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## **New Effort Seeks to Steer Donors to High-Impact Charities**

*By Nicole Wallace*

As the year-end giving season gets under way, a new effort aims to steer more donations to nonprofits that can prove they get results and have a plan to expand to help more people.

The Social Impact 100 Index features high-performing nonprofits that focus on education, health, poverty alleviation, and youth development, bringing them together on a Web site that makes it easy for donors to learn more about the groups and to give.

“We hope to transform the way that donors make their contributions,” says Alex Rossides, president of the Social Impact Exchange, the organization leading the effort, “that they can now say, ‘Aha, there really is an easy, effective way for me to give and have confidence that I’m giving to organizations that deliver impact.’”

The index includes a combination of high-profile charities that donors are likely to know already, like Big Brothers Big Sisters of America and the National 4-H Council, along with less familiar groups, such as the Center for Employment Opportunities, which helps ex-offenders re-enter the work force, and Great Hearts America, a network of 15 charter schools in Phoenix.

The Web site lists nearly 16,000 local organizations that provide the programs developed by the charities on the index. However, two nonprofits—AVID Center, a college-readiness program offered at 4,800 schools, and Project Lead the Way, an organization whose science, math, and technology curriculum is offered in 4,744 schools—account for a large portion of that total.

### **Making the Cut**

To be considered for the index, charities must have completed and be willing to share on the Web site an outside quantitative study of their work and a written plan for how to grow. The groups must also be more than three years old and have an annual budget of \$1-million or more.

Nominated groups that meet the basic criteria are then reviewed by two nonprofit experts from the Social Impact Exchange, a national network of foundations, consultants, and charities focused on helping promising organizations expand. In addition, professional evaluators review the soundness of the groups’ impact studies.

The exchange refers to the index as the S&I 100, in a nod to Standard & Poor's stock index, the S&P 500. Organizers hope it will play a similar role, giving donors confidence in the charities listed on the social index and helping to create a capital market that encourages charitable dollars to flow to high-performing nonprofits, says Mr. Rossides.

But the stock-market analogy goes only so far. The index doesn't rank or rate the charities it lists—and it isn't limited to 100 groups. Mr. Rossides says he would be “delighted” if the index expanded to become the S&I 150 or S&I 200.

Organizers hope to build partnerships with financial institutions, donor-advised funds, community foundations, and donor groups to put the S&I 100 in front of a wider audience.

Mr. Rossides says that proven results are never going to be the sole factor in donors' giving decisions, but he hopes the index will make them a more important part of the equation.

“You still want to give to the local organizations that are doing basic-needs work. you want to give to disaster relief, you want to give to your alma maters,” he says. “But we hope there's a growing percentage of the dollars that donors give to things that have evidence that they really do work, so that they can change the lives of more people.”