WASHINGTON Regional Association of GRANTMAKERS

OUR REGION OUR GIVING

June 2010

Philanthropy in the Greater Washington Region

This report includes the first look at how the recession impacted the region's philanthropy in 2009, and comprehensive regional foundation data for 2008.

- **GIVING...** In 2009, giving by foundations in the region declined by an estimated 9.6 percent, from $934.4 million to $844.3 million.
- **ASSETS...** In 2009, the value of foundation assets in the Greater Washington region increased slightly, from $12.2 billion to an estimated $12.7 billion. This followed a 2008 asset decline of 8.4 percent.
- **LEADERS...** In the latest complete tallies, **The Community Foundation for the National Capital Region** led the region in giving with nearly $90 million. Among corporate funders **Safeway** gave the most locally with $10.5 million. **The Morris and Gwendolyn Cafritz Foundation** was the region's largest non-operating foundation, with over $725 million in assets.

2009 Giving

Foundation Giving in 2009

Giving by foundations in the Greater Washington region **declined an estimated 9.6 percent** between 2008 and 2009, from $934.4 million to $844.3 million, according to research conducted for Washington Grantmakers by the Foundation Center. By comparison, foundation giving nationwide is projected to have decreased by 8.4 percent. A key reason for the difference is the growth in giving by the Bill & Melinda Gates Foundation, which helped to moderate the reduction in giving nationally.

The full impact of the recession on foundation giving levels may not be realized until 2010. Many foundations use a multi-year rolling average of the *past* value of assets to calculate grants budgets, and 2010 budgets will be calculated using more "recession years." However, giving from newly-formed foundations, higher pay-out rates, and other factors may be enough to compensate. Time will tell.

Foundation Assets in 2009

The Foundation Center estimates that foundation endowments **rose by 3.7 percent** in 2009. Applying that figure to the Greater Washington region would place the year-end value of local foundation assets at approximately $12.7 billion—up $460 million from 2008. Final 2009 asset figures for the region will not be available until next year.

Top Corporate Givers In the Region - 2009

		(in millions)
1.	Safeway, Inc. (MD)	$10.5
2.	**Clark Enterprises Inc. (MD)**	7.3
3.	**Wells Fargo & Co. (VA)**	6.9
4.	**Capital One Financial Corp. (VA)**	6.8
5.	Lockheed Martin Corp. (MD)	6.5
6.	**Kaiser Foundation Health Plan of Mid-Atlantic States Inc. (MD)**	6.2
7.	**Exxon Mobil Corp. (VA)**	5.5
8.	**Bank of America Corp. (DC)**	4.0
9.	Ernst & Young LLP (VA)	3.4
10.	Northrop Grumman Corp. (VA)	3.3
11.	**The World Bank Group (DC)**	2.8
12.	**PNC Bank**	2.2
13.	**Pepco (DC)**	2.1
14.	SunTrust Banks Inc. (DC)	1.2
15.	The Meltzer Group (MD)	1.1
16.	Venable LLP (DC)	1.0
17.	KPMG LLP	1.0
18.	The Washington Post Co. (DC)	0.8
19.	**Washington Gas (DC)**	0.7
20.	**Deloitte LLP (VA)**	0.6

- Source: *Washington Business Journal,* 5/14/10
- WG members are **highlighted**—many of the region's top corporate funders collaborate through WG's Corporate Affinity Group.

Produced in Partnership with the FOUNDATION CENTER

Final Asset and Giving Data: 2008

Below are asset and giving totals for each jurisdiction within the Greater Washington region for the year 2008, the most recent data available.* It is best to view annual giving data in aggregate, as an indicator of region-wide trends, because year-to-year changes in a particular jurisdiction can be misleading. For example: Maryland's 30 percent increase in giving seems remarkable, but occurred in part because one foundation changed its mailing address from DC to Maryland in 2008, and Montgomery County was consequently credited with its millions in giving.

	ASSETS (in millions)		GIVING (in millions)	
	2008	+/- from 2007	2008	+/- from 2007
TOTAL	$12,207.84	-8.4%	$934.38	+8.2%
D.C.	$6,090.33	-14%	$430.09	+5%
MARYLAND	$3,297.30	+3%	$285.37	+30%
Calvert	31.18	-17	1.76	-48
Charles	3.59	-36	1.18	+81
Frederick	94.13	-9	6.16	+10
Montgomery	3,070.88	+5	269.93	+33
Prince George's	97.52	-8	6.34	-8
VIRGINIA	$2,820.21	-4.5%	$218.92	-7.9%
Alexandria City	107.03	-38	8.24	+2
Arlington	434.79	+29	44.86	-11
Clarke	22.78	-1	0.21	-52
Culpeper	2.04	-21	0.10	-28
Fairfax	916.70	-9	106.90	-11
Fairfax City	260.01	0	10.41	+28
Falls Church City	43.65	-30	2.11	-10
Fauquier	84.77	-6	10.02	+60
Fredericksburg City	15.79	-14	1.48	+20
Loudoun	796.62	-9	28.43	-16
Manassas City	20.68	+63	1.03	-6
Prince William	93.88	+23	5.01	+37
Spotsylvania	21.38	+77	0.08	-28
Warren	0.08	-95	0.03	-80

Source: The Foundation Center, 2010

** Comprehensive annual foundation data becomes available roughly 15 months after the calendar year ends, because of variations in fiscal years and the need to cull data from IRS forms.*

Number of Foundations

The Greater Washington region finished 2008 with 1,505 active foundations, just 3 more than in 2007. Nationally, the number of active foundations rose by a similarly small margin of .5 percent—the slowest annual rate of growth tracked by the Foundation Center since 1981.

Washington Region's Leaders in Total Giving, 2008

	Foundation	Type[1]	Giving ($)
1.	**The Community Foundation for the National Capital Region (DC)**	CM	$89,799,126
2.	The Freedom Forum, Inc. (DC)	OP	60,798,719
3.	Eugene B. Casey Foundation (MD)	IN	34,261,900
4.	The Ellison Medical Foundation (MD)	IN	32,633,253
5.	New Mighty Foundation (DC)	OP	31,223,104
6.	**The J. Willard and Alice S. Marriott Foundation (MD)**	IN	24,737,805
7.	**Jack Kent Cooke Foundation (VA)**	IN	22,469,177
8.	**Public Welfare Foundation, Inc. (DC)**	IN	21,400,000
9.	The Sherman Fairchild Foundation, Inc. (MD)	IN	17,461,281
10.	**The Morris and Gwendolyn Cafritz Foundation (DC)**	IN	16,374,997
11.	**Freddie Mac Foundation (VA)**	CS	16,181,249
12.	Wallace Global Fund (DC)	IN	13,607,427
13.	The Gottesman Fund (DC)	IN	12,973,022
14.	Robert H. Smith Family Foundation (VA)	IN	12,933,915
15.	The Wyss Foundation (DC)	IN	12,900,987
16.	**Gannett Foundation, Inc. (VA)**	CS	11,185,415
17.	**Moriah Fund (DC)**	IN	9,469,688
18.	Searle Freedom Trust (DC)	IN	8,896,852
19.	Charles E. Smith Family Foundation (VA)	IN	8,804,300
20.	**Eugene and Agnes E. Meyer Foundation (DC)**	IN	8,285,890

Washington Region's Leaders in Total Assets, 2008

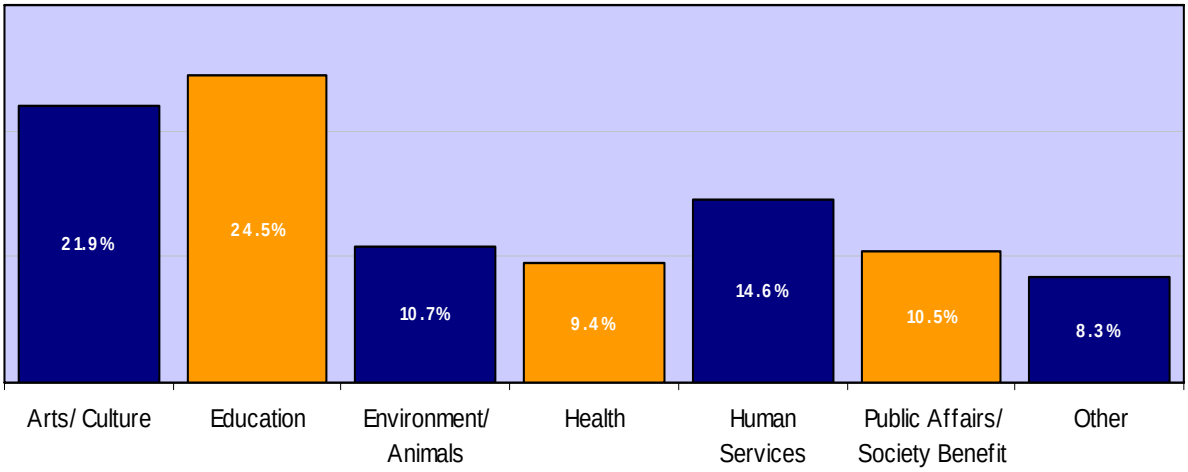
	Foundation	Type[1]	Assets ($)
1.	The Freedom Forum, Inc. (DC)	OP	$1,057,311,201
2.	**The Morris and Gwendolyn Cafritz Foundation (DC)**	IN	725,639,538
3.	**Jack Kent Cooke Foundation (VA)**	IN	711,258,257
4.	The Sherman Fairchild Foundation, Inc. (MD)	IN	618,266,240
5.	**The J. Willard and Alice S. Marriott Foundation (MD)**	IN	468,832,759
6.	**Public Welfare Foundation, Inc. (DC)**	IN	437,863,885
7.	**The Community Foundation for the National Capital Region (DC)**	CM	312,305,960
8.	Wallace Global Fund (DC)	IN	289,024,360
9.	Eugene B. Casey Foundation (MD)	IN	268,774,793
10.	The Gottesman Fund (DC)	IN	267,908,254
11.	Glenstone Museum Foundation (DC)	OP	228,070,313
12.	**Eugene and Agnes E. Meyer Foundation (DC)**	IN	225,527,850
13.	**The Claude Moore Charitable Foundation (VA)**	IN	208,401,042
14.	Charles G. Koch Charitable Foundation (VA)	IN	189,275,926
15.	New Mighty Foundation (DC)	OP	188,678,928
16.	**Moriah Fund (DC)**	IN	170,629,595
17.	The Laszlo N. Tauber Family Foundation (MD)	IN	160,909,383
18.	The Wyss Foundation (DC)	IN	150,774,007
19.	**Freddie Mac Foundation (VA)**	CS	129,130,871
20.	Searle Freedom Trust (DC)	IN	124,795,615

(Source: Foundation Center)

[1] CS = Company Sponsored; CM = Community; IN = Independent; OP = Operating

Washington Grantmakers members are **highlighted.**

Giving by Subject - 2008



Source: The Foundation Center, 2010. Based on all grants of $10,000 or more awarded by a sample of 41 larger Washington D.C. area foundations.

The Big Picture

When the recession began in 2008, foundation trustees and CEOs began meeting to determine how best to support grantees. Community needs were increasing even as endowments plummeted. Some grantmakers decided to maintain or even increase their pay-out rates, but declining assets forced almost half of WG members to reduce grant-making budgets. To keep critical funds flowing to the community, local grantmakers took various steps, including:

- *Partnerships to take advantage of others' expertise*, such as the Meyer Foundation's decision to ask the Consumer Health Foundation to manage its health grants.
- *Efforts to effect far-reaching systemic change*, such as the Community Foundation's Neighbors in Need Fund safety net systems reform grants, and support for the Defeat Poverty DC coalition.
- *Allowing and encouraging grantee flexibility*. Many funders converted program grants into general operating support, trusting their grantees' abilities to make sound decisions in response to unforeseen circumstances.
- *Reducing operating expenses*. A 2009 Washington Grantmakers survey found that most grantmakers were making internal belt-tightening moves, including staff reductions and salary freezes.

The recession was a crucible for the grantmaking community; out of necessity, many grantmakers looked "beyond dollars" for solutions. Funders re-evaluated their practices and priorities and emerged more focused than ever on maximizing the impact of investments. When grantmaking budgets eventually return to pre-recession levels, the lessons from this recession will remain.

About Washington Grantmakers

The **Washington Regional Association of Grantmakers** promotes and supports effective, strategic, and efficient charitable investment in the Greater Washington region. We build and strengthen relationships between **grantmakers, governments, nonprofits, and the business community,** to make better use of our region's limited resources. We serve as an advocate and voice for philanthropy. Our members include independent foundations, community foundations, operating foundations, charitable trusts, corporate foundations and corporate giving programs.