

one percent foundation



We are a new generation of philanthropists.

From the Chairman and President of the Board

Dear OPF Partners,

While 2009 has proved to be an incredible year in the development of the One Percent Foundation, 2010 appears to be even more promising.

Earlier this year, the Board of Directors launched a major effort to begin the work of substantially growing and scaling OPF. We began by thinking about our vision for OPF's future and brainstorming how OPF, if applied broadly, might change the face of philanthropy. What became clear almost immediately is that the young adult giving opportunity is massive. According to the United States Census, there are over 82,000,000 people in the

United States between the ages of 20 and 39. The average annual income of this demographic is about \$20,000. This means that if every young adult gave 1%, we would generate over \$16 billion every year. To put this in perspective, the Gates Foundation, the largest endowed and most generous foundation in the United States, gave \$2.8 billion last year. Together, through collective and strategic giving, our generation can be extraordinarily influential and truly create a culture shift in what ideas get funded, how they get funded, and who they are funded by.

The realization of this opportunity and the development of our vision of creating a culture shift through philanthropy led

the Board to take a major step by initiating the process of hiring OPF's first Executive Director. While the details are still being ironed out, the plan is to make the hire in the first half of 2010. Hiring

Poverty Cycle Deadlines

Nomination Period Begins	1/1
Nomination Period Ends	1/31
Voting Begins	3/1
Voting Ends	3/15
Poverty Grant Announcement	3/17

Check out our progress to date!

- Over **130 Partners** are giving at least 1% of their income to philanthropy
- 10 grants** have been given to exceptional non-profit organizations
- We have raised over **\$55,000** for philanthropy

Get Ready for a New Look!

We'll have a new logo and website soon! A team of OPF Partners is hard at work with a design firm on a revamp, to be launched in the first part of 2010. Here's a sneak peek...



CALCULATE MY 1%

Enter your annual income below to see how much a 1% donation to charity would be each month

YOUR MONTHLY DONATION:

\$00.00/mo

YES! I CAN DO THIS.
Join the One Percent Foundation



Philanthropy Spotlight Topic: Transparency at Kiva.org

On October 2nd, David Roodman at the Center for Global Development set the philanthropy and development blogospheres afire with [his post](#) on OPF Grantee [Kiva](#). Kiva is known for its innovative web-based "Peer-to-Peer" (P2P) model. As Roodman says,

"It works this way: Kiva posts pictures and stories of people needing loans. You give your money to Kiva. Kiva sends it to a microlender. The lender makes the loan to a person you choose. He or she ordinarily repays. You get your money back with no interest...You knew that, right? Well guess what: you're wrong...Less than 5% of Kiva loans are disbursed *after* they are listed and funded on Kiva's site."

To Kiva's credit, they've been fairly up-front about this fact. When you select an entrepreneur, next to her/his profile, you'll see the date that the microfinance institution (MFI) lent him/her money and the date that he/she was listed on Kiva, both of which precede the date that you decide to lend. This tends to be overlooked, however, as people just click "LEND NOW" in response to Kiva's compelling story-telling and the human appeal of a direct connection to a person in need.

Roodman raises concerns based on the historical failures of P2P giving, particularly with child sponsorship in the US in the 90s. He warns of creating a synthetic relationship and potentially overselling the Kiva proposition and P2P connection. In the end, however, Roodman commends Kiva for being transparent enough that he and others could identify the correct mechanism (re-financing) with some digging around on the Kiva site.

The result of Roodman's post? Thousands of tweets, over 60 comments, [nearly a score of blog posts elsewhere](#) (including a [NYTimes article](#)), 10,000 hits to the original post, a [reply from Matt Flannery](#), a [Kiva web site revision](#), and a [response of his own](#).

In his response, Matt Flannery, the Co-Founder and CEO of Kiva, wrote about the issue of communicating the mechanics of Kiva and microfinance to an audience with minimal working knowledge of the latter. He wrote:

"This presents a major challenge in terms of simultaneously educating [lenders] and empowering them to make an impact in our field. Our approach to this challenge has been to provide a very easy way to engage users... The oversimplified nature of our home-page reflects this broad strategy. Certainly the Kiva homepage does not describe the nuances of microfinance or Kiva's approach. In fact, it largely ignores the details. However, it is our intention to provide every last detail of the mechanics of Kiva to those curious users."

Flannery also acknowledges that Kiva can "do better at educating our users" about how and why loan refinancing is essential to the success of the P2P model. Though he explains Kiva's past efforts at transparency, Kiva went one step further: they changed their site ([new page](#) vs. [old page](#)).

Equally notable is Kiva's commitment to honesty. Flannery writes: "In my humble experience, I've learned that honesty creates stronger bonds between the organization and its constituencies. Time after time, this lesson has been reinforced, and it is a lesson which affects many operational decisions within the organization to this day."

In an era of shady accounting and organizational practices (which, it's worth noting, do exist in the nonprofit world), this commitment to honesty and transparency is commendable. The Kiva debate was rare for the nonprofit world: it's not often that so much buzz and earnest debate erupts over giving and its methods. The discussion also sparked a conversation at OPF about whether our process is sufficiently transparent. We strive to be as transparent as possible in our operations and grantmaking, but seek to be even more so. As OPF grows and changes, we look forward to communicating openly and directly with Partners.



OPF Partners Brian King and Francesca Corti

Does Your Company Match Philanthropic Donations?

Many companies match philanthropic donations made by their employees. Double your impact by checking to see if your employer will match your donation. Questions? Contact [Ryan Vaughan](#).

PARTNER INTERVIEW: MIKE BERKOWITZ

One Percent Partners do amazing things, both on behalf of OPF and elsewhere. Meet Mike Berkowitz, the founding Chairman of OPF's Board of Directors.

Q: How and why did you create OPF?

A: Daniel Kaufman and I started the foundation because we realized we weren't doing enough to support organizations and causes that were addressing important problems in our society. It seemed like a major opportunity, because we had a group of friends who were incredible people doing amazing work. We wanted to figure out a way to combine everyone's passion, work, drive, and interest to create a league of superheroes, a place where we could put all our good work together for the benefit of humankind. That was the start of OPF, and as it grew, it was really inspiring to hear how many people felt the same way.

Q: Where do you see OPF going now?

A: The opportunity is so enormous right now; we've seen, from talking to people about this over the last couple of years, that we've all hit on something. There's just a desire out there to give back and be part of something larger than ourselves.

We're starting to connect with other organizations working in this sphere but with slightly different approaches. The goal is to build a broad-based movement of individuals to transform philanthropy, to change the way we address social problems, and to get results. At the end of the day, we want to create a culture shift, a shift where every young adult graduating from college thinks "where am I going to give my 1%?"

Q: Any big plans for the next year?

A: My wife (OPF founding Partner Debbie Tuttle) and I are going on a nine-month around the world trip, starting in January. We're going to Australia, New Zealand, East Asia, Southeast Asia, the Middle East, and Eastern Europe. We're looking forward to bringing some international flair to OPF!

Q: Aside from OPF, what other organizations do you support?

A: I like to support organizations that are working for long-term social change, particularly those with a progressive vision of the future. These include the Center for American Progress, the Clinton Foundation, and Rocking the Boat, which is run by OPF Partner, Adam Green.

Q: How else do you "do good" in your life?

A: For me, it's about my job and about the One Percent Foundation, because OPF is basically my life at this point. In my day job, I also have the good fortune to raise money for organizations that are working to make the world a better place.

Where are they now?

Checking in with previous OPF Grantees

As OPF prepares to give out its 10th grant, we went back to our first ever grant recipient: the [Campus Kitchens Project \(CKP\)](#). This update is from CKP Director Maureen Roche.

We have some exciting news for 2010: we're looking to open seven, and potentially eight, kitchens in the next few months! In the last two years, we've more than doubled in size, which is in large part due to our new site development staff person, who has successfully worked with a lot of schools who are interested.

We'll be opening a new kitchen at UMass Boston, which will be our first in Massachusetts. Boston has been great about linking us with local farmers and companies, and we've also received support from Senator Kerry and Congressman McGovern. In fact, we just found out that we have an appropriation coming through the Senate - this represents our first federal funding, and our first funding stream coming from the appropriations realm,

which is big news! We started the process over a year ago, and it's paid off.

In other funding news, we also had a large grant come through from Walmart. We're working with their sustainability office in Boston to develop 6 new kitchens over the next 2 years. We've seen more interest in



CKP since the Walmart partnership has come through—they've put us on their Christmas giving site alongside some big players working in food and hunger in the US: Meals on Wheels and Second Harvest.

It's important to CKP to have a wide variety of partnerships, so our partnership with the One Percent Foundation has been great. Even if it's a comparatively small grant, we can do a lot with it when it's combined with existing resources. We're able to leverage that support into larger funding, as its key to show a solid base of support at every level, including support from innovative foundations like OPF.

Looking back at 2009, we've hit two major milestones: in the spring, we hit the mark of having recovered over a million pounds of food. In October, we served our *millionth meal*! We were also able to open five kitchens on Martin Luther King Day.

On top of all these successes, one of the things we're especially proud of is the work students have been doing with local farmers and farms. Students are out there gleaning for more fresh produce and expanding our reach and partners. It's really more than just statistics; most of our kitchens have worked in some way, shape, or form with community gardens, local farmers, or with community-supported agriculture. Augsburg University actually started a community garden on campus but then took it one step further: they got the local farmers into it and now have a local farmers market on campus! This is all student-led initiative, which is amazing.

We have twenty campus kitchens right now, and we're always looking for volunteers at any of our kitchens, just about any day a week. OPF Partners are always welcome to come and join the effort!

One Percent Foundation Members Live in...

Ann Arbor, MI
Arlington, VA
Atlanta, GA
Berkeley, CA
Boston, MA
Canton, MA
Charlottesville, VA
Cheyenne, WY
Chicago, IL
Dallas, TX
Denver, CO

Encino, CA
Forest Hills, NY
La Canada, CA
Lakewood, CO
Long Island City, NY
Los Angeles, CA
Louisville, KY
New York, NY
Newbury Park, CA
Oakland, CA
Olympia, WA

Palo Alto, CA
Portland, OR
Providence, RI
Rockville, MD
Sacramento, CA
San Francisco, CA
Sandy Springs, GA
Santa Monica, CA
Seattle, WA
Sherman Oaks, CA
Silver Spring, MA

St. Louis, MO
Starkville, MS
Venice, CA
Washington, DC
West Hollywood, CA

There are also OPF
Partners living in
India and Kenya!

From the Chairman and President of the Board (continued from page 1)

an Executive Director is an especially exciting development and will mean a stronger organization, more innovative and creative grantmaking and programming, and the opportunity to substantially increase our engagement efforts.

A key piece of OPF's growth will be to develop partnerships with organizations that have similar missions or work with young adults. This has already led to meetings with a variety of really interesting people and organizations doing great work. In November, OPF was invited to attend and present at a conference organized by Mobilize.org, a leading organization engaging the Millennial Generation in civic participation. Mobilize.org brought 150 Millennial leaders from across the country to discuss the country's fiscal crisis and the problems facing Millennials in managing their own personal finances. The conference concluded with a grant competition in which seventeen organizations presented solutions to some of the most pressing problems discussed over the three-day event. The conference participants voted and collectively selected the grant winner.

We were honored to win the competition and amazed that despite crushing student debt, credit card bills, and other financial burdens, Millennial leaders thought that it was critical to organize our generation around the concept of sustained and collective giving. We look forward to working with this community of Millennial leaders and organizations as we integrate OPF into the larger young adult civic engagement movement.

As we look back at 2009 and forward to 2010, we couldn't be more excited about what OPF has achieved and what we expect the future to hold. The OPF community is an incredible collection of individuals made even more incredible by acting collectively. We cannot wait to see what our community can do as it grows and matures over the next year.

Happy holidays and we'll see you in the new year.

Mike Berkowitz
Daniel Kaufman

IN GOOD COMPANY

The One Percent Foundation is excited to announce In Good Company, a new program to engage companies in sustained and strategic giving. In Good Company is intended for companies that are run by, employ, or market to young adults. They must also be interested in making a meaningful philanthropic commitment as part of the company's corporate social responsibility program.

Similar to OPF's core young adult giving program, companies make the commitment to donate at least 1% of profits to philanthropic causes, at least half of which must be given through OPF. This money will be pooled to form a separate In Good Company grant fund. Participating companies will collectively vote to determine which of the OPF grant nominees will receive the quarterly In Good Company grant. In Good Company participants also commit to work with OPF to create a culture of giving in the workplace.

In Good Company will launch in the first quarter of 2010. If your company or anyone you know might be interested in participating, please contact [Daniel Kaufman](mailto:Daniel.Kaufman@opffoundation.org).

What's Your 1%?

The average income in the US for people age 25+ is \$20,000.

1% of \$20,000 = \$200, which equals \$17/month

- ☀ 6.5 gallons of gas
- ☀ 5 large lattes
- ☀ 5 pints of PBR or 2.5 bottles of wine
- ☀ 4 pounds of cheddar cheese
- ☀ 2 movie tickets



OPF Partners (clockwise from left) Adam Allenberg, Mike Berkowitz, Debbie Tuttle, and Lauren Allenberg