

## Maximizing the Profit of Philanthropy BY ALLISON LEVINE

» When you invest capital in a product, a new company or any other venture, one goal – the primary goal – is to maximize profit.

The goal should be the same when it comes to philanthropic investments, says Stuart Comstock-Gay, president and CEO of the Delaware Community Foundation (DCF).

“There’s a bottom line in the nonprofit sector, just like there’s a bottom line in for-profit work,” Comstock-Gay said. “Where the bottom line in business is financial profit, the bottom line for philanthropy is social profit or, more simply, impact.”

As the 32-year-old DCF continues to evolve and grow – now stewarding more than \$280 million in charitable assets – the focus is increasingly on helping generous individuals, businesses, families and others generate the greatest social profit with their philanthropy, Comstock-Gay said.

To do this, the foundation helps donors by applying creative giving strategies, community knowledge and relationships. All of this expands opportunity and improves quality of life for everyone in Delaware.

To sharpen the focus on impact, the DCF is using a series of strategies:

**Impact Investing:** The DCF is helping philanthropists use innovative strategies borne out of private-sector thinking to maximize the impact of charitable resources.

Under the umbrella term “impact investing,” philanthropists can partner with nonprofit organizations in a variety of ways to provide capital to create social, economic and environmental change. Impact investing takes many different forms, such as loans, investments in community development financial institutions and “pay for success” grants, which the DCF recently



*DSCC member Nixon Uniform Service & Medical Wear is maximizing the impact of its charitable giving through its donor advised fund at the Delaware Community Foundation.*

piloted in Delaware in partnership with the Longwood Foundation, Discover Bank and the Blood Bank of Delmarva.

**Donor Engagement:** The DCF has always helped donors identify opportunities to give to causes they care about, and the foundation is now enhancing that offering by more proactively providing philanthropists with data-driven information about community needs.

**Professional Advisor Partnerships:** More and more, financial planners, estate attorneys and other professional advisors are partnering with the DCF to help their charitably inclined clients achieve their philanthropic goals as part of their financial planning. The DCF has particularly increased its work with professional advisors helping clients with complex charitable giving, such as bequests, trusts and non-cash gifts, such as stock, real estate and other personal property.

**Building Opportunity Initiative:** In the new Building Opportunity Initiative, the DCF is elevating the community’s focus on providing opportunities for people to

succeed and become self-sufficient.

Through a series of book circles, presentations, community dialogs and a new program of direct grants, the foundation leadership is facilitating relationships and partnerships to help philanthropists collaborate and focus charitable giving most effectively.

“When we think about charitable giving as an investment – whether it’s an investment in the arts or education or economic development – we can really focus on practical ways to maximize impact,” Comstock-Gay said.

“That means we look at the same factors that one considers in the private sector: What is the need? What is the potential for success? Who else is already working in that market? How can we leverage what’s already out there? And, most importantly, how will we know we’ve succeeded?”

For more information about the Delaware Community Foundation, contact Stuart Comstock-Gay, [scomstock-gay@delcf.org](mailto:scomstock-gay@delcf.org) or 302.571.8004.