University of Oregon Department of Planning, Public Policy & Management

Location and Time: 176 Lokey Education Building
Monday & Wednesday, 8:30 – 9:50 AM

Course Website: http://canvas.uoregon.edu

Saurabh Lall, Ph.D.
Office hours:
Mondays (11:00 AM – 12:00 PM)
Wednesdays (11:30 – 1:00 PM)
and by appointment (please email)

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Email: slall@uoregon.edu
Phone: 541-346-7354

G.E.
Kaushal Sapkota (MNM)
Office Hours:
Tuesday: 10:15 – 11:00 AM
Tuesday: 10:15 – 11:00 AM
Hendricks Hall, 26E (inside 26A) - Basement
kaushals@uoregon.edu

Introduction
In recent years, the institutions and instruments used to finance solutions to social problems have been evolving rapidly, with a more diverse range of actors, growing collaboration, and new forms of support. This course will introduce and critically analyze various concepts under the emerging field of impact philanthropy and other models of social finance. In particular, we will examine (a) the types of actors involved in these emerging models; and (b) the tools that these actors use.

1. Core concepts of impact philanthropy, venture philanthropy, impact investing, social impact bonds, and crowdfunding.
2. A deeper look at the core tenets of impact philanthropy, as well as critiques of the model.
3. Similarities and differences across these approaches, and the extent to which they differ from traditional methods of philanthropy
4. The types of organizations engaged in these efforts: foundations, government agencies, international development agencies, social impact investment funds, and individuals.
5. The types of financial instruments used: catalytic grants, loans, loan guarantees, equity investments, social impact bonds.
6. What sort of policy and infrastructure supports and hinders impact philanthropy? What sort of efforts might improve the system?

The field of impact philanthropy (and its siblings) evolved out of efforts to make philanthropy more outcome-oriented, and to maximize the social value being created for every dollar (euro, pound, etc.) invested. Lester Salamon (2014) describes this imperative using the word leverage – the mechanism that allows limited energy to be translated into greater power. In this context, these efforts typically mean one or more of the following: (a) finding ways to attract large amounts of investment
capital from banks, pension funds, mutual funds, and high net worth individuals, to invest in socially beneficial investment opportunities; (b) investing in social enterprises that create social value while also generating some financial returns; (c) donors developing longer-term partnerships, and working closely with grantees to provide mentoring and advice, in addition to funding (d) donors relying on rigorous evidence and measurement of outcomes to make philanthropic decisions.

The course will balance U.S. domestic and global examples of impact philanthropy to address a wide range of social and environmental issues. We will focus on (and critically examine) the perspective of practitioners in the field. During the first half of the term, each week we will dig deep into the core constructs of impact philanthropy and venture philanthropy, focusing on selection and due diligence, assessment of impact, risk, and scale. During the second half of the term, we will discuss related topics such as impact investing, social impact bonds, and crowdfunding, and examine how these different forms of social finance interact with each other. Additionally, we will hear from guest speakers (in person or via Skype), who will speak about their experiences in their particular area of expertise.

Finally, thanks to the generous support of Audrey & Doug Miller, we will use a venture philanthropy approach to make an investment of $10,000 in a nonprofit or a benefit corporation selected by the class. The class assignments (for both undergraduate and graduate students) are designed to mimic the processes that many impact philanthropy organizations follow in identifying and selecting organizations to support. Throughout the course, will discuss issues of diversity, equity, and inclusion in this emerging field.

General information
This course is designed to provide an overview of the impact philanthropy field. The required readings, guest speakers, and assignments will help students understand the differences between these different forms of impact philanthropy, and in what cases they may be applicable. Students who are interested in learning more about a specific sub-field of impact philanthropy are welcome to speak with me, and I can suggest additional resources.

For all writing assignments in class, the quality of your written work must be high. Poor quality writing is distracting to readers. If you are not a very proficient writer, have a hawk-eyed friend assist you in editing your work. The written assignments have length limits because brevity is a critical skill in the field of impact philanthropy.

It is your responsibility to get assignments in on time; late assignments may have a per-day point penalty. It is also your responsibility to ensure you can access the course website. Turn in all assignments online (through Canvas) or by email.

If you know you are going to miss a class, let me know in advance, and be sure to get notes from a colleague in class. I will be posting my PowerPoint slides on Canvas after the lecture, but they do not fully cover the class material. We will also be doing a number of exercises in class, to help you understand some of these concepts, so you will benefit more from attending.

Read the weekly readings BEFORE class.

Competencies
By completing this course, students will be able to:

- Understand the motivations for impact philanthropy approaches, and the similarities and differences between these methods.
- Know the ecosystem of organizations that operate in this field (e.g., foundations, impact investors, governments, incubators, and social enterprises), and how they collaborate with each other.
- Critically assess the potential strengths and weaknesses of different social investment practices, and make actual funding decisions as part of their applied projects.
- Write and verbally communicate compelling and persuasive arguments to boards of impact philanthropy organizations.
NOTE: Both American English (e.g., organization, color) and British English spellings (e.g., organisation, colour) are perfectly acceptable in class. You are also free to use either Metric or Imperial units in your assignments as needed.

Grading Components: As a 400/500 level course, the grading components and course expectations are different for graduate and undergraduate students. In general, writing assignments will be graded based on (a) clarity & thoughtful analysis; (b) quality of research and analysis; (c) structure and professionalism. Grades will be assigned based on your score out of 100 points as follows:

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<th>Grade Distribution</th>
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Graduate Students
There is no final exam in this class, only a final paper.

Midterm: (20% of the grade) (MAY 8) The midterm exam will be based on course readings, class discussions and guest speaker material. The midterm will be take-home, and open book. It will consist of short essay type questions, and a case analysis.

Class Participation (10% of the grade). Students are expected to be active participants in classroom discussions. If you expect to miss class for any reason, please email me in advance. You will gain more from this class by attending, as we will be doing a number of hands-on activities throughout the term to help reinforce some of the concepts from the readings. Additionally, each student must prepare at least one question for any guest speaker in the course, and submit it to me the day before.

Evidence-based Philanthropy Memo (20% of the grade) (APRIL 17): Assume you have $1,000 to allocate across the following crowdfunding platforms. Students will be required to find and review evidence on the effectiveness of different approaches of these three crowdfunding platforms, and write a well-researched memo (maximum of 2 pages, double spaced, not counting references) explaining how they would allocate $1,000 in funding across the platforms. This exercise is designed to apply the arguments discussed in the first couple of weeks in class, and emphasize the central purpose of rigorous evidence in impact philanthropy. Therefore, you will be expected to find sources of high-quality, third-party research to make your case for the allocation. More instructions will be provided on the first day of class.

1. Kiva: www.kiva.org
2. Give Directly: www.givedirectly.org
3. Start Some Good: www.startsomegood.com

Group project (25% of the grade): Graduate students will have two assignments based on the group project for a total of 25% of the grade. Groups will be a mix of graduate and undergraduate students. Graduate students have one additional assignment as part of the group project. More instructions will be provided in the first week of class.

- Due diligence memo (15%) (MAY 1): Graduate students in each group will be required to identify and contact a local nonprofit, and conduct an initial due diligence review, based on a site visit and interview.
Based on this due diligence review, your group will make recommendations for support, using a venture philanthropy approach.

- **Evaluation Plan (10%) (MAY 22)**: Each group will also be required to develop an evaluation plan for the recommended grant, as guidance for future class groups to assess the effectiveness of the support.

Based on the due diligence memo, students will vote for one nonprofit or benefit corporation to receive the $10,000 in funding, and advise on additional services that could be provided by PPPM student groups (e.g., Capstone projects, CPW projects, etc.).

**Final Paper:** (25% of the grade) (JUNE 5) Throughout the course you will learn about many important topics and trends in impact philanthropy. Some of these may be new to you and others may challenge your beliefs and ideas. The purpose of this assignment is to further develop your opinions and perspectives about the issues and opportunities in this emerging field, and to communicate a well-researched, nuanced perspective to a broader audience. Select one of the topics that you find interesting and write a brief article in the style of a blog post or a letter to the editor for a relevant outlet (trade journal, news outlet, blog, etc.). The final paper should reflect your lessons from the class readings, the in-class discussions, conversations with your groups, as well as your own research on impact philanthropy approaches you have identified. If you want feedback on an early draft of your paper, you MUST submit it to me by week 7. I will provide feedback by week 8. The draft will not be graded. Some examples of potential outlets are below (you can email me if you have questions about others):

- The Nonprofit Times http://www.thenonprofittimes.com/
- Chronicle of Philanthropy http://philanthropy.com/
- Nextbillion http://www.nextbillion.net

This is an example of a similar assignment written for a nonprofit management class that was published in SSIR. http://www.ssireview.org/blog/entry/is_your_nonprofit_the_next_nfl

**Undergraduate Students:**
There is no final exam in this class, only a final paper.

**Midterm:** (25% of the grade) (MAY 8) The midterm exam will be based on course readings, class discussions and guest speaker material. The midterm will be take-home, and open book. It will consist of multiple choice questions, short essay type questions, and a case analysis.

**Class Participation** (15% of the grade). Students are expected to be active participants in classroom discussions. If you expect to miss class for any reason, please email me in advance. You will gain more from this class by attending, as we will be doing a number of hands-on activities throughout the term to help reinforce some of these newer concepts from the readings. Additionally, each student must prepare at least one question for each guest speaker in the course, and submit it to me before.

**Group project** (15% of the grade): Undergraduate students will have one assignment based on the group project for a total of 15% of the grade. Graduate students in each group will be required to identify and contact a local nonprofit, and conduct an initial due diligence review, based on a site visit and interview. Undergraduate students will participate in the second group assignment:

- **Evaluation Plan (15%) (MAY 22)**: Each group will also be required to develop an evaluation plan for the recommended grant, as guidance for future class groups to assess the effectiveness of the support.

Based on the due diligence memo, students will vote for one nonprofit or benefit corporation to receive the $10,000 in funding, and advise on additional services that could be provided by PPPM student groups (e.g., Capstone projects, CPW projects, etc.). More instructions will be provided in class.
Evidence-based Philanthropy Memo (20% of the grade) (APRIL 17): Assume you have $1,000 to allocate across the following crowdfunding platforms. Students will be required to find and review evidence on the effectiveness of different approaches of three crowdfunding platforms, and write a well-researched memo (maximum of 2 pages, double spaced, not counting references) explaining how they would allocate $1,000 in funding across the platforms. This exercise is designed to apply the arguments discussed in the first couple of weeks in class, and emphasize the central purpose of rigorous evidence in impact philanthropy. Therefore, you will be expected to find sources of high-quality, third-party research to make your case for the allocation. More instructions will be provided on the first day of class.

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Final Paper: (25% of the grade) (JUNE 5) Throughout the course you will learn about many important topics and trends in impact philanthropy. Some of these may be new to you and others may challenge your beliefs and ideas. The purpose of this assignment is to further develop your opinions and perspectives about the issues and opportunities in this emerging field, and to communicate a well-researched, nuanced perspective to a broader audience. Select one of the topics that you find interesting and write a brief article in the style of a blog post or a letter to the editor for a relevant outlet (trade journal, news outlet, blog, etc.). The final paper should reflect your lessons from the class readings, the in-class discussions, conversations with your groups, as well as your own research on impact philanthropy approaches you have identified. If you want feedback on an early draft of your paper, you MUST submit it to me by week 7. I will provide feedback by week 8. The draft will not be graded. Some examples of potential outlets are below (you can email me if you have questions about others):

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Nextbillion http://www.nextbillion.net

This is an example of a similar assignment written for a nonprofit management class that was published in SSIR. http://www.ssireview.org/blog/entry/is_your_nonprofit_the_next_nfl

Documented Disabilities
Students who have a documented disability and anticipate needing accommodations in this course should make arrangements with me as soon as possible.

Academic Misconduct
You are expected at all times to do your own work. Copying content from other students or other authors and submitting it as your own work is grounds for failing the class. The University Student Conduct Code (available at conduct.uoregon.edu) defines academic misconduct. Students are prohibited from committing or attempting to commit any act that constitutes academic misconduct. For example, students should not give or receive (or attempt to give or receive) unauthorized help on assignments or examinations without express permission from me. Students should properly acknowledge and document all sources of information (e.g. quotations, paraphrases, ideas). If there is any question about whether an act constitutes academic misconduct, it is your obligation to clarify the question with me before committing the act. Additional information about a common form of academic misconduct, plagiarism, is available at: www.libweb.uoregon.edu/guides/plagiarism/students.

Inclusion & Duty to Report Sexual Assault
The School of Architecture and Allied Arts, the administrative home of the PPPM department, is a community that values inclusion. We are committed to equal opportunities for all students to develop individually, professionally, and academically regardless of ethnicity, heritage, gender, sexual orientation, ability, socio-economic standing, cultural beliefs and traditions. We are dedicated to an environment that is inclusive and fosters awareness, understanding, and respect for diversity. If you feel excluded or threatened, please let me know. If you are reluctant to speak to someone in person, please know that the University Bias Response Team is also a resource that can assist you. Find more information at their website at http://bias.uoregon.edu/index.html or by phoning 541-346-2037.
In addition, we are also committed to providing an environment free of all forms of prohibited discrimination and sexual harassment, including sexual assault, domestic and dating violence and gender based stalking. If this happens to you or a student you know, I will counsel you/and or the student to seek confidential assistance at the University Health Center and the University Counseling Center. I am required by the University to report this to the PPPM Department Head and the Office of Affirmative Action and Equal Opportunity so that the incident can be investigated and appropriate action taken.

**Required Readings:**
There is one required book for this course:
  - [https://www.amazon.com/Leverage-Good-Introduction-Philanthropy-Investment/dp/0199376530](https://www.amazon.com/Leverage-Good-Introduction-Philanthropy-Investment/dp/0199376530)

**NOTE:** THIS IS THE 184 PAGE BOOK (LINKS ABOVE). THERE IS A MUCH LARGER 700+ PAGE VOLUME BY THE SAME AUTHOR, SO PLEASE DO NOT PURCHASE THAT BY MISTAKE!

All additional required readings will be posted online on Canvas. Please check Canvas every week, as readings may be updated as the term progresses, depending on the interests of the class and current events. As part of the required readings, you will also be asked to review a number of websites related to impact philanthropy. Plan to read through these websites to get an overview of the type of work done by these organizations, and prepare questions for guest speakers in class.

**Related (NOT REQUIRED) Readings:**
Students interested in learning more about specific topics, or exploring careers in impact philanthropy can speak with me or look at some additional resources listed here:

**Evidence-based Philanthropy**

**Impact Investing**

**Social Incubators and Accelerators**

**Class Schedule (Tentative: Subject to Change during the Quarter)**

**Week 1: April 1, 3:**

**Overview of Impact Philanthropy**
What is impact philanthropy? Is it really different from traditional philanthropy? This introduction to Impact Philanthropy will focus on the following questions:
- Who are impact philanthropists? What motivates them?
- How do they seek to create social impact?
- What are some of the different ways in which they operate? How are these approaches different from other philanthropic approaches?

We will also get started on the group assignments.
Readings

- Salamon, L. (2014). Leverage for Good – Chapter 1
  Note: Closed captioning/Subtitles available for this video. You may choose to listen to the video, the visual content is not essential.

Week 2: April 8, 10:
Evidence, Measurement, & Strategy
Reliance on measurement and evidence is at the core of many impact philanthropy approaches. We will look into various approaches for incorporating evidence into decision-making.

Readings

- Website: www.givewell.org

Week 3: April 15, 17
DUE: Names of first and second choices for group project due diligence
DUE: Evidence-based Memo
GUEST SPEAKER: Kate McElligott (Autodesk Foundation) will guest lecture in class on April 15. Please be present, and prepare one question for her.

Venture Philanthropy: Introduction to Due Diligence
We start our journey into impact philanthropy by first examining the field of Venture Philanthropy, which draws on lessons from the Venture Capital community, and involves a highly-engaged, ongoing model of support. We start to dig into the steps and processes followed by venture philanthropy organizations. Student groups will be assigned and we will conduct an exercise to help you determine your group’s vision and priorities.

Readings


Week 4: April 22, 24
Pipeline, Screening & Due Diligence
We dig deeper into the extensive screening and due diligence practices employed by venture philanthropy organizations.

Readings

Week 5: April 29, May 1:

Coordinating Impact Capital

There are a range of different sources of impact related financing available today. We look at some ways to classify and organize these different sources, and their uses. We also examine the different actors and tools in impact capital.

DUE: Group Project 1 - Due Diligence Memos (Graduate Students Only)

Readings
- Salamon, L. (2014). Leverage for Good – Chapter 2
- Salamon, L. (2014). Leverage for Good – Chapter 3

Week 6: May 6, 8

Social Enterprise & Social Finance

How does impact philanthropy and social finance relate to social enterprise?

DUE: MIDTERM (All Students)
DUE: Brief (5 minute) presentations of due diligence by graduate students (UNGRADED)

Readings
- Salamon, L. (2014). Leverage for Good – Chapter 4
- TBD (updates on Canvas)

Week 7: May 13, 15

Impact Investing

Going further through the social finance world, we look at the field of impact investing.

Readings
- Website: https://thegiin.org/impact-investing/need-to-know/

Week 8: May 20, 22

Social Impact Bonds & Crowdfunding
There are a number of emerging forms of impact philanthropy, that continue to evolve. While it is too early to say much about their effectiveness at this stage, we will discuss some of these emerging models and their potential for achieving social impact.

**DUE: Group Assignment 2 – Evaluation Plan**

**Readings**

- Salamon, L. (2014). Leverage for Good – *Chapter 5 & 6*
- TBD (updates on Canvas)

**Week 9: May 27, 29**

**Policy & Development Finance Institutions**

Finally, we examine the role of policy, development agencies and international organizations.

**Readings**

- TBD (updates on Canvas)

**Week 10: June 3, 5**

**TBD**

**DUE: Final Paper**