

Small Charities Win Grants From a Big Foundation

By Nicole Lewis

In a bid to shine the spotlight on small but accomplished nonprofit organizations, the John D. and Catherine T. MacArthur Foundation, in Chicago, today awarded \$3.4-million to nine nonprofit groups, each with budgets of less than \$2.5-million.

"MacArthur has long supported large, international nongovernmental organizations," says Jonathan Fanton, the foundation's president. "We wanted to send a strong signal that in addition to these well-known and very large visible organizations, there are lots of smaller ones around the world that do equally important work."

The nine nonprofit groups — four in the United States and five abroad — represent the inaugural winners of the MacArthur Award for Creative and Effective Institutions. The groups do a range of work, including promoting democracy in Russia, preserving low-cost housing in Chicago, and protecting the environment in Peru.

Mr. Fanton sees the new annual award as a corollary to the foundation's fellows program — often referred to as "genius" prizes — which has made unrestricted grants, now set at \$500,000 apiece, to 25 individuals each year since 1981.

"The longstanding MacArthur fellows program recognizes individual creativity, and this new program recognizes institutional effectiveness and creativity," he says.

No Application Process

Like the fellows program, there is no application process for the new award, and the winning organizations get to choose how to use the lump sum they receive, which ranges from \$250,000 to \$500,000.

Unlike the fellows program, winners were notified a few weeks in advance of the public announcement, made last week, so that they could determine how they will spend the money.

Foundation program officers nominated the charity winners from a pool of 1,000 current and former MacArthur grantees with budgets of less than \$2.5-million.

The award money comes in addition to other grant money the foundation currently provides the winners.

Two groups based in Chicago, the foundation's hometown, were among this year's winners, but Mr. Fanton says he doesn't expect that to be the case every year. In addition, he says the number of groups that receive the award might vary as well.

The foundation makes grants totaling approximately \$200-million annually in 65 countries.

The award not only recognizes an organization's good work but offers a way for each group to increase its reach or plan for longevity, says Mr. Fanton. For example, RealBenefits, in Boston, will use part of its \$500,000 award to expand from three states to 15 in the next three years. The group offers an online service to health organizations that helps determine patients' eligibility for government assistance.

"It was the right amount of money at exactly the right time," says Enrique Balaguer, the group's executive director. "It's fantastic to get a supporter like the MacArthur Foundation, which says, 'We like your idea, we know it has been tested, and we are going to invest in your success.'"

In addition, the Cleen (Center for Law Enforcement Education) Foundation, in Lagos, Nigeria, will use its \$300,000 grant to offer training to nonprofit groups interested in copying the organization's efforts to promote public safety, security, and justice in Africa.

"Institutional support is difficult to come by for nongovernmental organizations in this part of the world," writes Innocent Chukwuma, the group's executive director, in an e-mail. "We would not have been able to raise support for creating the institutional base for these kinds of activities without a special grant like this."

The Cleen Foundation is "flexible and nimble," says Mr. Fanton. "That is a quality you will find consistent among all these organizations; they will find a way forward that a large organization might not."