

HIGHLIGHTS OF FOUNDATION YEARBOOK

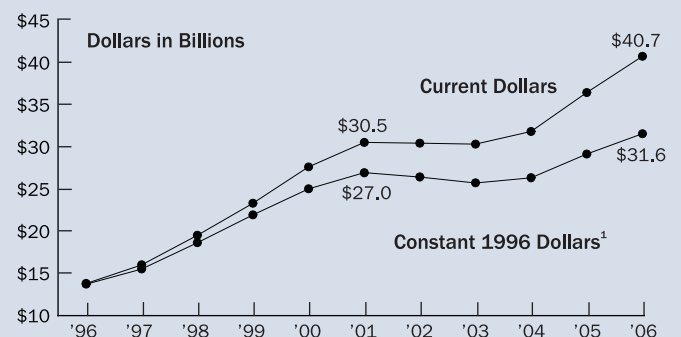
AFTER INFLATION, 2006 FOUNDATION GIVING SURPASSED THE RECORD 2005 AMOUNT

Robust stock market growth and high levels of new gifts into foundations contributed to the first consecutive double-digit annual foundation giving increases recorded since the “boom years” of 1996 to 2001. Inflation-adjusted estimated giving by foundations reached a new record high in 2006. Unadjusted U.S. foundation grant dollars rose by an estimated 11.7 percent, following a 14.3 percent gain in 2005. While market gains were the principal factor helping to boost existing foundation resources and raise the level of new gifts coming into foundations, other factors contributing to the rise in foundation giving included: more than 3,300 newly active foundations, higher payout rates—in part reflecting the establishment of foundations by “younger” donors who are not yet ready to fully endow them—and dramatic growth in giving by operating foundations established by pharmaceutical manufacturers. Overall, foundation grant dollars reached an estimated \$40.7 billion in 2006, up from \$36.4 billion in 2005.

All four major regions reported growth in number of foundations, assets, and giving in 2005. The South posted the fastest rate of growth in number of foundations and assets in the latest year, while the Northeast showed the fastest growth in giving. Among individual states, Maine, Arizona, Oklahoma, and Nebraska reported the greatest percentage increase in assets. By comparison, Delaware, Missouri, West Virginia, and Arkansas showed the fastest growth in grant dollars.

For more information on this report, published in June 2007, contact Algernon Austin, assistant director of research, at (212) 807-2457 or ata@foundationcenter.org. “Highlights of *Foundation Yearbook*” can be downloaded at foundationcenter.org.

Effect of Inflation on Foundation Giving, 1996 to 2006



Source: The Foundation Center, *Foundation Yearbook*, 2007. Figures estimated for 2006.

¹Constant 1996 dollars based on annual average Consumer Price Index, all urban consumers, as reported by the U.S. Department of Labor, Bureau of Labor Statistics, as of April 2007.

About Foundation Yearbook

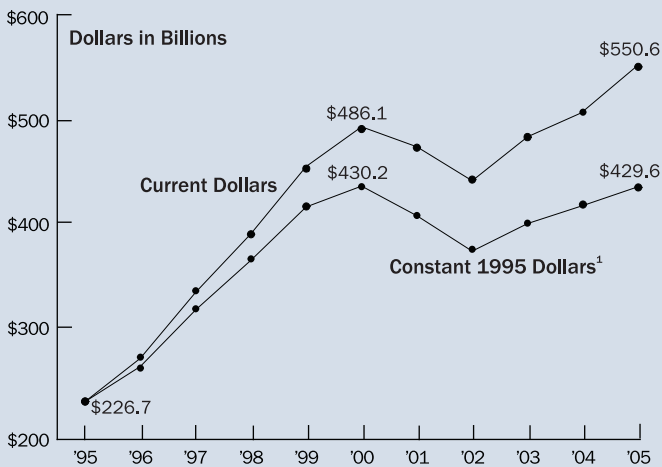
Foundation Yearbook, 2007 Edition, documents changes in the actual number, giving, and assets of all active U.S. foundations through 2005 and provides estimates of foundation giving through 2006. The report provides an overview of the state of foundation giving in the current year and beyond; comparisons of foundation activities by foundation size; and breakdowns of foundation resources by geographic location and grantmaker type. *Foundation Yearbook* is part of the *Foundations Today Series* of annual research reports on foundation growth and giving.

Findings presented in *Foundation Yearbook* are based on aggregate fiscal data collected by the Foundation Center on all active U.S. foundations. Estimates for 2006 are based on survey figures reported by 876 large and mid-size foundations combined with year-end fiscal indicators for all grantmaking foundations.

FOUNDATION GROWTH, GIVING, AND ASSETS THROUGH 2005

- ◆ Foundation assets reached a record \$550.6 billion in 2005; after inflation, assets almost equaled 2000 peak
- ◆ Number of grantmaking foundations exceeded 71,000 in 2005
- ◆ Actual number of foundations increased by over 3,300 in the latest year—compared to a peak gain of nearly 6,400 in 2000
- ◆ Giving by the nation's grantmaking foundations grew 14.3 percent to \$36.4 billion in 2005
- ◆ Giving by the 25 largest funders rose 9.5 percent to \$7.6 billion
- ◆ Assets of all active U.S. foundations grew 7.8 percent between 2004 and 2005
- ◆ For the 25 largest foundations, assets increased 4.5 percent
- ◆ Gifts into foundations totaled \$31.5 billion, up 31.2 percent from the prior year
- ◆ Total value of gifts of \$5 million or more increased 38.5 percent to \$23 billion

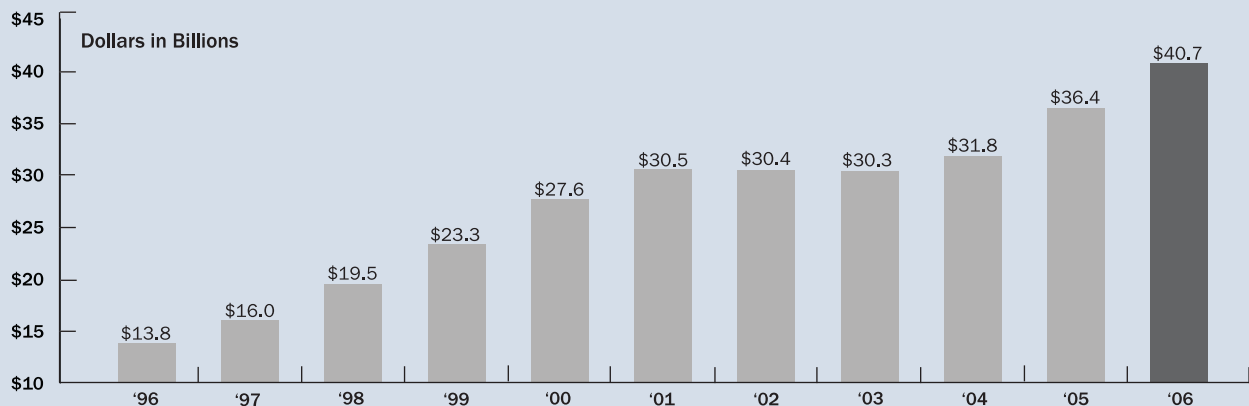
Effect of Inflation on Foundation Assets, 1995 to 2005



Source: The Foundation Center, *Foundation Yearbook*, 2007.

¹Constant 1995 dollars based on annual average Consumer Price Index, all urban consumers, as reported by the U.S. Department of Labor, Bureau of Labor Statistics, as of April 2007.

Change in Foundation Giving, 1996 to 2006



Foundation giving has nearly tripled since 1996

Source: The Foundation Center, *Foundation Yearbook*, 2007. Figure estimated for 2006. All figures based on current dollars.

TRENDS BY REGION AND STATE

Regions:

- ◆ South experienced fastest rate of growth in number of foundations in 2005
- ◆ Northeast continued to lead in terms of total foundation number
- ◆ Northeast experienced the fastest growth in giving in 2005
- ◆ All four regions—Northeast, Midwest, South, and West—showed asset gains in latest year
- ◆ South registered largest percentage increase in assets in 2005

States:

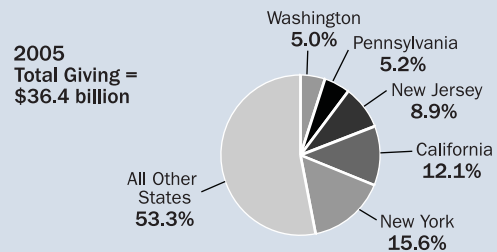
- ◆ Foundations in five states accounted for close to half of 2005 giving
- ◆ 45 states posted an increase in foundation giving in 2005
- ◆ Delaware experienced most rapid rate of growth in giving in latest year; New Jersey led in actual grant dollar gain
- ◆ New York foundations reported largest amount of giving overall
- ◆ District of Columbia ranked first based on giving per capita due to its small population and the presence of a few large national and international funders
- ◆ Maine registered fastest rate of growth in assets in 2005; California topped all states in actual asset dollar gain
- ◆ All but three states reported asset increases in 2005

Change in Foundation Statistics, 2004 to 2005

	2004	2005	% Change
All Foundations			
No. of Foundations	67,736	71,095	5.0
Total Giving	\$ 31,844	\$ 36,403	14.3
Total Assets	\$510,481	\$550,552	7.8
Gifts Received	\$ 23,989	\$ 31,465	31.2
Independent			
No. of Foundations	60,031	63,059	5.0
Total Giving	\$ 23,334	\$ 25,199	8.0
Total Assets	\$425,103	\$455,570	7.2
Gifts Received	\$ 13,655	\$ 17,366	27.2
Corporate			
No. of Foundations	2,596	2,607	0.4
Total Giving	\$ 3,430	\$ 3,996	16.5
Total Assets	\$ 16,645	\$ 17,795	6.9
Gifts Received	\$ 3,667	\$ 4,008	9.3
Community			
No. of Foundations	700	707	1.0
Total Giving	\$ 2,916	\$ 3,217	10.3
Total Assets	\$ 38,782	\$ 44,583	15.0
Gifts Received	\$ 3,859	\$ 5,587	44.8
Operating			
No. of Foundations	4,409	4,722	7.1
Total Giving	\$ 2,164	\$ 3,990	84.4
Total Assets	\$ 29,951	\$ 32,603	8.9
Gifts Received	\$ 2,808	\$ 4,505	60.4

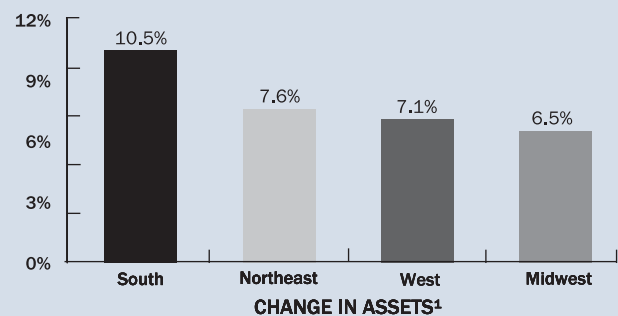
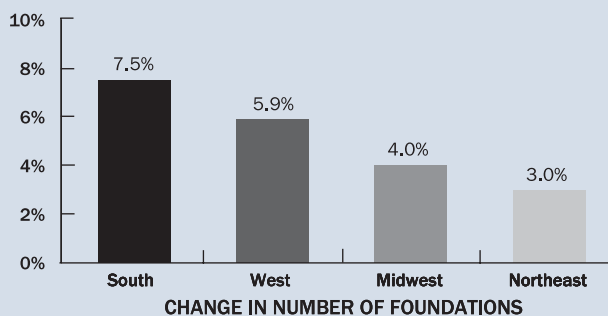
Source: The Foundation Center, *Foundation Yearbook*, 2007. Dollars in millions. Percent change represents current dollars. Includes only foundations that awarded grants in the latest fiscal year.

Distribution of Foundation Giving by State, 2005



Source: The Foundation Center, *Foundation Yearbook*, 2007.

Change in Foundation Number and Assets by Region, 2004 to 2005

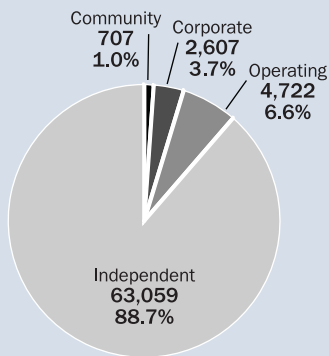


Foundations in the South experienced the fastest growth in number of foundations and assets between 2004 and 2005

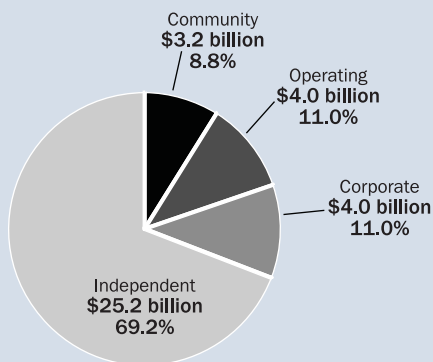
Source: The Foundation Center, *Foundation Yearbook*, 2007.

¹Percent change based on current dollars.

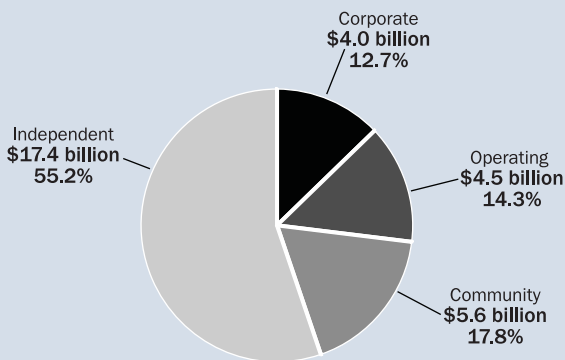
Number, Giving, and Gifts Received by Foundation Type, 2005



Total Number = 71,095



Total Giving = \$36.4 billion



Total Gifts Received = \$31.5 billion

Source: The Foundation Center, *Foundation Yearbook*, 2007.

GIVING AND GROWTH OF INDEPENDENT, CORPORATE, COMMUNITY, AND GRANTMAKING OPERATING FOUNDATIONS

- ◆ Giving by independent foundations rose 8 percent in 2005
- ◆ Independent foundation assets increased 7.2 percent in the latest year, up from a 6.5 percent rise in 2004
- ◆ Corporate foundation giving rose by 16.5 percent
- ◆ Assets of corporate foundations reached a record \$17.8 billion, up roughly 7 percent
- ◆ Giving by community foundations jumped 10 percent in 2005
- ◆ Community foundation assets grew 15 percent in the latest year, following a 13.6 percent gain in 2004
- ◆ Giving by grantmaking operating foundations surpassed community foundations for the first time and nearly equaled corporate foundations

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