



**Kerrin Mitchell:**

Welcome to the Untapped Philanthropy Podcast.

**Tim Sarrantonio:**

We're your hosts, Fluxx's Co-founder Kerrin Mitchell and Neon One's, Tim Sarrantonio. We've spent our career learning how to leverage technology and data in the social sector to better connect and serve our collective causes, constituents and communities.

**Kerrin Mitchell:**

In this podcast series, we profile leaders, public figures, philanthropists, and industry experts to explore the fascinating intersection of funding, technology, and policy. We're here to analyze the most formative topics and trends that shape the present and future of philanthropy.

Today on Untapped Philanthropy. We're taking a unique approach to our discussion, unique in terms of its topic and the fact that, as you may have noticed, Tim is missing today. I'm soloing, but while I'll miss him terribly, I am very excited to lead into a topic that we haven't covered a lot in the podcast. So this is the uniqueness. We're looking at funding advocacy today, and as we head into this upcoming political season, we thought let's just start discussing some of the effective strategies and maybe give some practical advice on how funders might approach advocacy efforts. Obviously, it's a delicate subject, oftentimes very ripe, so why not tackle it? We are joined today by two guests from Bridgespan, Debby Bielak, who has actually been on our podcast before and is our first repeat guest. Amazing. She's joined by Liz Jain, and they recently published a research paper on this subject and are here to walk us through those critical elements of this policy discussion. So Debby and Liz, welcome and thank you so much for joining us today.

**Liz Jain:**

Thanks so much. Great to be here.

**Debby Bielak:**

Pleasure. Thank you.

**Kerrin Mitchell:**

Yeah, just thrilled to have you guys. I know you're very busy and have just a lot of stuff going on, especially in light of the recent publishing, so we have a lot we want to cover. We're going to dive right on in, obviously starting from the very beginning of the approach that you guys took. Let's take a look at just the definition of what people mean by advocacy. Oftentimes, you see people taking many different approaches to what they mean by this. Do you mind just helping us to define, what are you talking about when you say advocacy in this particular article? In this particular approach?

**Liz Jain:**

That's a great place to start. So at its basic level, advocacy is the whole set of activities that build awareness on issues that shift narratives, that change norms or that engage decision makers to change policy. And for today's discussion, and when you think about what advocacy means for nonprofits, for philanthropists, and in the context of the US tax code, you can think about three important levels of advocacy activities that come into play. So there's education, there's lobbying, and there's campaigning. Education is activities that are focused on issues and are kind of targeted to the general public. So it



includes research analysis, public communications, and it's all about issues that are related to an org's mission. So let's say there's an organization that cares about traffic fatalities and they're researching and sharing about the importance of wearing seat belts. The second level is lobbying. And lobbying is a word that gets thrown around a lot.

It has a lot of connotations, but what lobbying actually is, is just activities that are designed to influence specific legislation. So that can be direct engagement with policymakers around a specific existing or potential legislation or efforts to mobilize the public to contact their representatives and talk about that legislation. Going back to this kind of seat belt example, you can think about pushing legislators to pass a bill that's mandating the use of seat belts. And then the final category, the third level is campaigning, political campaign activity. So that's supporting or opposing candidates for public office or supporting political parties. So for example, running ads or canvassing and support of a senator who supported that seatbelt bill. So you've got education: general public focused on issues, lobbying: focused on specific legislation, and then political campaigning: that's around support for specific candidates. And so you think about all of this and then you start to think about, well, what's an advocacy organization?

So there's actually a whole ecosystem of organizations that are engaging in these different forms of policy advocacy. There's kind of the typical 501(c)(3)s that can do mostly education, but a little bit of lobbying. There's another set of organizations, we can talk about this more in a bit called (c)4s, 501(c)(4)s that can do everything a (c)3 can do, and also a lot more lobbying, basically unlimited lobbying and some campaigning. And then there's what's called 527 organizations that also includes the category known as PACs, Political Action Committees, and they can engage in campaigning as well and an unlimited amount. And so there's a thousand kind of caveats and complications, but at its most basic, those are kind of the important definitions to think about with advocacy. And that was a lot, but just to kind of pull up the definitions.

**Kerrin Mitchell:**

I loved it.

**Liz Jain:**

Great.

**Kerrin Mitchell:**

That was actually very helpful. I was like, that was very succinct and very impressive.

**Liz Jain:**

Okay. Yeah, and I mean, you can get into, again, so many different shades of the specifics in that, but I think the big picture is actually really important and really helpful to look at and ground in. And the one thing I would just add is just that advocacy in all of those things I walked through, I wasn't talking about these are partisan activities, these are controversial, these are fraught. Advocacy is really a tool at the end of the day, and it's a way to make change in the world. So any issue you care about, no matter how mundane has had or will have these angles in it and will have an advocacy angle.

**Kerrin Mitchell:**

Right. And when you think about the timing of this article that you guys are pulling through and making available to folks, is that something where you thought with the upcoming political structures, this is the time and place, what inspired you? When you looked at sort of said, this is the work we want to tackle,



what is the gap we're trying to fill? How did you sort of look at that, the origin, if you will, of this story and this publishing article?

**Debby Bielak:**

Certainly, I think we're all very conscious that this is a super election year on the globe. And for those of us who live in the states, November is looming large in our minds. But I've been thinking about doing this article for a few years and it's really been as we've been getting increasing questions from funders that are interested in systems changer policy, and they've been asking about what and how to fund advocacy. And at the same time we've been hearing from change makers, nonprofit leaders that we work with, and they're saying as we move toward these moments when there's a potential to have the most impact through advocacy, particularly lobbying or electoral work, they're finding it just incredibly challenging to raise these funds. So that's when push came to shove and I said, we need to write this article this year. What we really wanted to do is write a primer.

So in terms of the gap, it's just a primer, a simple primer on why, when and how to give to different advocacy activities. And I want to acknowledge there's been great work by other people in the ecosystem, whether that's the National Committee on Responsive Philanthropy or the New Left Accelerator. What we wanted to do is use our voice and the platform that we have to really amplify and add to some of what people have written in the past and get specific with an audience of funders. Ultimately, if and what type of policy and political advocacy that funders invest in, is an individual decision that funders should deliberate. But from our interviews, if funders care about systemic change on any issue, they really should consider the range of advocacy activities as tools in their toolkit. And that means funding across what one interviewee called 'flavors of capital' that Liz walked through (c)3 (c)4 and 527.

**Kerrin Mitchell:**

And so when you're taking people through this concept and you're highlighting recommendations for funding around the different elements you might want to put in place, I mean, where do you believe in your research that you've seen really successful advocacy work or strategies that have been implemented to really maximize their impact and stay within, of course, the comfort zones of what they want to fund. But where have you seen or where are you recommending people start and where do you see that sort of first couple steps exist?

**Liz Jain:**

Yeah, I mean, that's really the core question that we sought to answer in a lot of the interviews we had in preparing for this article of what can really funders do to best support advocacy work? And to be honest, we started our work with the sense that there were specific areas that might be underfunded. So we'd heard from a lot of organizations that we work with around just a dearth of (c)4 money or money coming too late. There were some things that we kind of started with a sense of, but as we got into those conversations, we heard, yes, there are these gaps and we'll come back to that. But really it became clear that any funder can give to advocacy in a way that works for them. And there's kind of entry points at all of these different levels. And no matter what your current comfort level is with giving to advocacy as a funder, there's a way to engage and to take a next step in funding advocacy that's very much of use to the organizations that are pursuing these strategies.

And I think one example that we use in the article that I think highlights how many different places there are that you could get engaged and support is the example of early childhood funding in New Mexico. So we looked at the work of an organization called OLÉ, which is a 501 (c)4 organization, and their sister



fund, the OLÉ Education Fund, that's a (c)3 organization, and they were working in collaboration with a number of others in the state. But their work ultimately led to this 2022 ballot measure that unlocked \$150 million annually from oil and gas fund revenues in that state for early childhood education. And this was an incredibly successful ballot initiative. It had bipartisan support, it passed basically every county in the state, wild success for education funding. And it's important to think about all of the things that led up to that ballot measure passing that OLÉ and other organizations were involved in supporting.

So if you think about some of the (c)3 work that involved raising public and candidate awareness about the importance of early childhood funding, publishing research, general education work There was (c)4 work lobbying policy makers to get the ballot actually on, to get the ballot measure to voters. They had to get legislator support to do that. And so that lobbying looked like some really creative tactics, including what they called the 1000 Kid March, where they actually filled the New Mexico State Capitol with parents, early childhood educators and lots and lots of toddlers to raise awareness among legislators for the need for increased funding for early childhood education, and just how important it's to have someplace for all of those toddlers to go. And then there was also work around using a PAC to fund and endorse candidates that they knew would be supportive to this work overall.

And so all of these pieces, this ecosystem of work comes together and results in the win at the end, but there's so many steps along the way that are happening and each of those steps, there's a place for funders to get involved. So that's kind of an example of how pieces fit together. And when you think about funders, there's a couple next steps they could take. You could start by funding the (c)3 work. And actually, so this is, I think something that's maybe sometimes understood sometimes not is that 501 (c)3 organizations are actually allowed to do what's called a limited amount of lobbying. And a limited amount of lobbying is a murky definition in some ways. There's a lot of discretion at the IRS around what a limited amount actually looks like and different organizations find their own ways to define that. And it makes some organizations anxious and so they just decide to do none at all. But there is actually a pretty significant amount that some organizations can do and that many do do even from (c)3 funding. So if you're a funder, you only give (c)3, you can actually still fund a lot of advocacy work just through supporting the work of (c)3s that do advocacy.

The second thing you can do is you can start to look for some of these 501 (c)4 and 527 organizations, and maybe you don't know where to look. So a first place you can look is actually the organizations that you already know about. So particularly there are 527 and (c)4 arms of some of the most well-known names in the social sector. So if you care about the American Cancer Society, you can give to the American Cancer Society Cancer Action Network, or if you care about human rights campaign, there's a human rights campaign PAC. And so there are these associated organizations that are linked to the organizations that funders love already. And then there's also another way you can find somewhere to fund by working with intermediary funding organizations or donor-advised funds. And these can be really efficient ways to give across the whole spectrum of organizations.

And often they're led by community leaders who are really close to the issues and the problems they're trying to solve and have deep understanding and deep connection to their communities. And then I think the other important thing to think about when you think about next steps and strategies for funders engaging in this is that as you start to look at (c)4s, 527s, it may be time for some funders to start thinking about the structure for how they give. And so there are limitations for some types of funders. So thinking about funders that are structured as (c)3 private foundations, there are limitations on to (c)4s, 527s, but that's something that funders can really just get around. So you can think about setting up a separate legal entity to fund that kind of lobbying work to fund that campaigning work fully. And there's lots of funders that we talked to that figured out those structure for how they could do that effectively. And the other interesting thing is that individual donors can sometimes just write a direct check rather than flowing it through their foundation. So that's the other way to think about structure.



**Kerrin Mitchell:**

I feel like my brain has had just myopically put them into two camps and was like, they cannot touch each other. There's no way to make that happen. If I'm a 501 (c)3, there's no way to basically pull through. And I realize how myopic and silly that sounds when I say it out loud, believe me. But it's so interesting to me that these engagements and these benefits and ways that people can kind of get through are, there's not just one, but there's like you gave us four or five examples. I mean, why aren't people doing more of this? What's your gut on the sort of challenges that people feel when they come across it? Is it like you said something where they don't feel comfortable with it and therefore they sort shy away or it's just lack of education? I mean, what's your gut?

**Debby Bielak:**

Well, Kerrin, you're naming a few of them already, and a big part of why we wrote this article is because much of what we heard was holding funders back seems surmountable. So I'll walk through some of the barriers that the people have talked about, technical constraints, this idea of increased expense, different notions of risk, legal complexity, fixed mindset. So let me start with technical constraints. And Liz touched on this a bit. Some structures like 501 (c)3 private foundations face significant restrictions in how they can engage with advocacy. And interviewees suggest that for those who want ongoing flexibility through their giving organization, they could form different legal structures like an LLC. Now that requires time and capacity, but again, if this is something that you want to be doing and really using all the tools available to you, you can stand up an LLC or as Liz noted, alternately individual funders can write direct checks.

So another barrier is just this idea of perceived increased expense. So funding 501 (c)4s and 527 organizations results in no tax benefit to philanthropists. So to some funders, that makes it sound like this is more expensive than (c)3 giving. And our sense is that shortsighted, they think that (c)3s have a higher ROI because they get a tax break. But research shows that the ROI in giving to advocacy is really high. That research by the National Committee for Responsive Philanthropy that we cite in our paper showed that for every dollar a donor invested in policy and civic engagement resulted in \$115 in public benefit. So something someone else suggested is, if you're worried about the tax break, just give it to yourself instead of giving \$10, give \$7 or so and you'll still likely see much more benefit.

**Kerrin Mitchell:**

I think it's so interesting, I believe that to be something that when we talk with funders, oftentimes I don't hear that perspective of the funding of both. But then you speak with someone, like one of my friends actually Daniel Lurie, who's running for mayor of San Francisco right now, which is so fun. He started Tipping Point. I remember him and I talking a long time ago about the fact that he was like, you have to, as a nonprofit that's trying to change structures systemically, you have to do both. You have to do services and policy work. And I think as a large, again nonprofit, Daniel faced that and realized the importance of both. And when he got funding for one not the other, he was always challenged by this sort of dichotomy of where and how he can really impact the change he wanted. So funny to see him now obviously in the mayoral race and so fun, but just an interesting insight that I remember him sharing at our FluxxCon conference that people kind of looked at him like, oh, I guess, yeah, we probably should look at both. So it's just very interesting. Sorry, I didn't mean to interject that story. So it really resonated.

**Debby Bielak:**



That actually perfectly teed up the next barrier that we've encountered, which is this idea of different notions of risk. And what Daniel was saying is that implicitly there's risk in not funding some of this work because you're not going to get to the impact that you seek without doing it. But I want to bring in the other ideas of risk. There are questions funders have in terms of whether this kind of giving and advocacy and policy can invite higher levels of scrutiny, particularly with 527 organizations given the disclosure requirements. Some are concerned by the potential for negative impact on their personal or professional reputations or other philanthropic and business activities. Or they may not like the idea of money and politics. They have concerns about transparency and accountability. There's this idea of a term, people may have heard 'dark money' and we'd say any donor should weigh these deliberations carefully.

Our interviews on the whole though made really strong recommendations that the benefits outweigh the risk. As Daniel said, sometimes you have to make these kind of investments if you want to see the sustained structural change. A couple other areas to tick through. So one is navigating legal complexity. So funders are willing to forego tax benefits and accept political risks. This work is just often new and unfamiliar, and there's misinformation around the feasibility of working through legal complexity that governs giving to 501 (c)4 and 527 organizations that just stops many funders in their tracks. Part of our aim with this work was to just demystify this type of funding and share the high level guidelines, recognizing that there are very expert lawyers who can support funders in some of the more technical details. And then the final thing is just philanthropic mindsets. Donors sometimes enter philanthropy with varying familiarity with advocacy work, and some of them face a steep learning curve. Some just hadn't considered policy work as part of their philanthropic toolkit. And others see it as you've talked about Kerrin, as a different pot of money. It just wasn't something they considered. And so our hope was to say, let's think of these as not fully disjointed, but as part of the tools, if you care about an issue, this is a set of investments you might make to get something over the line.

**Kerrin Mitchell:**

And I think part of it is in many ways taking that political, I don't know, I don't want to say venom, but people just get so sidelined and partisan about things when you're looking at it and you're redefining it and saying, you know what? This is about messaging. It's about participation, it's about adoption, it's about any number of things and all of these sort of prongs, if you will, that pull together effective mobilization of funds and monies into the community to improve whatever cause it is that you're moving towards. I mean, these are all crucial for funding and sorry, for change. And that advocacy funding, again is a huge part. So that's sort of sustained concept is something I'd love to hear more about it just as you look at catalyzing these across society and culture and all the things, how do you look at that from a sustained progress, multi-pronged approach, more than just saying you can move funds there. How do you keep that going?

**Liz Jain:**

Yeah, and I think it's so important to have this conversation in the context of 2024 elections. There's this sense of like, oh, well, advocacy work is happening now or is kind of in the news now, but it really is this sustained effort before, during, after elections before, during major legislation is passed. And some colleagues of ours actually just released a kind of report that's a great companion to the one we're talking about today. Their report's called Betting on the Tortoise, and it's all about this idea of policy incrementalism.

**Kerrin Mitchell:**



Good title. I like it.

**Liz Jain:**

Yeah, it was good. They analyzed 10 national policy advances in the US and actually looked at from progressive to conservative, what were these big wins coming from? What were they the result of? And really saw how step by step, how state by state policy change really is. And I think they found that these victories came from at least 40 smaller wins over the course of 20 to 30 years, when you look at these kind of major moments in policy change. So the first step back was this federal sentencing reform that recently passed that shortened mandated mandatory minimums for nonviolent drug crimes. It eased the three strikes rules as major criminal justice reform, and it had its roots in these philanthropically funded efforts that were happening across 30 some odd states, and they go back to the early two thousands. So it shows you just how far back and how wide ranging some of these things have been.

And it relates to something that we've also heard a lot in the interviews that we did for our piece, which is for funders who care about advocacy, it's so important to give early and stay the course. So organizations need to be able to plan beyond the kind of boom and bust, the ebb and flow of election funding. And it's such a big challenge that organizations face today. I think all nonprofits want to see consistent multi-year funding, and that's something that Bridgespan has talked about in other places. But the challenge that faces a lot of advocacy organizations in terms of just how many spikes there are in funding is really notable one and one we wanted to emphasize. And then I think the other piece that first step back example shows is kind of the multi-pronged nature of this work. So funding advocacy isn't about funding just the federal. It's not about one big policy change.

You have to think about funding policy at all levels of government at state and local levels at looking at some of the lower profile and higher impact elected offices. So things like water boards or public utility commissions, things that you maybe never talk about or hear on the news, but where a lot of impactful work is happening. It means looking at organizations led by and representing marginalized communities that are often underfunded but are on the front lines of driving policy change forward. And I think it means looking at places where you can really be focused on issues and not on parties. So you'll see that there are these moments where groups come together because that are strange bedfellows because it's about policy change around the issue. And so those are all, I think some of the things that start to emerge when you take this multi-pronged approach and you start looking at the whole range of wins that lead up to the big change, even in places where the big change sometimes has these links to bigger partisan battles.

**Kerrin Mitchell:**

So looking at the multi-tier approach I think is incredibly important because it shows that you have to tap in obviously multiple different structures and policies that sort of work together, like you said, the water boards and all those things that maybe unite in the ability for you to move something forward that you're moving on. I think the thing that I'm most struck by is the fact that it's not just linking those prongs together, but it's actually linking them in a sequence over time that respects the change in the right sequence that you need to see have happen. And actually, one of my favorite people in the world is Ruth Bader Ginsburg, and she did this really well with a lot of the work she was doing before the Supreme Court. She did a lot of work obviously around women's empowerment, equal gender rights, and she understood that there was not just a path forward that took time to change thought and to change minds, but also there's a sequence in which you had to approach it.

And so it wasn't just always pushing for female rights, it was pushing for men's rights, for example, around paternity leave and things of that nature. So it's understanding that there's this sort of amalgam



of things that work together, a sequence in which they occur, and a time in which they can actually move the needle to actually change the way people think. That's one of the things I think is most exciting about a lot of the work around policy. And this is something that idea of time and progress over time and the fact that these things take forever sometimes to get moving, but that's sort of multiple years before a significant win is really important. I love that about her, and I love that you guys sort of tap upon this inside of your article and talk about this effectiveness over time. Do you mind digging into that? Because obviously policy wins have a cadence to them and have a goal that oftentimes is so big that it takes a complex solution to arrive to.

**Debby Bielak:**

Happy to Kerrin. And as part of this doing the mapping of how you think about goals and measuring that progress over time and bringing it up just because advocacy work is more complex and long-term, and non-linear compared to programmatic work. And funders think, well, they're not certain that it's all going to add up, and they sometimes think that it can't be measurable. But it is. And so when you're talking about what are the different measures that people can look at and say, we really, this is adding up over time, you can start with outputs and then get to outcome. So let me bring that to life with let's say policy development. So an output would be developing actionable policies, so the number of actionable policies or the number of meetings that you have and the level of engagement with decision makers who may enact the policy. But then the outcome is the number percent of policies that are actually enacted.

And as Liz illustrated and the incrementalism article illustrates sometimes that adds up over time from different regions. And ultimately moving to a federal win or for lobbying. An output would be the ability to secure engagement and attention from key policy makers and legislative leadership. But the outcome would be the number or percent of favorable policies that are enacted or public statements of support for policies. And so these things really do add up over time. You may be funding a series of local or state level policies and you say, first, let's develop the policies, let's talk to people about them. But then you really want to pass them and then think about their effective implementation. And those can add up to sweeping national legislation over time.

**Liz Jain:**

So one thing I would like to add to that, Debby, is just, you talked about the idea that this is non-linear, and I think that's a really important piece to come back to when you're thinking about how long-term advocacy work be is when you're at the end and you see this big policy when you can look back and it feels like it's this neat linear story, but the experience of being in the middle of it is often anything but. There's a lot of two steps forward, one step back, and it very much is the kind of work you need to stay the course in. Even in the moments where sometimes it seems like it's a really tricky fight and the path forward doesn't feel clear, there are still people kind of pushing with that long-term strategic vision that are important to support.

**Kerrin Mitchell:**

Ladies, thank you so much. This was so, honestly, I feel like this is the one topic I really have never gotten my head around in terms of how to merge the two. I just really appreciate the insights you guys added. So thank you so much for joining us. Our listeners obviously can learn more about Debby, Liz, and Bridgespan [bridgespan.org](http://bridgespan.org) and including all the fun stuff, the articles, the links, obviously this incredible work that Debby and Liz have put together, including all the companion papers, can be referenced on our blog post. So take a look there for the links, and I think that's it. Thank you all so much





and have a fabulous week. Cheers. You can listen and download our episodes at Apple Podcast, Stitcher, Spotify, and of course directly from our website, [fluxx.io](http://fluxx.io).