GOING BIG:

LAUNCHING YOUR OWN MAJOR PROJECT

ROCKEFELLER PHILANTHROPY ADVISORS

PHILANTHROPY ROADMAP

Once upon a time, last century, donors gave mostly to existing programs at existing charitable organizations. Many waited to be asked before they made a gift.

In the 21st century, donors are more proactive. They often become the authors of their philanthropic work, beginning with an idea or an issue important to them and launching a specially designed effort to achieve their goals.

Philanthropic entrepreneurs thrive when building a new program or organization, or making a lead gift in a campaign they champion. But there are also funders who catalyze significant new projects without becoming donor-operators or becoming public spokespeople for their cause. In this sense, the key to a successful major project is largely dependent on the depth of a donor's engagement.

This guide is part of the *Philanthropy Roadmap* series. Written for emerging and established philanthropists, it aims to spark a donor's sense of the possible—as well as the practical. It offers case histories and key questions as donors weigh the costs, benefits and risks of launching a major project.

WHAT IS A MAJOR PROJECT?

What makes a project "major" lies primarily in the eye of the donor. So let's start with a caveat: any attempt at denotation here should be seen as illustrative, rather than prescriptive.

Here are the parameters we used for this guide:

A MAJOR PROJECT IS ONE IN WHICH THE PHILANTHROPIST IS A LEAD DONOR OR HAS GIVEN — OR IS INVESTING — $500,000 OR MORE.

PERHAPS MORE IMPORTANT THAN THE DOLLAR AMOUNT OF THE GIFT IS THE STRONG SENSE OF "OWNERSHIP" DONORS USUALLY HAVE ABOUT THEIR MAJOR PROJECTS. SIGNIFICANT, OFTEN PERSONAL, ENGAGEMENT IS THE RULE RATHER THAN THE EXCEPTION.

Donors thinking about launching a major project would be well-served to think hard before diving in head-first. Here are some key questions to consider up front, such as:

WHAT MOTIVATES ME TO DO THIS?

ARE THERE ALTERNATIVE OPTIONS TO LAUNCHING THIS PROJECT, SUCH AS PROVIDING MORE FUNDING TO AN ORGANIZATION DOING SIMILAR THINGS, OR MAKING A GRANT DESIGNATED FOR THIS PROJECT TO BE RUN BY AN EXISTING NONPROFIT?

HOW MUCH TIME AND MONEY AM I TRULY WILLING TO COMMIT TO THIS?

WHAT IS MY TIME FRAME FOR MY COMMITMENT — DO I HAVE AN EXIT STRATEGY?

WHAT OUTCOMES DO I EXPECT?

And, as you answer those questions:

WHAT IS MY VEHICLE FOR GIVING?

SHARON CHANG, YOXI.TV

In the beginning was the idea: Sharon Chang wanted to "engineer social change" through the media.

However, the former chief creative officer for 19 Entertainment — the maker of American Idol — couldn't find any organization which was addressing the opportunity she saw. So, after getting professional advice, she decided to launch the major project herself with funds from her own foundation, creating Yoxi.tv in 2009.

"At Yoxi," says her website, "we search for amazing people who work hard to change the world, and we connect them to new opportunities by telling their stories in the most creative, compelling ways… The world needs them to have more visibility and influence, so we do our part by helping them reach a mainstream audience."

The site offers video profiles of what it calls "social innovation rock stars." There are also plans for an Apprentice-like reality television show set in Liberia where entrepreneurial contestants will compete for funding and mentoring to start their own businesses.

"I was inspired to put the best of Hollywood, Silicon Valley, and Madison Avenue into a hybrid model," she told Forbes.com in January 2012, "a media organization that takes the most popular and relevant cultural cues to engineer social change."

"[The nonprofit world] seems to be lacking a lot of marketing savvy and can get pretty dogmatic about their approach, sticking to a particular way of fundraising," Ms. Chang said in a separate 2012 article on the website good.is. "You're talking about selling ideas to get people to do things, and whether it's buying a product or getting addicted to a show or movie, it's about an intrinsic motivation, a desire to want to be a part of something. And not being lectured into feeling guilty about not doing something."

Ms. Chang has been evolving the Yoxi.tv project as she goes. Before finding Yoxi's current "rockstar" orientation, she went through what she calls "an experimental phase," organizing two competitions — one seeking entrepreneurial ideas to reinvent fast food, the other focused on reducing waste in fashion. Very much a hands-on

philanthropist, she freely adjusts her project and her plans as they develop. "I have a feeling that some big surprises are waiting to greet Yoxi on the horizon," she said. "I love what we do because we are in uncharted territory with so many aspects of our work."

Ms. Chang is funding Yoxi.tv using the assets of her foundation rather than the return from investments. In this, she has decided to face risk head-on. The project could end up as a nonprofit, a private operating foundation or even some kind of hybrid. As she searches for a long-term structure, she is aware that her own funding for the project is anything but sustainable. In this sense, she is very much the entrepreneur who passionately embraces an idea — its promise, its risk and its limited time horizon to find success. For her the stakes are high. Her goal is nothing less than changing the media landscape.

"We live in a society where people are obsessed with vanity, with fame, with celebrity," she says. "This is not something we can change overnight… it would be more useful for us not to try to fight that." She prefers to create something new — a platform to promote popular heroes of social change.

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WHY GIVE IN A "MAJOR" WAY?

Many people think philanthropy starts with a significant social or environmental need in the world. They are wrong. Philanthropy starts in the mind and the heart of the philanthropist. (See Philanthropy Roadmap questions on page 10.)

In fact, commitment and sustainability in giving usually come only after a donor has identified her values and motivations.

A philanthropist's clarity of purpose, therefore, plays a triple role: the giving operation becomes more effective, grantees find it easier to locate appropriate funding sources and philanthropic peers find it easier to network and collaborate.

This brings us to the "why" question. When it comes to major projects, this question sets the agenda, allowing donors to personalize the evolution of their philanthropic game plan. These questions may help you as you consider the reasons why you might support a major project.

WILL YOUR GIVING DEMONSTRATE LEADERSHIP IN CALLING ATTENTION TO AN ISSUE OR A CERTAIN APPROACH TO A PROBLEM?

HOW CLEAR ARE YOU ON WHAT YOU WANT TO ACHIEVE AND HOW YOU WANT TO ACHIEVE IT? WHAT INFORMATION DO YOU NEED TO FIND GREATER CLARITY?

HOW WILL YOUR ENTRY INTO THIS FIELD IMPACT OTHER ORGANIZATIONS AND DONORS IN THIS SPACE?

WHAT BALANCE SHOULD YOU STRIKE BETWEEN INVESTING IN KEY ORGANIZATIONS AND CAPACITY BUILDING IN THE FIELD?

IS THERE ANYTHING OUT THERE THAT FULFILLS YOUR VISION OR COULD BE ADAPTED TO FULFILL YOUR VISION?

ARE YOU MOTIVATED, IN PART, BY THE OPPORTUNITY TO BRING YOUR OWN TALENTS AND KNOW-HOW TO BEAR ON THIS PROJECT?
If so, how would you best augment a gift or investment? Through your financial acumen? Management ability? Community knowledge? Understanding of the problem? Your energy or passion? Identifying the ways in which you might contribute your time and expertise can offer insights into the source and the depth of your interest in the project.

HOW DOES THE MAJOR PROJECT FIT INTO YOUR OVERALL GIVING STRATEGY?

WHAT ROLE WILL YOU TAKE? WILL YOU BE A PUBLIC EXPONENT, A NETWORKER AMONG PEERS OR A QUIET PARTNER?

HOW LONG WILL THIS PROJECT LAST? HOW LONG WILL YOUR GIVING ROLE LAST?
(See our guide "Setting Your Time Horizon" for more information.)

WILL YOU WANT TO BUILD AN ORGANIZATION TO SUPPORT THIS PROJECT OR WOULD IT BE BETTER TO USE EXISTING INFRASTRUCTURE AND SERVICES?

HAVE YOU ASKED YOURSELF WHAT WOULD BE A DEAL BREAKER?
What if a very similar program is already in existence? What if other philanthropists have tried similar approaches and failed? While apparently negative, often this thinking has positive ramifications. Questions beget other questions. If similar programs failed, why weren't they successful? How could they be changed to learn from past efforts? Such exploration can clarify your thinking and reveal new opportunities.

YOUR PHILANTHROPY ROADMAP

Finding the right major project always starts with you, the donor.

The title guide of this series, Your Philanthropy Roadmap, can be a useful planning tool for philanthropists who want identify their goals for giving and clarify their approach. The Roadmap, which can be found online at rockpa.org/yourphilanthropyroadmap, focuses on five key questions:

WHY ARE YOU GIVING?

WHAT DO YOU WANT TO ACHIEVE?

HOW DO YOU THINK CHANGE WILL HAPPEN?

HOW WILL YOU ASSESS PROGRESS?

WHO WILL JOIN YOU?

WHEN A LEAD GIFT MEANS PLAYING A SUPPORTING ROLE

CRAIG SILVERSTEIN

A major project doesn't always require hands-on effort or a big public role for a lead donor.

Craig Silverstein, a software engineer who was Google's first employee, decided that making his gift effective was far more important than reaping high-profile recognition. In 2009, Mr. Silverstein pledged $5 million over five years to help build a children's hospital in his hometown of Gainesville, Florida.

"Growing up the child of two doctors, I understand the important role medical care plays in a community," he said at the time. "The more I hear about this project, and what it will bring to Gainesville, the more excited I am by it."

Before he committed to the gift, Mr. Silverstein had commissioned a risk assessment of the project. During this research phase, he made an important decision. He would not give the money directly to Shands Healthcare at the University of Florida which would operate the hospital. Instead, he chose to support the Sebastian Ferrero Foundation, a local advocate for the hospital. He also made sure his gift letter had specific benchmarks to limit risks and clarify his expectations.

Why do it this way? Mr. Silverstein realized that even his large gift wasn't enough to build the hospital on its own. Fundraising and planning to complete the project would take years and would require local knowledge and long-term commitment. In other words, he needed a passionate, competent local advocate who could sustain a campaign for the hospital.

In the Sebastian Ferrero Foundation, he found one. Horst and Luisa Ferrero started the foundation in 2007 with the express goal of advocating and fundraising for "a state-of-the-art, full service children's hospital" in Gainesville. The Ferreros' three-year-old son Sebastian died at Shands Hospital as a result of a medication overdose followed by a series of preventable medical errors. The foundation not only honors their son, but seeks to turn "tragedy into something positive" by creating better healthcare for children in the same system and the same community where their son died.

Given that the ongoing performance of the Sebastian Ferrero Foundation is central to the success of the hospital campaign, Mr. Silverstein allocated a portion of his gift for foundation operating costs while the lion's share was earmarked for the hospital.

Mr. Silverstein's mother, Dr. Janet Silverstein, works at Shands Hospital. Among the physicians and staff who rallied around the goal of a new children's hospital, Dr. Silverstein went a step further, joining the foundation's board. Mr. Silverstein's gift is in honor of her.

In 2011, the project passed a significant milestone. With funding from the Sebastian Ferrero Foundation, a purpose-built emergency room for children opened its doors in Gainesville.

Significant new funding must be found before the new Shands Hospital for Children at the University of Florida can be completed, but Mr. Silverstein's gift was seminal in giving the project momentum and in building local capacity to create a major resource for the region.

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THE HOW: MANY OPTIONS

When it comes to major projects, the possibilities are myriad. Here is a list — suggestive rather than exhaustive — to start you thinking about the range of options:

A NEW 501(C)(3) NONPROFIT PUBLIC CHARITY

Some donors not only want to fund a project, they want to build the infrastructure that will keep it functioning. A 501(c)(3) is the garden variety nonprofit which must be "organized and operated exclusively" for charitable purposes and needs funds from other donors to achieve its tax-exempt status. As with creating a foundation, there are significant legal and organizational benchmarks to be met, not the least of which is forming a board.

A NEW PROJECT AT AN EXISTING NONPROFIT

Many philanthropists want to empower an existing charitable organization — that they know and trust — to start a new project. The project will often use at least some existing infrastructure and management and will leverage the nonprofit's reputation. This can save time and money. It can also limit the range of the project because the donor will depend on the existing nonprofit — its staff and board — to execute the idea.

A NEW PRIVATE FOUNDATION

This is a common step for philanthropists, but requires significant input. Donors must make decisions on purpose, structure, management, governance and grantmaking. A new private foundation is indeed a major project all by itself. It can only succeed in reflecting a donor's values and fulfilling a donor's goals if the donor leaves a personal imprint on its DNA.

A NEW OPERATING FOUNDATION

This kind of foundation is designed to carry out certain charitable activities beyond grantmaking. The IRS defines it this way: an operating foundation "spends at least 85 percent of its adjusted net income or its minimum investment return, whichever is less, directly for the active conduct of its exempt activities." In other words, this is a 501(c)(3) nonprofit which is classed as a private foundation, and it spends most of its money on providing a service or conducting research or directly carrying out some other charitable program. Operating foundations may develop museums, libraries, zoos and research facilities.

FISCAL SPONSORSHIP AT AN UMBRELLA ORGANIZATION

This option can give more freedom and control to the donor than trying to start a project with an existing charitable organization. An umbrella 501(c)(3) organization provides an operating platform, human resources, finance and a tax-deductible place to make supporting gifts. Donors do not control the fiduciary board that runs the entity, but they can guide where grants go and make decisions on staff and strategy. It's a low-overhead option because the donor does not have to create a new 501(c)(3). (See the case history on Oceans 5 on page 22.) This approach suits shorter-term projects, but ongoing, legacy projects may benefit from a standalone legal structure.

A LEAD GIFT OR A NAMING OPPORTUNITY

Though these gifts seem very familiar to philanthropists, they present their own set of benefits and challenges. (See the Craig Silverstein case history on page 11. Another resource is our guide "Naming Opportunities & Other Major Gifts.")

AN IMPACT INVESTMENT IN A SOCIAL ENTERPRISE

This new wave of philanthropic activity seeks to create impact through market forces and a privately owned or nonprofit organization. The risk management of such an investment is of primary concern. Tax ramifications will be different for

a charitable donation. And donors should factor into their plans a time horizon appropriate for their investment, which may require many years to mature. (See our guide on Impact Investing—in particular, the case history on the family office of Meyer Family Enterprises in Napa, California.)

A PHILANTHROPIC PRIZE

These prizes are designed to spur competition to solve a technical, social or community problem. They can reap publicity, cut costs and engage a wide field of experts to innovate on a particular issue. A McKinsey & Company study found competitions that offered $100,000 or more in prize money have gained in popularity, tripling in aggregate value to $375 million in the ten years to 2009. The same study recommended that these prizes are most effective when three conditions are present: "a clear objective (for example, one that is measurable and achievable within a reasonable time frame), the availability of a relatively large population of potential problem solvers, and a willingness on the part of participants to bear some of the costs and risks."

A PRIZE FOR NEW WAYS TO FIGHT POVERTY

ROBIN HOOD AND X PRIZE

New York's largest private poverty-fighting organization, the Robin Hood Foundation, has given more than $1.1 billion to hundreds of charitable programs in the city since 1988.

In 2012, it decided to try a dramatically new approach, announcing a worldwide competition, developed with the X PRIZE Foundation, to find and encourage innovative solutions to poverty.

"We're introducing R&D to TLC," said Paul Tudor Jones II, billionaire investment manager and the founder of Robin Hood. "I believe our partnership with the X PRIZE Foundation could be the most transformative event in our history."

Crowd-sourced solutions will be solicited from around the world. Then Robin Hood will test some of the new ideas and programs in New York. Staff from both foundations will evaluate the performance of these innovations over time. A prize of at least $1 million will be given if the innovation is deemed successful.

The X PRIZE Foundation is an operating foundation that specializes in creating and managing large-scale prize-based competitions. One of the best known was the $10 million Ansari X PRIZE, awarded in 2004, which challenged privately funded teams to build a spacecraft capable of carrying three people 100 kilometers above the earth's surface. The foundation believes that particular competition generated $100 million in investment and played an important role in the birth of the private space industry.

But donors should take heed—such prize competitions have risks as well as rewards.

"It's difficult to do a prize well," Jaykumar Menon, a senior director at X PRIZE, told the *Chronicle of Philanthropy* in 2012. There is no guarantee of success, he said. "You can have a prize that is not won. You can have a prize that is won but has no impact. You can have a prize that no one pays attention to."

Each project, Mr. Menon said, requires six to 12 months of preparation, including research on how to create meaningful criteria and how to appeal to competitors.

Robin Hood and the X PRIZE Foundation will collaborate as they develop the parameters of the first poverty-fighting competition. Homelessness, access to education, unemployment and health care are all issues under consideration. But as of May 2012, the new philanthropic prize already has a solid financial base—with $19 million committed to fund the project.

RISK AWARENESS

Any gift or investment carries some risk. But major projects, which are ambitious by nature, can hold a greater downside exposure. Additional donors may not be found to complete a university building. Income may not be adequate to sustain a social enterprise. An innovative program may simply fail to fire with its target population.

For philanthropists, the risk is not just financial. A donor's reputation is also on the line. And the risk to reputation is not just philanthropic but professional. A high-profile role in a failed project can impact public standing and confidence in a donor's judgment and professional prowess. Giving or investing in a private way can ameliorate this risk, but also nullifies the power that can come when a philanthropist stands up publicly for a project she believes in. (It's worth noting that the risk also extends to the grantee in any major project.)

Yet, risk awareness is not meant to freeze the will of the philanthropic entrepreneur. Instead, it can be liberating—helping you avoid charitable dead-ends while reminding you that philanthropy relies on courage as well as generosity. Here, due diligence plays just as important a role in major projects as it does in any other aspect of giving.

If you plan to launch a new project with an existing organization, the best way to get to know the operation is by building a direct relationship with its leadership. Transparency and sound financial management are the result of conscious direction. Talking to other donors and those who use the nonprofit services can also give personal insight into how they run the operation and how they manage their finances. Examining an organization's financial statements is also an important part of risk assessment. This task can be delegated to professionals, of course. Once a nonprofit's budget and tax returns have been examined, key questions can be answered:

DOES REVENUE MATCH EXPENSES?
IS THE ORGANIZATION GROWING OR SHRINKING?
HOW DOES IT SPEND MONEY ON PARTICULAR PROJECTS OF INTEREST?

Whether you are launching a project with an existing organization or creating a new one, it's fair to ask for—or create—a business or strategic plan. When evaluating or developing that plan, it's advisable to talk to experts in pertinent issue areas and review the quality of the concept and strategy. And of course, donors will want to examine any impediments to achieving financial sustainability for the project. A good understanding of a project's finances—including plans for fundraising and/or income generation—will give donors insight into a project's ability to grow or remain solvent.

Throughout your process of considering taking on a major project, it's worth including two questions in any risk assessment:

COULD THIS APPROACH BE BETTER THAN EXISTING ONES?
DOES THE APPROACH HAVE THE POTENTIAL TO SUCCEED?

THE GRADUATE SCHOOL NAMING OPPORTUNITY THAT DIDN'T MEASURE UP

HOW RESEARCH SAVED A DONOR $50 MILLION

The ultimate risk question for any philanthropist is about success: will this project be able to deliver on its goals?

This question might have seemed superfluous to an American billionaire who was considering a gift to launch and endow a new graduate school of business at his alma mater.

What could go wrong? The university had a long and distinguished history. Its administration passionately backed the plans for the new school.

Still, the philanthropist wanted to make sure his potential $50 million gift would have the impact he intended. So he commissioned due diligence on the project.

The research took him by surprise. The college's own data indicated it would not be likely to raise additional donations needed to complete the project in the manner they had promised. In fact, only a few years into the project, the school might have to ask him for more money. His naming opportunity suddenly took on the appearance of a potential money pit.

The billionaire went to university officials with his research and his concerns, and eventually the project was tabled.

There was disappointment and some bitterness on both sides. But there was also relief for the donor, who knew his $50 million did not go into a project that promised more than it could likely deliver.

FIRST STEPS

Much of the thought that a donor puts into a major project focuses on how the gift will be structured and how the project will be carried out.

Philanthropists must consider issues like budget, governance and staffing. And that is just for the giving vehicle. A host of other "how" questions surround the project itself and what structure and operational approach will best produce the desired results.

The prospect can seem daunting. But it needn't be.

Three ideas can ease your mind even as they help you take the first steps in the process.

1. YOU DON'T HAVE TO DO IT ON YOUR OWN

Advisors both personal and professional can help you evaluate your options — and research scenarios — before you commit to a course of action. Partners can also be part of your planning whether they come from nonprofits, philanthropic peers, government, business or the community.

2. YOU DON'T HAVE TO DO IT ALL AT ONCE

A staged approach with built-in opportunities to re-think and adjust the plan can be very helpful. Informed flexibility is a hallmark of effective giving.

3. YOU CAN CHANGE YOUR MIND

One way to think about these first steps is to say you will commit a relatively small amount of money to make sure you can make an informed and insightful decision about a gift of a much larger amount.

Beyond these ideas, determining the "how" of a major gift will evolve in different ways for every donor. Yet, it is still possible to trace a framework that defines the experience of many proactive donors:

RESEARCH

DEVELOP A PLAN

INVOLVE PEERS, SUPPORTERS AND STAKEHOLDERS

BE FLEXIBLE AND WILLING TO LEARN

USE YOUR OWN EXPERTISE BUT ...

RECOGNIZE WHERE YOU NEED HELP AND GET IT

Would it be best to take on staff or should I stick with contractors? How can I get other funders or investors to join me? Is it possible to build capacity and achieve impact at the same time? Is this project sustainable? How will I measure the effectiveness of the gift?

As most philanthropists know, the questions never stop. But it's also worth noting that these questions are not only the best way to start your involvement in a potential major project, they are also the best way to ensure your giving is fulfilling.

To borrow from Socrates, "the unexamined gift is not worth giving."

"Never doubt that a small group of thoughtful, committed people can change the world. Indeed, it is the only thing that ever has"
—Margaret Mead

When Dr. Mead wrote those words, she may not have been thinking about a small group of philanthropists. But her comments apply perfectly to the ambitions of Oceans 5, a group of funders dedicated to protecting the world's oceans and constraining overfishing.

How are they trying to change the world? Here's one project: a campaign to establish the largest network of marine reserves on the planet. The goal is to protect 3.6 million square kilometers of ocean, establishing "no take" zones in the Ross Sea, along parts of East Antarctica and in other key areas around the Antarctic Peninsula.

Given that Oceans 5 only began operations in 2011 with a small staff, how could they take on such a massive challenge in February 2012—when the Antarctic project was launched in New Zealand? The answer: when you multiply collaboration by further collaboration, you exponentially increase your potential to create broad impact.

One of the key questions in the *Philanthropy Roadmap* series of guides is "Who will join me?" In this case, Oceans 5 joined the Antarctic Ocean Alliance, which also has the support of Greenpeace, WWF, Mission Blue and the International Fund for Animal Welfare. The alliance is already actively working with the New Zealand and U.S. governments to establish the reserves.

"The oceans around Antarctica … are among the most pristine waters in the world," says the Oceans 5 website. "Due to their remote location and extreme weather conditions, [they are] one of the last places on earth largely untouched by human activity … These waters are home to 15,500 species, many of which can be found no where else on earth."

Though the "why" part of the Antarctica project is compelling, the "how" part provides food for thought for donors interested in seeing new ideas come to fruition.

Oceans 5 began when philanthropists and foundations who had a passion for marine conservation discussed creating a sponsored project.

Ted Waitt (Gateway Computers) of the Waitt Foundation, Addison Fischer (VeriSign) of the Planet Heritage Foundation and Kristian Parker (son of Alan Parker who helped establish DutyFree Shoppers) of the Oak Foundation were joined by the Marisla Foundation and advisor Tracey Durning.

Each partner has pledged to contribute $1 million a year over three years. RPA serves as a nonprofit fiscal sponsor to provide an operating platform, and the group hired a highly experienced executive director, Chuck Fox, to find "large-scale, opportunistic" projects to support. In addition, the Oak and Planet Heritage foundations have agreed to cover staff and operating costs for the first three years.

Under this arrangement, Oceans 5 can make grants collectively without having to create an entirely new foundation. It also can fund advocacy campaigns, like the one for Antarctica, helping to forge further connections by leveraging the group's knowledge, expertise and networks. (Oceans 5's other projects include: seafood traceability—to help counter overfishing—and the development of a conservation-oriented management regime for the world's international waters.)

Already, new partners have signed on, including Bill and Shannon Joy of the Joy Foundation and Leonardo DiCaprio along with his foundation.

Oceans 5 plans to continue to recruit more funders. Their pitch: conservation through collaboration.

MOVING FORWARD

"The best philanthropy is constantly in search for finalities — a search for cause, an attempt to cure the evils at their source."
JOHN D. ROCKEFELLER, SR.

John D. Rockefeller's major projects can appear remarkably ambitious from a 21st century perspective. Seeking a "cure" by addressing the root causes for poverty, ignorance, racism and disease seems beyond "major" and verging on the quixotic.

Yet, he set an example of thoughtful, effective and bold giving that many philanthropists have followed. The results include not only the Rockefeller Foundation, but the University of Chicago, Spelman College, Johns Hopkins School of Public Health and Rockefeller University. His strategy for major projects: balance the aspirational with the rational.

Large, high-budget projects require significant philanthropic consideration and preparation. But they also depend on inspiration and perseverance. Donors should not discount an idea simply because it presents new or difficult challenges. Neither should they rush to begin work on their philanthropic "dream" without significant research and planning.

As you consider launching a major project, it's worth asking if you will be proud to have it become part of your legacy of giving. Imagine its success. Imagine your role in that success. Ask yourself if you, and your partners in philanthropy, will have the dedication and determination to stick with the effort through difficulties and over the long haul, in the way a parent is there for a child.

If you have that kind of motivation, it's not only worth asking why, but why not.

ROCKEFELLER PHILANTHROPY ADVISORS is a nonprofit organization that currently advises on and manages more than $200 million in annual giving. Headquartered in New York City, with offices in Chicago, Los Angeles and San Francisco, it traces its antecedents to John D. Rockefeller Sr., who in 1891 began to professionally manage his philanthropy "as if it were a business." With thoughtful and effective philanthropy as its one and only mission, Rockefeller Philanthropy Advisors has grown into one of the world's largest philanthropic service organizations, having overseen more than $3 billion to date in grantmaking across the globe.

Rockefeller Philanthropy Advisors provides research and counsel on charitable giving, develops philanthropic programs and offers complete program, administrative and management services for foundations and trusts. It also operates a Charitable Giving Fund, through which clients can make gifts outside the United States, participate in funding consortia and operate nonprofit initiatives.

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