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Venture philanthropy is a type of institutional gift giving that is gaining importance throughout the world. With venture philanthropy, benefactors invest in causes that they support while maintaining a direct connection to the resulting program and playing a key role in leveraging additional support from other donors.

This type of philanthropy is diverse and growing. At one end of the continuum of venture philanthropists are well-known donors like the Bill and Melinda Gates, Carnegie, and Rockefeller Foundations. At the other end are an increasing number of smaller, family-managed private foundations and individuals who are giving or planning to give money to causes in which they believe.

This emerging class of private philanthropists expects the same high standards of entrepreneurship, drive, and accountability that drove their own businesses to success, and they often want to influence how their money is spent. Programs that wish to benefit from their support must understand these expectations and what it means in terms of program planning, communication, and reporting. This book is designed to tell the story of one such program and to share the lessons learned with individuals and organizations hoping to attempt something similar.

The story starts with two established Iowa State University (ISU) donors, Gerald A. and Karen A. Kolschowsky, who decided to push the university to get involved in a grassroots antipoverty program in the developing world. We describe how initial discussions with the Kolschowskys prompted a small group of ISU faculty and a fund-
raising officer to determine how they could collaborate. Located in Ames, ISU already had a historic commitment to the Kolschowskys’ goal, but US government and international support for this type of program in developing countries had dwindled. This group of faculty needed a suitable donor, and the Kolschowskys needed a suitable institution to help them advance their new philanthropic interests.

Initially, ISU required a clear idea of what the program was to accomplish; thus, two years were spent in deciding which country, partners, and activities were a good match for this type of joint partnership. Working through Ugandan partners, Volunteer Efforts for Development Concerns (VEDCO) and Makerere University (MAK) in Kampala, ISU executed a low-cost program to address some of the root causes of rural poverty in one of Uganda’s poorest districts, Kamuli.1 With support from private donors, the program—christened the Center for Sustainable Rural Livelihoods (CSRL)—grew. By 2013, CSRL had more than 208 donors, leveraging over $12 million in private gifts plus other external grants. The net impact of these activities has been a measurable increase in the standard of living for some of the most vulnerable households in Kamuli.

Based on an analysis of the CSRL story, we identified nine steps that other programs are likely to pass through in the course of developing a similar base of private donor support. Each of the first eight steps is the subject of a chapter in this book; the ninth step—which focuses on maintaining continual communication with the benefactors—is cross-cutting in each of the chapters. Each chapter begins with a brief summary of the challenges that any new program is likely to encounter in dealing with the subject step, then describes the CSRL program’s attempts to address those challenges, and concludes with a summary of lessons learned and recommendations based on CSRL’s experience that other organizations can use to develop well-thought-out, private benefactor-funded programs.

In recent years, the growing number of donors interested in strategic or results-based philanthropy has given rise to several books and even university-based centers in the United States. Those books and centers offer practical guidance to new and existing programs and the benefactors working with them. While this book is compatible with some of the emerging guidelines on venture philanthropy,2 it is also different because (1) it is written from the point of view of the benefactor-recipient partnership; (2) it focuses on the evolution of a single-program case study over thirteen years; and (3) it addresses new program development as a series of interlocking steps. Thus, the book should help
those with new or struggling programs understand and grapple with the special challenges that they are likely to face at each step of a new or developing private benefactor–funded program. It can assist universities to think more strategically about potential partners. It also illuminates some of the special strengths and weaknesses of universities as institutional homes for results-based philanthropy.

This book shows some of the challenges and results that can come from executing an innovative three-way partnership that links universities with nongovernmental organizations (NGOs). It is compatible with a number of recent books that challenge the traditional partnership models in development.

For students, this book serves to provide a practical real-world perspective on the mechanics of designing and executing a domestic or international development program. This perspective is missing from most how-to guides on program design and execution, which tend to focus on processes like writing proposals and developing monitoring and evaluation plans rather than the development and management of donor support. However, more organizations are thinking about building the roots of sustainability into development programs from the start through links to local institutions. Students who have had training and experience in the design or execution of this type of grassroots private benefactor partnership will increase their market value to the NGOs or development agencies that are likely to hire them.

Not least, we hope that this book will stimulate new thinking on the part of the leaders of philanthropic organizations and philanthropists, especially those considering a link with US and international universities for some part of their programs.

Notes
1. Throughout this book, when “Kamuli” is used alone it refers only to the district and “Kamuli town” refers to the town.
of emerging trends and academic studies of philanthropy. The same texts propose guidelines to make philanthropic giving more effective.

3. One of the first books on this topic, which is a useful complement to this book, is Ralph Lowenstein, *Pragmatic Fundraising for College Administrators and Development Officers* (Gainesville: University of Florida Press, 1997).
