

## **Science of Philanthropy Initiative**

*University of Chicago | University of Wisconsin-Madison | Georgia State University*

Initiative Director: John List

### **EXTERNAL GRANTS PROGRAM RFP**

#### **Request for Applications:**

The Initiative on Philanthropy and Decision-Making at the University of Chicago and the University of Wisconsin-Madison is pleased to announce a new award program to support research involving the application of economic experiments to philanthropy and decision-making. The Initiative has \$650,000 in available funds. The Initiative will support up to 10-12 ‘small grant’ proposals over the next three years ranging from \$5,000-\$49,999 per award. In addition, the Initiative will support up to 3-4 large grants ranging from \$50,000-\$100,000 over the next three years. The application process for both ‘small’ and ‘large’ grants is the same, but the PI should specify which granting mechanism his/her proposal falls under. We suggest that new/young investigators apply for ‘small’ grants while experienced investigators apply for ‘large’ grants.

Proposals will undergo an objective review process by Initiative staff and an external review board comprised of 5 eminent scholars – 1-2 external review board members will have expertise in social psychology, while the remaining members will have expertise in behavioral/experimental economics. Proposals will be evaluated based on alignment with Sir John Templeton’s Donor Intent, academic merit, innovation and feasibility of successful implementation. Proposals that do not meet the requirements (either in content or style) of this RFP will not be considered. Faculty and doctoral students at research institutions (including universities/think tanks) in the US and abroad are eligible to apply.

#### **Proposal Submission and Selection Schedule:**

##### **Round 1**

*June 15, 2012* – RFA announcement made

*October 1, 2012* – Letter of Inquiry due

*November 15, 2012* – Applicants invited to submit full proposals are notified

*Feb 1, 2012* – Full proposals due (proposals sent to external committee for review)

*July 1, 2013* – Funding decisions made/PIs notified (note – set your start between 07/01/13 – 08/01/13)

*September, 2013* – Grant recipients attend workshop 1 (the University of Chicago)

*January 1, 2014* – 6-month report due

*August 1, 2014* – Final Report due (1 year after start date)

*September, 2014* – Grant recipients may attend workshop 2 (the University of Chicago)

##### **Round 2**

*July 1, 2013* – RFA announcement made

*October 1, 2013* – Letter of Inquiry due

*November 15, 2013* – Applicants invited to submit full proposals are notified

*Feb 1, 2013* – Full proposals due (proposals sent to external committee for review)

*July 1, 2014* – Funding decisions made/PIs notified (note – set your start between 07/01/14 – 08/01/14)

*September, 2014* – Grant recipients attend workshop 2 (the University of Chicago)

*January 1, 2015* – 6-month report due

*August 1, 2015* – Final report due (1 year after start date)

*September, 2015* – Grant recipients may attend workshop 3 (the University of Chicago)

## **Introduction:**

Some of the most fundamental questions concerning human nature revolve around the existence of social preferences. Major challenges include the basic understanding of why, when and how individuals decide to engage in philanthropic activities. Key themes requiring new insights include disentangling separate motivations for giving, the role of nature versus nurture in the development of social preferences; the relationship of preferences with culture, and how preferences and beliefs translate into behaviors, choices and actions. Despite the economic downturn, more than \$303 billion – over 2% of U.S. GDP – was contributed to American philanthropic organizations in 2009. Contributions by individual households account for 75% of total giving – giving in the past decade averaged \$1,940 per household.<sup>1</sup> At the same time, \$2 billion is spent on fund-raising activities annually.<sup>2</sup> Although charitable giving continues to grow rapidly, philanthropic organizations often rely on rules of thumb, rather than hard scientific evidence, to attract and maintain donors to finance public goods.

Experimental methods are an ideal approach that allows the researcher to generate new data to discover how individuals actually behave in different situations involving philanthropy and choice to give. In laboratory experiments, subjects (usually university students) participate in context-free strategic interactions under real-world monetary incentives. In field experiments, context is often integrated and subjects can come from different populations. Field experiments can be categorized into *artefactual*, *framed*, and *natural*. Artefactual field experiments are similar to lab experiments but with a non-standard subject pool (i.e., children, young adults, community members, or older adults). Framed field experiments are conducted in the context of the information that subjects normally encounter (i.e., framing a laboratory experiment as donating to charity X or Y). Natural field experiments are similar to framed field experiments except subjects do not know they are participants in an experiment. Focus groups and surveys are more qualitative in nature and allow us to merge our knowledge of how individuals actually behave with what individuals say they believe.

## **About the Initiative**

The overarching goal of the Initiative on Philanthropy and Decision-Making is to develop a deeper understanding of the types of social preferences that shape philanthropic giving (including altruism, reciprocity, inequity aversion, warm-glow giving, cooperation and generosity) and to apply this knowledge to inform both practitioners and policymakers interested in philanthropy and the private provision of public goods. The research findings have extensive and broader impact to society, advancing innovative operating strategies that philanthropic organizations can benefit from in practice, pinpointing the optimal public policies regarding public provision of goods and tax treatment of charitable giving, and providing new knowledge for the individual donor.

The research conducted at the Initiative is focused on using the principles of behavioral economics to measure social preferences and investigate how preferences and beliefs influence charitable giving and associated acts of philanthropy. The use of the

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<sup>1</sup> Data from the GivingUSA Foundation and the Initiative on Philanthropy at Indiana University Annual Report for 2010 (<http://www.givingusareports.org>).

<sup>2</sup> These figures taken from Kelly, Kathleen S. “From Motivation to Mutual Understanding: Shifting the Domain of Donor Research.” In *Critical Issues in Fundraising*, edited by Dwight Burlingame. New York: Wiley, 1997.

experimental methodology is emphasized, incorporating a novel, multi-faceted data generation approach that includes laboratory experiments, field experiments, focus groups and surveys. The research conducted at the center is aimed at generating new knowledge of human beliefs and behavior as related to charitable contributions.

### **Donor Intent**

The Initiative for Philanthropy and Decision-Making is funded by the Templeton Foundation. Therefore, the proposed project should be in line with Sir John Templeton's vision for Humility-in-Theology and his support for research that develops methods to measure basic forces, including altruism and thanksgiving. See [www.templeton.org](http://www.templeton.org) for more information about the Templeton Foundation and to read about Sir John Templeton.

### **Scope of Research Funded under the RFP**

The goal of the Initiative for Philanthropy and Decision-Making is to fund novel research projects that use the experimental approach (laboratory experiments or field experiments) to investigate issues surrounding giving, including but not limited to giving to public goods, motivation for giving, the impact of different solicitations or match announcements on giving, social norms, and the development of social preferences. Successful proposals will have a strong foundation in behavioral economics theory and a feasible project plan. Moreover, successful proposals will have practical relevancy – the proposal should describe how the results may be used in policy or practice. Proposals may target the demand (philanthropic organizations) or supply (individual donors) side of the market – both topics are of equal importance to the Initiative.

This Initiative will **not** fund proposals that do not use the experimental approach as a primary data generation methodology, but encourages proposals that include a non-experimental secondary component (such as post-experiment surveys, additional data gathering, etc.) The Initiative will **not** fund proposals with no direct link to the study of philanthropy and giving behavior.

### **Eligibility**

Proposals must be submitted by faculty, senior research associates, post-doctoral scholars/fellows or doctoral candidates at a higher educational institution or other research center both in the US and abroad. Doctoral candidates should apply with their major professor as a PI of the proposal (please specify that this is the student's work; if so, multiple proposals from each PI for different students are allowed). We especially encourage proposals from young researchers, including doctoral candidates, post-doctoral researchers, and faculty who have received a Ph.D. in the last 3 years. If you would like to verify that you are eligible, please contact the Initiative staff.

Each researcher may not submit more than one proposal in each round, but researchers who have more than one potential idea are encouraged to contact the center staff via e-mail to ask which of the ideas is most likely to be accepted. Alternatively, if the researcher prefers, he/she may submit multiple LOIs, but only up to one LOI per researcher will be invited for a full proposal. The limit does not apply for Co-PIs – a researcher may be a Co-PI on multiple proposals but may only be PI on up to one proposal in each funding round. This limit does not apply to faculty applying as a PI for a student – faculty can be a PI on more than one student-initiated small grant proposal.

Researchers who have already been funded as a PI under this RFP may submit a separate proposal as the PI in another round, as long as the total funding for each researcher does not exceed \$50,000 in 2 subsequent years. So for example, if the researcher received \$25,000 in round 1, he/she may request \$25,000 for a significant expansion or new project in round 2. Researchers may be Co-PI on multiple proposals with no funding limits. Researchers who have already been funded under the ‘large grant’ line cannot apply again in another round to receive a ‘large grant,’ but may be eligible for a small grant.

### **Letter of Inquiry Requirements**

A complete LOI application consists of the letter of inquiry (not to exceed 2 pages in 12 pt. Arial/Times font, excluding bibliography and cover page) and CVs of all principal investigators. The LOI should include a brief description of the project, including:

- **Cover Page:** List the following - Name of PI, name of Co-PI(s), home institution(s), approximate amount of funding requested, type of application (small or large grant call), type of data collection (lab or field). Also answer – if funded lab experiment, will you need space? If funded field experiment, is a collaborating organization/population secured or do you need assistance from the center? (We can provide contacts for field study sites in some cases). **See the cover page template on our website.**
- **Body:**
  - Main research question
  - Methodology – describe in detail how it relates to lab/field experiments
  - Qualifications of PI – if new to the field/young researcher, describe related experience and reasoning for starting work in this area of research
  - Relevance of main research question to the Scope of Research
  - Relevance of main research question to Templeton Mission

### **Proposal Requirements**

Proposals are by invitation only (following LOI). The main proposal includes Cover page and Research statement. The proposal must also include as attachments a bibliography, CVs of relevant researchers, budget, budget justification and timeline.

The cover page should not be longer than 1 page and should include:

- **Cover Page:** The cover page should include all the information from the LOI cover page, as well as the name and contact information of the Authorized Representative, contact information for the Representative/Organization, Tax identification or DUNS number, the funding amount requested, and a bullet-point list of **up to 3** key research questions (or “Big Questions”) that your proposal aims to answer. For example, “Disentangling the motivation for giving: pure altruism or warm glow?” or “Does a matching grant increase contributions to public goods?” **See the cover page template on our website.**

The research statement should not exceed 12 pages in 12 pt. Arial/times font, excluding bibliography. We suggest that proposals follow the following format:

- **Motivation:** A clear statement of intellectual merit of the research and expected significance should be included. In addition, broader impact (i.e., importance for policy) should be discussed. Explain why your proposal is innovative.
- **Relevance:** Should provide support for how the project is within the scope of research and the relevance to the Templeton Mission.
- **Contribution:** The description should be clear about the specific contribution. This section should include the related literature in the area of focus, and should explain the gaps in the literature and how the research team's proposed project addresses these gaps.
- **Approach:** The approach section should include a brief description of the design, including information about the treatments proposed and the number of participants needed for each treatment. In addition, this section should address the theoretical model underlying the research question, and should propose several hypotheses that will be tested by the design.
- **Researcher/Team Qualifications:** Researchers should provide a brief statement about their expertise in the area of study. If the proposal is being made by a young investigator or a researcher who is switching fields, a rationale for why the researcher is interested in the subject under study is encouraged.

The bibliography does not need to follow any specific format, but we prefer that you stick to one type (APA/MLA etc.). Make sure that any references cited in the work are in the bibliography, and that any work in the bibliography is cited in the main text. The CV does not need to follow a specific format. We prefer short and concise CVs that include: education, experience, research interests, related publications and working papers, other publications and working papers, and previous grants awarded to the investigator. The timeline should be included; list the main activities to be completed and the timeline to completion. It is recommended to start from the end and anticipate all activities required to complete a working paper by the end of 12 months.

### **Budget and Award Requirements**

A budget should be included with the proposal. The Initiative (and the Templeton Foundation) will not fund proposals with greater than 15% overhead, and proposals that request lower overhead are encouraged.

The researcher is asked to budget for one trip to the University of Chicago workshop to present the proposal. Selected researchers will be invited to present their results at the following workshop.

The researcher may also budget for travel to present the work at one additional conference or meeting, effort time for the PIs (not to exceed 1 summer month of effort), subject payments, and other research expenses. The researchers may not budget for equipment exceeding \$1,000. The overall budget (excluding overhead) may not exceed \$49,999 for small grants and \$100,000 for large grants. The budget can be submitted as a separate Excel file.

The budget justification should be 1 page long and should include reasoning for each of the line items in the budget.

### **Grant Recipient Requirements**

We require a working paper submitted to the Initiative one year after receipt of the grant that detail the results of the work (the deadline for Round 1 reports is August 1, 2014; the deadline for Round 2 reports is August 1, 2015). These are hard deadlines, since we must meet Templeton Foundation requirements. Intermediate progress reports may also be required.

We **strongly encourage** grant recipients to attend a workshop at the University of Chicago the year the project is funded. We will hold special meetings during the workshop aimed at helping grant recipients learn about logistics of field experiments, publication venues, and the like. If you would like to attend the workshop, please budget for this in your grant and plan to present either your proposal or final paper.

In addition, we strongly encourage grant recipients to work with the center staff to create a short, 3-5 minute webinar or research brochure, intended for paper and web dissemination, on the research results. These webinars will be filmed during the workshop.

### **Submission**

Submission should be made electronically to Shannon Price at:  
[contact@spihub.org](mailto:contact@spihub.org)

Please indicate that this is a grant submission in the subject line.

We prefer submissions in PDF format, but Word format is also accepted (though note that you may have some differences in formatting.)

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**COVER PAGE – TO BE ATTACHED FOR LOI AND FULL PROPOSAL**

Name of Principal Investigator (PI): \_\_\_\_\_ Title: \_\_\_\_\_

Email address of Principal Investigator: \_\_\_\_\_

Name(s) of Co-PI(s): \_\_\_\_\_

Home Institutions(s): \_\_\_\_\_

Type of Application:       Small grant       Large grant

Is this a PhD student dissertation proposal?       Yes  No

Estimated Amount of Funding Requested: \_\_\_\_\_

Type of Data Collection:       Lab       Field       Other: \_\_\_\_\_

If funded lab experiment, will you need space? Yes \_\_\_\_\_  
No \_\_\_\_\_

If funded field experiment, is a collaborating organization/population secured or  
do you need center assistance? Yes \_\_\_\_\_  
No \_\_\_\_\_

Key Research Questions addressed (up to 3):

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

*Full proposals only:* Name/Contact Information of Authorized Representative:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Full proposals only:* Representative Tax Identification or DUNS Number: \_\_\_\_\_