?</li> <li>• What kind of impact information will be compelling for donors? Are donors willing to include impact measurement as part of the facilitation and administration costs?</li> </ul>	<ul style="list-style-type: none"> <li>• Time is minimal.</li> <li>• "More than a Donor".</li> <li>• Relationship to an effective organization with shared values is satisfying.</li> <li>• Donors and the host have clear understanding about what information donors want about how their gifts are used.</li> </ul>	<ul style="list-style-type: none"> <li>• Time varies as group progresses.</li> <li>• Finding a way to connect to others and / or make a difference.</li> <li>• Group identity and goal is still emerging.</li> <li>• Donors are being educated about how the foundation makes a difference.</li> </ul>	<ul style="list-style-type: none"> <li>• Time commitment is moderate (2 – 3 years).</li> <li>• Relationship centered on learning about issue and connecting with others.</li> <li>• Social change expectations begin to develop. Need to be proportionate to giving level.</li> </ul>	<ul style="list-style-type: none"> <li>• Time commitment is high (3 – 5 years).</li> <li>• Appetite for learning about issues.</li> <li>• Relationship is centered on connections to other members of Circle and grantmaking.</li> <li>• Methodology is in place and being used to evaluate social change impact. Members inform that methodology.</li> </ul>	<ul style="list-style-type: none"> <li>• Time investment is very high (8-10 years).</li> <li>• Relationship is focused on high demands for impact.</li> <li>• Satisfaction comes from seeing change on issue.</li> <li>• Social change impact measurement results in good data and compelling stories that can be used with other audiences.</li> </ul>
Empowerment of the Donor	<ul style="list-style-type: none"> <li>• What do people want to get out of it?</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder in the organization.</li> </ul>	<ul style="list-style-type: none"> <li>• Personal factors.</li> <li>• Identification with the like-minded others.</li> </ul>	<ul style="list-style-type: none"> <li>• Learning and understanding the issue better, connect to others.</li> </ul>	<ul style="list-style-type: none"> <li>• Making impact, connections to others with similar drive.</li> </ul>	<ul style="list-style-type: none"> <li>• Identifying good strategy that makes systems change.</li> <li>• Be a leader on the issue.</li> </ul>
Learning Curve on Issue or Host Organization	<ul style="list-style-type: none"> <li>• How intense are the learning goals/needs of the participants?</li> <li>• How much do we want to learn as an organization about particular issues?</li> </ul>	<ul style="list-style-type: none"> <li>• Learning focuses on understanding host organization.</li> <li>• Learning is not prime factor for donor. Learning is a donor cultivation activity from organization's view.</li> </ul>	<ul style="list-style-type: none"> <li>• Learning goals are emerging; better understand host organization or an issue.</li> <li>• Organization may have issue of interest to explore.</li> </ul>	<ul style="list-style-type: none"> <li>• Donors are knowledgeable on issue, want to gain much greater depth.</li> <li>• Learning is central activity of Circle.</li> <li>• Organization has expertise in an issue or wants to gain expertise.</li> </ul>	<ul style="list-style-type: none"> <li>• Strong desire to learn. Have basic knowledge of issues.</li> <li>• Organization has expertise in an issue or wants to gain expertise.</li> </ul>	<ul style="list-style-type: none"> <li>• Donors are quite knowledgeable or curious, looking for best strategy, innovation.</li> <li>• Learning becomes more intense with time.</li> <li>• Organization wants to gain substantial expertise on emerging issue.</li> </ul>



Intensity / Characteristic	Key Question	1. Stakeholder Circle: Fundraising	2. Trust Circle: Friend Raising	3. Active Circle: Learning and Giving Together	4. Collaborative Circle: Making A Difference	5. Proactive Circle: Lasting Legacy
Relationship Building and Collaboration	<ul style="list-style-type: none"> <li>How will Donors relate to others and the host organization?</li> </ul>	<ul style="list-style-type: none"> <li>Relationship is to the host organization.</li> <li>Only occasional events with others.</li> </ul>	<ul style="list-style-type: none"> <li>Relationship to others is only emerging... not a given.</li> </ul>	<ul style="list-style-type: none"> <li>High value on new relationships made through Circle.</li> <li>Energy comes from group process.</li> <li>Also link to the host.</li> </ul>	<ul style="list-style-type: none"> <li>Donors expect close links to host-organization and other Circle members.</li> </ul>	<ul style="list-style-type: none"> <li>Relationships among donors are built on shared strategic outlook, not necessarily emotional connection. Partnership relationship to the organization.</li> </ul>
Structure and Facilitation	<ul style="list-style-type: none"> <li>How strong is our capacity to facilitate?</li> <li>How intensively do donors want to be staffed, facilitated and managed?</li> </ul>	<ul style="list-style-type: none"> <li>Existing development staff can and should handle this type of circle as all the donors are relating directly to the host organization.</li> <li>One-on-one relationships are staff intensive.</li> <li>Attentive communication needed.</li> <li>A few events per year.</li> </ul>	<ul style="list-style-type: none"> <li>Designated staff or a contract specialist is needed, possibly as much as 5-10% FTE, depending on how many circles are to be organized.</li> <li>Donors want to define the group and facilitation needs as they emerge.</li> <li>Skill is needed in helping to guide without frustrating participants.</li> </ul>	<ul style="list-style-type: none"> <li>Designated staff or consultant is needed for management and accountability, 10-20% FTE, depending on intensity and size of circle.</li> <li>Facilitation must create an intentional and organized learning process.</li> <li>Demanding process for staff since the circle is functioning on multiple levels of Donor cultivation, Donor education, issue education.</li> </ul>	<ul style="list-style-type: none"> <li>Designated staff or consultant is needed for management and accountability, 10-20 % FTE, depending on intensity and size of circle.</li> <li>Prepare other top staff members to allocate time to interact with circle members.</li> <li>Facilitation is time-consuming.</li> <li>Focused on strategy.</li> <li>Staff plays strong role in coordinating and organizing.</li> </ul>	<ul style="list-style-type: none"> <li>Designated internal staff member is needed so that the increasingly autonomous spirit of the group can stay in sync with the host's values and goals. Staff time is likely to be 5-10%, especially if the group is somewhat small and networked within another partner organization.</li> <li>Prepare other top staff members to allocate time to interact with circle.</li> <li>Facilitation is intense and highly skilled.</li> <li>Circle is aligned with host-organization but has semi-autonomous relationship.</li> <li>Can lead to formal collaboratives, spin-offs, or donor advised funds.</li> </ul>
Giving Decisions/ Engagement beyond the Circle with Grantees and Leaders	<ul style="list-style-type: none"> <li>How much control of giving are we willing to offer and how well does it fit with our values of participatory philanthropy? Autonomous grant-making? Advising the board? Giving input?</li> <li>What kind of relationships with grantees are needed?</li> </ul>	<ul style="list-style-type: none"> <li>Donors do not direct funding decisions.</li> </ul>	<ul style="list-style-type: none"> <li>Donors do not direct funding in early stages.</li> </ul>	<ul style="list-style-type: none"> <li>Circle makes funding decisions, or advises host.</li> <li>May want to talk with experts and grantees to better understand issue.</li> </ul>	<ul style="list-style-type: none"> <li>Directs funding decisions with staff support.</li> <li>Want to see projects firsthand and connect to NGO leaders.</li> </ul>	<ul style="list-style-type: none"> <li>Directs funding decisions in total.</li> <li>Leveraging funds beyond group for issue.</li> <li>Connected to grantees. Grantee expectations rise as Circle evolves.</li> </ul>
Desire for Evidence of Social Change Impact of Circle	<ul style="list-style-type: none"> <li>How much "proof" of impact is desired?</li> <li>What is our capacity for measuring social change impact?</li> </ul>	<ul style="list-style-type: none"> <li>Donors generally want to know "where did my investment go?" and "how did it matter?"</li> <li>Want information, but not specific demands.</li> </ul>	<ul style="list-style-type: none"> <li>Still identifying what values are shared and what change is desired.</li> </ul>	<ul style="list-style-type: none"> <li>Focused on a specific issue.</li> <li>Want to know what happened in funded programs.</li> <li>Learning is an important outcome.</li> </ul>	<ul style="list-style-type: none"> <li>Seeing that a difference is made in funded projects is important.</li> </ul>	<ul style="list-style-type: none"> <li>Strong desire for evaluation and impact information. Desire increases over time.</li> </ul>
Overall	<ul style="list-style-type: none"> <li>What is the desired end overall?</li> </ul>	<ul style="list-style-type: none"> <li>Stake in the organization.</li> </ul>	<ul style="list-style-type: none"> <li>Emerging - driven by participants.</li> </ul>	<ul style="list-style-type: none"> <li>Learning about the issue, making connections.</li> </ul>	<ul style="list-style-type: none"> <li>Making a difference in funded projects.</li> </ul>	<ul style="list-style-type: none"> <li>Finding the leverage points – systems.</li> </ul>

## Women's Funding Network Donors' Circles: Capacity Check

### Capacity Check:

Do we have the organizational resources to manage the type of donor Circle we want?

#### 1. My Smart Growth Life-Stage is:

[If your organization has recently completed the Smart Growth Assessment, insert your appropriate Life Stage. If you don't have an existing score, you can complete the Smart Growth Quick Quiz in 5-10 minutes and insert a score. Or you can temporarily skip this question. While not completely matched, the Smart Growth capacities needed in each stage are similar to the capacities needed for each type of Donor Circle.]

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

[Note: For the remaining questions, 1 means "not at all or none" and 6 means "the greatest or the most."]

#### 2. We have donors who have already expressed an interest, in allocating time and energy to learning and giving:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

#### 3. We have somebody on our fundraising team with specialized skills in donor education who can be assigned to the Circle:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

#### 4. We have a fundraising staff person (or equivalent) who will be assigned to facilitate and manage the Circle:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

#### 5. Our Executive Director and/or a Board Leader will be significantly involved in the Circle:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

#### 6. We have issues-based staff, board members, and/or consultants who can create issues-based learning opportunities for the Circle:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

7. We have dedicated resources in our budget to cover the startup of a Circle, including staff time for identifying and engaging donors in the Circle concept, planning and implementation, communications and follow up:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

8. Our donors understand the need for, and are willing to allocate a small part of the Circle contributions to our administrative, facilitation, and hosting costs:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

9. Our donors are willing to meet a giving threshold for the Circle and to cover their own costs for travel, lodging, etc. for specific learning activities:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

10. Our staff and board understand that creating a Circle means a commitment of several years to the donors and to the issue:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

**Scoring:**

Add up the total number of choices in each number:

\_\_\_1 \_\_\_2 \_\_\_3 \_\_\_4 \_\_\_5 \_\_\_6

**Results and Next Steps:**

5's and 6's: **7 or more**

Your Fund has the overall capacity to launch and sustain any type of Circle, including the most intensive Types 4 and 5.

3's and 4's **5 or more**

Caution: Your Fund may have high ambitions for a Circle and your donors may be pressuring you for a rich learning experience, but you could easily over-extend your staff and your resources, resulting in disappointment among donors and failure to meet both financial and donor-development goals.

If you are sure that you and your donors would benefit by a group-based learning and giving process, start with a Type 3 Circle.

If you are more interested in strengthening the one-on-one relationships between the Fund and the donors or increasing the donors' identification with your Fund; and if learning is only a modest incentive for the donors, consider a Type 1 Circle.

1's and 2's 5 or more

Keep it Simple: Your Fund has few resources to sustain a Circle with high participatory, strategic, and collaborative ambitions.

Create a Type 1 Circle to maximize giving levels but minimize relationship building and group learning events.

Create a Type 2 Circle to reach out and make friends, using existing donors to bring new networks and friends to you.

### **Scattered Score: Back to the Basics!**

Think about this big picture question:

The element our fundraising and donor education portfolios need most is:

- Donors that feel a stake in the organization because they made a gift at a significant level.  
Choose Type 1.
- A gradual way to involve new people and help them learn about the foundation and the issues.  
Choose Type 2.
- A method of helping donors connect with one another and learn more about the issues.  
Choose Type 3.
- Donors who are driven to make a difference on a particular issue – and are willing to give to that issue. Choose Type 4.
- A semi-autonomous group that is advancing the philanthropic agenda of an issue.  
Choose Type 5.

Other ways to help you decide:

Update your Smart Growth Assessment—at least these few pieces:

- The Quick Quiz for an overall sense of organizational life stage
- The Financial/Fund Development Assessment
- The Systems Assessment

This process will help clarify your fundraising capacity and therefore your ability to manage a Circle. The process also will likely result in more insight about your fundraising and donor-development goals. With this additional information you should be able to select a Circle type that meets your goals and is manageable.

# HOW TO LAUNCH!

## How to Launch—Donors' Circles Types 1–5

### Type 1: Stakeholder Circle: Fundraising

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type One: Stakeholder Circle: Fundraising	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
1. Identifying the People	Outreach to new or existing donors to identify those who have the means and/or potential interest to be more to move to a the designated level of giving. Those that would be interested in perks plus seeing their role as an "organizational stakeholder."	The interest and organizing force may come from a lead donor or donors who wish to see more people join as organizational stakeholders.	
2. Planning	Draft a Statement of Purpose and Specific Goals/Outcomes, including benefits to the donor that extend beyond typical donor event. [This should be focused mainly on donor education of individuals, instead of group processes].		If this Donor Circle was initiated by a lead donor, provide opportunity for feedback. Then revise and/or approve the purpose and specific goals of the Circle with that donor(s). In general this type of Circle will be offered as a "perk" to donors and help to identify the spirit of their gift.
	Set specific organizational outcomes that will be achieved through the Circle (i.e. funds raised, number of donors, etc.)		
	Propose a giving level appropriate for the circle's purpose and the donors who have been invited. Determine what types of gifts will be accepted (in-kind for example.)		Again, lead donors may be involved in setting the financial goal and threshold giving levels for participants.
3. Get Organized	Choose a staff leader who will facilitate and manage the work of the circle. This person needs to be skilled in donor education, one-on-one communication / development and organizing a few events for donors.		
	Allocate budgetary resources needed to host/facilitate the Circle.		
	Create a timetable for events and a donation schedule.		
	Create tracking system for individual development and learning. Since this type of Circle focuses on the development of individual donors, sophisticated mechanisms are needed to communicate, plan and track. This may include issues of interest, potential future leadership roles, etc.	Reserve time for learning events related to the Circle; plan to give according to the level and schedule set for the Circle.	

# HOW TO LAUNCH!

## How to Launch—Donors' Circles Types 1–5

### Type 1: Stakeholder Circle: Fundraising

*(continued)*

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type One: Stakeholder Circle: Fundraising	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
4. Communications	Confirm participation and benefits that are accrued through giving at this level. Articulate opportunities for donor give input and gain knowledge as an organizational stakeholder.	Sign a copy of the agreement, affirming the responsibilities of both participating and giving.	
	Use a survey, or one-on-one meetings to determine individual donor interests and plan for development as an organizational stakeholder.	Determine interest as an organizational stakeholder in the organization's future. Share that interest with staff and plan for future involvement and development.	Agree on shared goals of involvement and future activities that the organization will provide.
	Propose a media strategy about the circle that will either: <ul style="list-style-type: none"> <li>• Make the process public (for what purposes?) or</li> <li>• Keep a low and possibly a "confidential" profile.</li> </ul>		Agree on an appropriate media strategy with lead or initiating donors.
	Implement the communications plan/strategy.		
5. Implementation	Create learning opportunities and relationship –building activities for each of the donors' events.	Give input for the design of appropriate meetings and learning opportunities. Be available to help staff in designing and planning events.	
	Provide logistics support and arrange all learning events.		
	Contact donor regularly and provide learning and stakeholder opportunities (send articles of interest, site visits, etc.) Consider future organizational roles that the individual will play.	Participate in those activities that are of interest and helpful to you and to the organization.	Share feedback of learning and needs for more or less involvement.
6. Feedback / Evaluation and Learning	Design a feedback process for gauging interest and readiness to make a deeper connection to the foundation.	Give honest feedback and constructive ideas for future improvements.	Communicate and make changes based on donor needs.

# HOW TO LAUNCH!

## Type 2: Trust Circle: Friend Raising

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type Two Trust Circle: Friend Raising	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
1. Identifying the People	Outreach to new or existing donors to identify those who have the means and/or potential interest to be more than "just" a donor.	The interest and organizing force may come from a donor or donors who wish to intensify their giving as well as their knowledge about an issue.	Understanding that this is an exploratory process to determine if/how/who wants to be involved in a Donor Circle.
2. Planning	Draft a Statement of Purpose and Specific Goals/Outcomes. [This should reflect the exploratory nature of this type of Circle.] Include clarification about where the moments of decision will be to go forth and fully implement a Donor's Circle.	A donor may have a network of friends who can be moved from a social purpose (e.g. a book club or business group) to an interest in giving to women's and girls' issues through a women's fund.  With help from the host fund, reach out to friends and assess their interest and willingness.	Revise and/or approve the exploratory goals.
	Set specific organizational outcomes that will be achieved through the Circle (i.e. funds raised, number of donors, etc.). These may have to be framed in terms of new contacts with the sponsoring organization.		
	Propose a giving level appropriate for the Circle's purpose and the donors who have been invited. This type of Circle should have a relatively low threshold.		Agree to a financial goal and a threshold giving level for each participant.
3. Get Organized	Choose a staff leader who will facilitate and manage the work of the Circle. This person needs to be skilled in exploratory processes, donor education and in the circle's special issue or focus.		
	Allocate budgetary resources needed to host/facilitate the Circle.		
	Hold events or meetings that give people the opportunity to determine if they have an interest in pursuing a Donor Circle.	Attend and consider desires.	Determine future course of action of Learning Circle. (Could be to move to a more formal Type 3 Circle, or to move to a Type 1 – or a hybrid).
	Create a timetable for events and a donation schedule.	Reserve time for learning events related to the Circle; plan to give according to the level and schedule set for the Circle.	

# HOW TO LAUNCH!

## Type 2: Trust Circle: Friend Raising

(continued)

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type Two Trust Circle: Friend Raising	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
4. Communications	After determining type of Circle, confirm initial agreements in a brief and concise written document that will guide both the facilitating staff as well as the donors.	Sign a copy of the letter of agreement, affirming the responsibilities of both participating and giving.	
	Propose a media strategy about the circle that will either: <ul style="list-style-type: none"> <li>• Make the process public (for what purposes?) or</li> <li>• Keep a low and possibly a confidential profile.</li> </ul>		Agree on an appropriate media strategy.
	Implement the communications plan/strategy.		
5. Implementation	Create learning opportunities and relationship – building activities for each of the donors' events.	Give input for the design of appropriate meetings and learning opportunities. Be available to help staff in designing and planning events.	
	Provide logistics support and arrange all learning events.		
	Facilitate each event.		Share responsibility for the quality of each event and learning opportunity.
6. Feedback / Evaluation and Learning	Design a feedback process for gauging interest and readiness to make a deeper connection to foundation.	Give honest feedback and constructive ideas for future improvements.	

# HOW TO LAUNCH!

## Type 3: Active Circle—Learning and Giving Together

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type Three Active Circle – Learning and Giving Together	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
1. Identifying the People	Outreach to new or existing donors to identify those who have the means and/or potential interest to be more than "just" a donor.	The interest and organizing force may come from a donor or donors who wish to intensify their giving as well as their knowledge about an issue.	
2. Planning	Draft a Statement of Purpose and Specific Goals/Outcomes. [This should be proportionate to a Type 3 Circle; don't over-promise or overburden the donors.] Include clarification about the grantmaking process, i.e. the Sponsoring Fund's responsibility? Or a Circle responsibility. Also include level of resources that will be kept for administration of the Circle.		Revise and/or Approve the purpose and specific goals of the Circle.
	Set specific organizational outcomes that will be achieved through the Circle (i.e. funds raised, number of donors, etc.)		
	Propose a giving level appropriate for the circle's purpose and the donors who have been invited.		Agree to a financial goal and a threshold giving level for each participant.
3. Get Organized	Choose a staff leader who will facilitate and manage the work of the Circle. This person needs to be skilled in donor education and in the Circle's special issue or focus.		
	Allocate budgetary resources needed to host/facilitate the Circle.		
	Create a timetable for events and a donation schedule.	Reserve time for learning events related to the Circle; plan to give according to the level and schedule set for the Circle.	
	Create a timetable for events and a donation schedule.	Reserve time for learning events related to the Circle; plan to give according to the level and schedule set for the Circle.	

# HOW TO LAUNCH!

## Type 3: Active Circle—Learning and Giving Together

*(continued)*

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type Three Active Circle – Learning and Giving Together	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
4. Communications	Confirm initial agreements in a brief and concise written document that will guide both the facilitating staff as well as the donors.	Sign a copy of the letter of agreement, affirming the responsibilities of both participating and giving.	
	Propose a media strategy about the circle that will either: <ul style="list-style-type: none"> <li>• Make the process public (for what purposes?) or</li> <li>• Keep a low and possibly a confidential profile</li> </ul>		Agree on an appropriate media strategy.
	Implement the communications plan/strategy.		
5. Implementation	Create learning opportunities and relationship –building activities for each of the donors' events.	Give input for the design of appropriate meetings and learning opportunities. Be available to help staff in designing and planning events.	
	Provide logistics support and arrange all learning events.		
	Facilitate each event.		Share responsibility for the quality of each event and learning opportunity.
6. Feedback / Evaluation and Learning	Design a feedback process for gauging interest and readiness to make a deeper connection to foundation.	Give honest feedback and constructive ideas for future improvements.	

# HOW TO LAUNCH!

## Type 4: Collaborative Circle: Making a Difference

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type Four Collaborative Circle: Making a Difference	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
1. Identifying the People	Outreach to new or existing donors to identify those who have the means and/or potential interest in strategic and directed grantmaking at higher levels.	The interest and organizing force may come from a donor or donors who wish to intensify their giving as well as their knowledge about an issue.	
2. Planning	Draft a Statement of Purpose and Specific Goals/Outcomes. [This should be proportionate to a Type 4 Circle; don't over-promise or overburden the donors.] This should include clarification about the type and quality of learning experiences, as well as grantmaking control. Also include level of resources that will be kept for administration of the Circle.		Revise and/or Approve the Purpose and specific goals of the Circle.
	Set specific organizational outcomes that will be achieved through the Circle (i.e. funds raised, number of donors, etc.)		
	Propose a giving level appropriate for the circle's purpose and the donors who have been invited.		Agree to a financial goal and a threshold giving level for each participant.
3. Get Organized	Choose a staff leader who will facilitate and manage the work of the circle. This person needs to be skilled in facilitation, adult learning, and the specific issue which is of interest to the members. Outside facilitators with a strong link to the organization may be considered.		
	Determine initial donor knowledge so that appropriate experiences can be developed. Expectations are likely to be high and this can maximize an organization's chances of meeting expectations.	Complete donor knowledge survey or interview.	
	Allocate budgetary resources needed to host/facilitate the Circle.		
	Create a timetable for events and a donation schedule	Reserve time for learning events related to the Circle; plan to give according to the level and schedule set for the Circle.	

# HOW TO LAUNCH!

## Type 4: Collaborative Circle: Making a Difference

(continued)

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type Four Collaborative Circle: Making a Difference	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
4. Communications	Confirm initial agreements in a brief and concise written document that will guide both the facilitating staff as well as the donors.	Sign a copy of the letter of agreement, affirming the responsibilities of both participating and giving.	
	Propose a media strategy about the circle that will either: <ul style="list-style-type: none"> <li>• Make the process public (for what purposes?) or</li> <li>• Keep a low and possibly a "confidential" profile</li> </ul>		Agree on an appropriate media strategy.
	Implement the communications plan/strategy.		
5. Implementation	Create learning opportunities and relationship –building activities for each of the donors' events. Create opportunities to also build ties to the organization.	Give input for the design of appropriate meetings and learning opportunities. Be available to help staff in designing and planning events.	
	Create processes where: <ul style="list-style-type: none"> <li>• Strategy can be developed to get desired changes;</li> <li>• Connections are made to grantees and recipients; and</li> <li>• Results of funding can be determined at an appropriate level.</li> </ul>	Give input through these processes on strategic framework for the Circle's action.	Agree on strategy focus, evaluation methods and connections to grantees.
	Provide logistics support and arrange all learning events		
	Facilitate each event.		Share responsibility for the quality of each event and learning opportunity.
6. Feedback / Evaluation and Learning	Design feedback process for gauging interest and readiness to make a deeper connection to the foundation. Feedback should be frequent as expectations are high.	Give honest feedback and constructive ideas for future improvements	

# HOW TO LAUNCH!

## Type 5: Proactive Circle: Lasting Legacy

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type Five Proactive Circle: Lasting Legacy	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
1. Identifying the People	Outreach to new or existing donors to identify those who have the means and/or potential interest in strategic and directed grantmaking at higher levels.	The interest and organizing force often comes from a donor or donors who wish to focus on developing strategy over several years to make large change.	Agreement on developing a high-intensity Circle.
2. Planning	Draft a Statement of Purpose and Specific Goals/Outcomes. [This type of Circle is intense and should include clarification about the type activities and learning, the autonomy of the Circle, the support that will be provided by the sponsoring organization, the use of leveraged funds. Also include level of resources that will be kept for administration of the Circle.	Enter into discussion on the role of the sponsoring organization. Clarify the desires and goals of donors and expectations of the organization.	Revise and/or approve the purpose and specific goals of the Circle.
	Set specific organizational outcomes that will be achieved through the Circle (i.e. funds raised, number of donors, etc.)		
	Propose a giving level appropriate for the Circle's purpose and the donors who have been invited.		Agree to a financial goal and a threshold giving level for each participant.
	Determine what mechanisms the organization will use to track learnings and disseminate learnings through its own work.		
3. Get Organized	Choose a staff leader who will facilitate and manage the work of the Circle. This person needs to be highly skilled in facilitation, especially of strategy development and implementation, and the specific issue which is of interest to the members. Outside facilitators with a strong link to the organization may be considered.		
	Working with lead donors, plan and organize the experiences that will aid in the development of strategy. Donor interviews will be helpful in determining if there are individual development needs that correspond to group work. Expectations are likely to be high and this can maximize an organization's chances of meeting expectations.	Complete donor interview.	
	Allocate budgetary resources needed to host/facilitate the Circle.		
	Create a timetable for events and a donation schedule.	Reserve time for learning events related to the Circle; plan to give according to the level and schedule set for the Circle.	

## HOW TO LAUNCH!

### Type 5: Proactive Circle: Lasting Legacy

(continued)

*Note: The process of launching assumes that the Fund already has carefully chosen the type of circle that is most appropriate to its own and its intended donors' needs and goals and also is well-matched to the available resources for facilitation and administration.*

Type Five Proactive Circle: Lasting Legacy	Sponsoring Fund's Activities	Donors' Activities	Collaborative Activities Between Fund & Donors
4. Communications	Confirm initial agreements in a brief and concise written document that will guide both the facilitating staff as well as the donors.	Sign a copy of the letter of agreement, affirming the responsibilities of both participating and giving.	
	Propose a media strategy about the circle that will either: <ul style="list-style-type: none"> <li>• Make the process public (for what purposes?) or</li> <li>• Keep a low and possibly a confidential profile</li> </ul>		Agree on an appropriate media strategy.
	Implement the communications plan/strategy.		
5. Implementation	Create learning opportunities and relationship –building activities for each of the donors' events.	Give input for the design of appropriate meetings and learning opportunities. Be available to help staff in designing and planning events.	
	Provide logistics support and arrange all learning events.		
	Facilitate each event.		Share responsibility for the quality of each event and learning opportunity.
6. Feedback / Evaluation and Learning	Design a feedback process for gauging interest and readiness to make a deeper connection to foundation.	Give honest feedback and constructive ideas for future improvements.	



## Evaluations: Donor Circle On-going Feedback Form

*(Taken from the Michigan Women's Foundation and the Dallas Women's Foundation)*

This brief survey helps to gather data about the quality of the circle while the circle is active. It will provide information to improve its performance

1. How satisfied are you with our the facilitation of our Donor Circle?

\_\_\_\_\_1 \_\_\_\_\_2 \_\_\_\_\_3 \_\_\_\_\_4 \_\_\_\_\_5 \_\_\_\_\_6  
Completely unsatisfied Absolutely satisfied  
Suggestions for changes:

2. How satisfied are you with your own learning through our Donor Circle?

\_\_\_\_\_1 \_\_\_\_\_2 \_\_\_\_\_3 \_\_\_\_\_4 \_\_\_\_\_5 \_\_\_\_\_6  
Completely unsatisfied Absolutely satisfied  
Suggestions for changes:

3. How satisfied are you with the social change created through our Donor Circle?

\_\_\_\_\_1 \_\_\_\_\_2 \_\_\_\_\_3 \_\_\_\_\_4 \_\_\_\_\_5 \_\_\_\_\_6  
Completely unsatisfied Absolutely satisfied  
Suggestions for changes:

4. How satisfied are you with the use of your donation through our Donor Circle?

\_\_\_\_\_1 \_\_\_\_\_2 \_\_\_\_\_3 \_\_\_\_\_4 \_\_\_\_\_5 \_\_\_\_\_6  
Completely unsatisfied Absolutely satisfied  
Suggestions for changes:

5. How are you progressing towards the personal goals/motivations that made you join the Circle?

\_\_\_\_\_1 \_\_\_\_\_2 \_\_\_\_\_3 \_\_\_\_\_4 \_\_\_\_\_5 \_\_\_\_\_6  
Completely unsatisfied Absolutely satisfied  
Suggestions for changes:

6. How would you characterize your relationship with the Women's Foundation at this point?

\_\_\_\_\_1 \_\_\_\_\_2 \_\_\_\_\_3 \_\_\_\_\_4 \_\_\_\_\_5 \_\_\_\_\_6  
No relationship A strong & deep relationship



6. How satisfied are you with the use of your donation through our Donor Circle?

\_\_\_\_\_1 \_\_\_\_\_2 \_\_\_\_\_3 \_\_\_\_\_4 \_\_\_\_\_5 \_\_\_\_\_6  
Completely unsatisfied Absolutely satisfied

Suggestions for changes:

7. How would you characterize your relationship with the Women’s Foundation at this point?

\_\_\_\_\_1 \_\_\_\_\_2 \_\_\_\_\_3 \_\_\_\_\_4 \_\_\_\_\_5 \_\_\_\_\_6  
No relationship A strong & deep relationship

8. In the future what type of relationships do you want to have with the Women’s Foundation?

\_\_\_\_\_1 \_\_\_\_\_2 \_\_\_\_\_3 \_\_\_\_\_4 \_\_\_\_\_5 \_\_\_\_\_6  
No relationship A strong & deep relationship

9. What stories or highlights would you share with another woman considering joining a Donor Circle?

10. Can you suggest names of women we should contact to join a Donor Circle?

11. Other comments appreciated?

## The Quick Lists

### Benefits of a Donor Circle reported by funds included:

1. It brings new funds to your organization.
2. It engages donors in a way that works for them.
3. It fuels social change.
4. It works for women – it gives them a relationship to their gift.
5. It is a great way to get new donors.
6. It can take grantmaking to a new geographic area or issue area.
7. It promotes donor activism.
8. It can lead to planned gifts.
9. It helps your organization gain expertise in a new area.
10. It helps blaze a trail on an issue of importance to women and girls in your area, and offers corresponding visibility.

### Points to Ponder

1. How do you transfer the donor's relationships from the Circle to the organization?
2. How do you create Donor Circles with diverse participants?
3. How do you coordinate/separate your Donor Circle from regular grantmaking?
4. How much power or control does the Donor Circle have? How does that relate to your organizational culture?

### Best Practices

*(Taken in part from "Growing Philanthropy through Giving Circles", Rutnik and Beaudoin-Schwartz)*

1. Hosting a Circle has to fit within the organization's strategic plan, priorities and culture. Starting a Circle without alignment of these components could spell problems with donor and community relations.
2. When donors approach women's foundations about a Donor Circle topic, not just "any issue" will do. While community foundations may welcome the advancement of most community betterment issues, women's foundations may want to consider only those issues that fit within their strategic platform or social change agenda.

*(Best Practices continued)*

3. Be clear with donors, board members and staff about the foundation's role in hosting, and the expectations of members. The arrangement should be in writing and describe financial and educational arrangements.
4. According to women's foundations and the work of the Association of Baltimore Area Grantmakers, hosting a Donor Circle requires significant organizational resources. It is best if there are staff who are explicitly assigned to the Circle whose existing responsibilities allow the time to accommodate the group and have the skills to match the type.
5. If the organization lacks capacity, start-up resources should be sought, prior to beginning the Circle (such as technical assistance for facilitation).
6. Strong volunteer leadership is helpful when beginning the Circle. Often these members recruit colleagues and acquaintances and provide the energy that makes others want to be involved.
7. The size of the threshold has to be both appropriate for the donor and enough that the donor feels a special sense of commitment. Consider the administrative repercussions of how the gift is made (annual giving, pledging, etc.).
8. Plan for growth. When implementing a Circle consider how many donors can be sustained and satisfied with the given resources.

## References – In Print and Online

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2. Creating a Women's Giving Circle: A Handbook. Sondra Shaw-Hardy. Women's Philanthropy Institute. [www.women-philanthropy.org/](http://www.women-philanthropy.org/)
3. The Collaborative Funding Model. The Ms. Foundation for Women. [www.ms.foundation.org](http://www.ms.foundation.org)
4. Philanthropy's Forgotten Resource? Engaging the Individual Donor. The State of Donor Education Today & A Leadership Agenda for the Road Ahead. New Visions Philanthropic Research & Development. [www.newvisionsprd.org](http://www.newvisionsprd.org)
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## Notes



## Notes





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