Climbing Lessons: How 4 Organizations Ascended the Philanthropy 400
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By Drew Lindsay

**Foundation for the Carolinas**

**Debut rank, 1991:** 276, $36 million

**Today's rank:** 28, $627 million

Though the country’s 11th-largest community foundation by asset size, it typically raises more money than all but a few of its peers, outpacing old-line institutions in New York, Boston, and Chicago. In 2014, giving to the foundation more than doubled.

**Boomtown "Bank Town":** The foundation has capitalized on Charlotte’s emergence as a wealth center. Local financier Hugh McColl Jr. turned a regional bank into national powerhouse Bank of America, and the city’s now a hub for financial services, Fortune 500 companies, and Nascar.

**Donors first:** In the 1990s, the foundation began to move to a "high-touch" donor-centric focus that officials say has fueled growth. Among the keys: multiple levels of support to donors in their grant-making and staff drawn from top businesses, law firms, and private banks — people who "have instant credibility" with big donors, says Holly Welch Stubbing, executive vice president.

**A civic brand:** In recent years, the foundation has moved to establish its reputation as a civic leader, which it believes draws donors attracted to the foundation’s policy programs and expertise on issues. An example: The foundation was key to a $55-million effort to raise achievement in struggling schools.

**New building blocks:** In 2012, the foundation created two subsidiaries to accept gifts of business interests and real estate. "We kind of woke up one day and realized that most of American wealth is really in family-owned businesses and wealth," says the foundation’s president, Michael Marsicano. "I think we’re way out ahead on that."

**Doctors Without Borders USA**

**Debut rank, 2000:** 346, $50 million

**Today's rank:** 70, $332 million

The U.S. office of Médecins Sans Frontières opened in 1990 and climbed onto the Philanthropy 400 just 10 years later. Individual donors are its fundraising bedrock; it takes no government money and little corporate or foundation support so that it can maintain independence and impartiality.

**Pivotal moments:** Landmark events have put its frontline personnel in the media and driven the organization’s rise. Among them: its 1999 Nobel Peace Prize; the 2004 tsunami in South Asia; the 2010 earthquake in Haiti; and last year’s Ebola crisis.
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Give money back: Shortly after putting teams in the field following the 2004 tsunami, Doctors Without Borders announced it had received sufficient funds earmarked for its relief work and would not accept any more — an unorthodox move. "For me, that is an important moment in MSF history," says Thomas Kurmann, director of development. Today, the organization offers to return donor gifts for specific work that is not used, he says. "Accountability and transparency — we live by those principles every day."

Don’t sound the alarm: Unlike many relief groups, the organization does not call for support immediately after a disaster, according to Mr. Kurmann. It waits until its teams have identified needs and built budgets so its appeals for support are defined and specific.

Unexpected payoff: Roughly 60 percent of its private support comes from direct-marketing efforts; major gifts provide another 20 percent. About five years ago, the group began investing more in planned giving. The yield has more than tripled to $43 million and now accounts for roughly 10 percent of private support.

Natural Resources Defense Council
Debut rank, 1991: 345, $27 million
Today’s rank: 228, $116 million

Founded in 1970 by a handful of lawyers, the small, scrappy nonprofit aimed to be the environmental movement’s equivalent to the NAACP. It has parlayed strong growth in individual giving to expand its environment-related efforts beyond legal advocacy to include scientific, economic, and legislative issues.

Early days: Foundations provided the bulk of the group’s funding in its first couple of decades, including a seed grant from the Ford Foundation.

Transformation: Concerned that continued reliance on foundations would limit growth, the organization in the early 1990s pushed to increase individual paid memberships. The move coincided with high-profile environmental campaigns and nearly doubled membership in a single year. Today, memberships and individual giving account for roughly 75 percent of cash contributions.

Fear of eco-hype: Jack Murray, the group’s chief development officer since 1990, says some of the group’s leaders initially resisted direct mail, worrying that exaggerations about environmental problems — and the charity’s solutions — would creep into appeals. "Even to this day, no appeal can go out without being thoroughly vetted by the affected programs," Mr. Murray says.

Donors as legal clients: The Natural Resources Defense Council’s 382,000 members are critical to many legal efforts. The dues they pay give the organization legal standing to represent them in a class-action lawsuit if they choose.

Acting like a university: In 2005, the organization launched a comprehensive capital campaign based on a 10-year strategic plan that established its strategies and priorities. Led by Mr. Murray, a former university fundraiser, it raised $532 million. "Using this good strategic plan to go out and ask for larger gifts helped catapult us," he says.

Habitat for Humanity International
Debut rank, 1991: 257, $38 million
Today’s rank: 26, $665 million

Habitat’s growth is perhaps the best-known rags-to-riches tale among nonprofits. Started in a converted Georgia chicken barn in 1976, the Christian-based housing organization became one of America’s 20 largest charities in less than two decades. It operates in the United States and more than 70 other countries.

Grass-roots support: As its founder, Millard Fuller, and national leaders organized and launched affiliates, they made clear that each was expected to be self-sustaining. Today, the more than 1,400 U.S. affiliates raise the money to support their own operations.

A small-gifts engine: Direct mail to net small donations drove Habitat’s early growth and remains a key engine, though online giving is increasingly important. "Ten years ago, everybody was talking about direct mail dying, but that has not been the case for us," says Kymberly Wolff, senior vice president for development. The organization’s average gift: $52.
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Each of more than 1,400 Habitat for Humanity U.S. affiliates raises money to support its own operations.

Send an email to Drew Lindsay.

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