

FOUNDATION YEARBOOK

Despite the onset of a recession, continuing stock market declines, and national paralysis immediately following the September 11th terrorist attacks, U.S. foundations managed to follow five straight years of double-digit giving increases with a 5 percent gain in giving in 2001. By foundation type, independent and family foundations provided the strongest boost to giving overall, followed by community foundations. For corporate foundations, the change in giving fell slightly below the rate of inflation.

Across the country, the number of grantmaking foundations grew by a record amount in the latest year. Foundations in the West continued to experience the fastest rate of growth in number, giving, and assets through 2000, and the West is poised to surpass the South in share of foundation giving. Nonetheless, the South reported the biggest gain in actual number of foundations in the latest year, while the Northeast showed the largest increase in actual grant dollars.

Foundation Yearbook, 2002 Edition, documents the growth in actual number, giving, and assets of all active U.S. foundations from 1975 through 2000 and provides estimates of foundation giving through 2001. The report provides an overview of the state of foundation giving in the current year and beyond; comparisons of foundation activities by foundation size; breakdowns of foundation resources by geographic location and grantmaker type; and a brief history of

foundation development since the early 1900s. *Foundation Yearbook* is part of the *Foundations Today Series* of annual research reports on foundation growth and trends in foundation 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 2001 are based on survey figures reported by more than 1,800 large and mid-size foundations combined with year-end fiscal indicators.

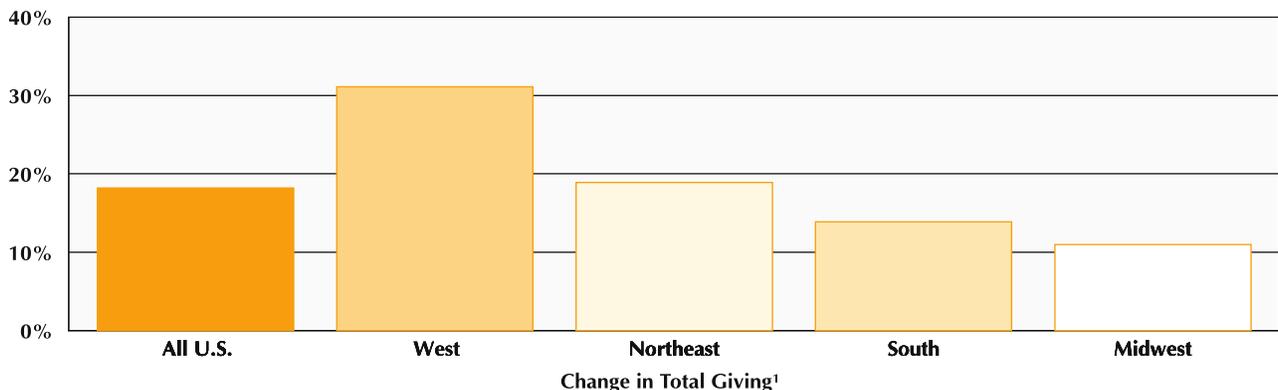
State of Foundation Giving, 2002

- Giving reached an estimated \$29.0 billion in 2001, up \$1.4 billion
- Giving in 2002 expected to remain flat
- Over the long term, modest growth in giving appears likely

Foundation Giving and Growth

- Giving by the nation's nearly 56,600 grantmaking foundations rose 18.2 percent in 2000 to \$27.6 billion
- Funding by the top 25 foundations increased nearly 22 percent in 2000, surpassing foundations overall

The West continued to show the fastest growth in foundation giving between 1999 and 2000



Source *Foundation Yearbook*, 2002.

¹Percent change based on unadjusted dollars.

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Foundation Yearbook "Highlights" are also available at <http://www.fdncenter.org>.

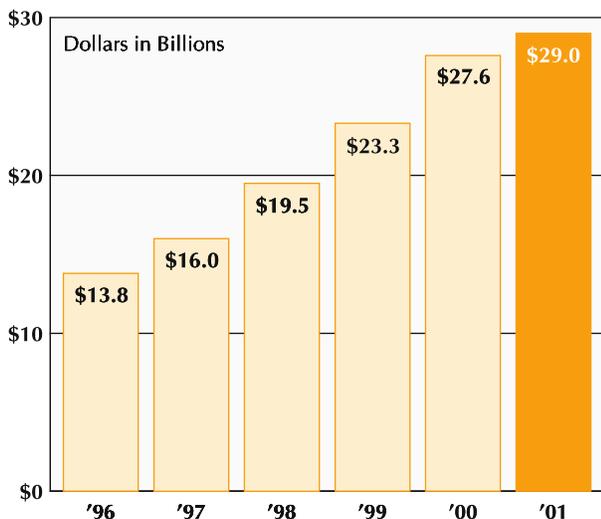
- Assets of all active U.S. foundations rose to \$486.1 billion in 2000, up 8.4 percent from the prior year
- Endowments of the top 25 foundations grew 12.2 percent in the latest year, exceeding overall asset gains but falling well behind growth in giving among top funders
- Gifts and bequests from donors to their foundations decreased nearly 14 percent in 2000, following record gifts in 1999
- Despite decline, 2000 gifts totaled \$27.6 billion—second highest level on record
- 719 foundations received at least \$5 million in gifts and bequests from their donors in the latest year, up 3 percent from 1999

Foundations by Region and State

Regions:

- West experienced fastest rate of growth in number of foundations in 2000
- Nearly half of larger Western foundations were established in the 1990s
- South reported largest gain in actual number of foundations since 1975
- West experienced fastest rate of growth in giving in latest year and since 1975
- West poised to surpass South by share of foundation giving in next few years
- Northeast showed largest increase in actual grant dollars in 2000

Foundation giving has more than doubled since 1996*



Source: *Foundation Yearbook*, 2002.

*Figures estimated for 2001. All figures based on unadjusted dollars.

- Led by the Bill & Melinda Gates Foundation, West ranked first in rate of growth of assets and actual dollar gains for third consecutive year
- West increased its share of all U.S. foundation assets
- Corporate foundations in Midwest accounted for largest share of corporate foundation giving by region; community foundations in Midwest and West provided largest shares of community foundation giving by region

States:

- Washington State experienced most rapid rate of growth in giving in 2000
- New York and California led in actual grant dollar gains in latest year
- New York foundations ranked first by overall giving and giving as a share of Gross State Product; funders in the state ranked second based on giving per capita
- The 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
- Alaska ranked first by rate of growth in assets in 2000
- New York topped all states in actual 2000 asset dollar gains

Giving and Growth of Independent, Corporate, and Community Foundations

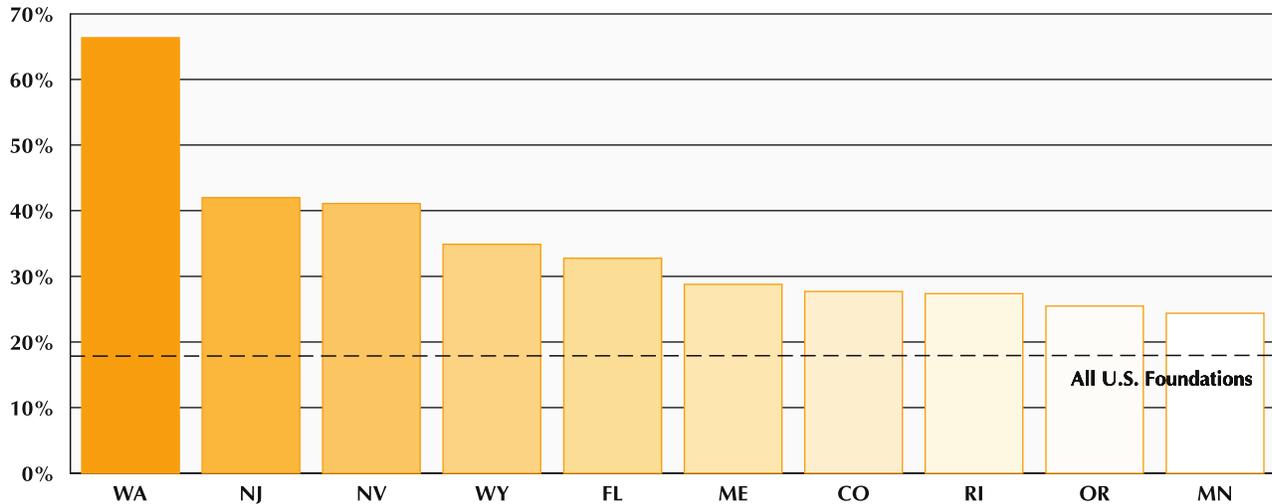
- Giving by independent foundations grew an estimated 5.4 percent in 2001, following an 18.7 percent actual gain in 2000
- Independent foundation assets increased 7.2 percent in 2000, falling behind overall growth

Foundations in five states accounted for close to half of 2000 giving



Source: *Foundation Yearbook*, 2002.

Led by Gates Foundation, Washington State surpassed all others in the rate of growth in foundation giving between 1999 and 2000*

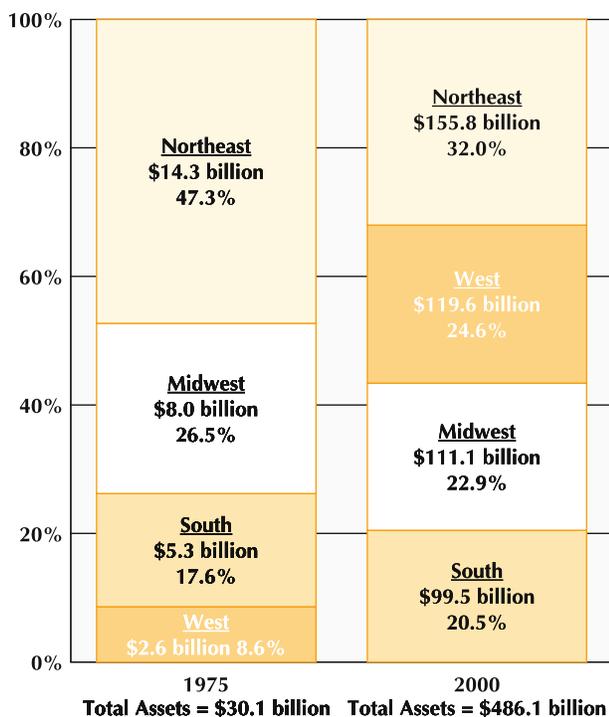


Source *Foundation Yearbook*, 2002.
*Percent change based on unadjusted dollars.

- Independent foundation giving in 2001 as a share of the prior year's assets totaled 5.5 percent, down slightly from 5.6 percent in 2000, but matching 1999's share
- 53 active private new health foundations, a subset of independent foundations, held assets of \$8.1 billion in 2000 and gave \$362.4 million

- Corporate foundation giving grew an estimated 2.6 percent in 2001, down from a 6.1 percent actual gain in 2000
- Assets of corporate foundations increased only 4.2 percent in 2000

The West continued to increase its share of foundation assets in 2000*



Source: *Foundation Yearbook*, 2002.
*Figures based on unadjusted dollars. Excludes assets of foundations based in the Caribbean and South Pacific, which accounted for 0.0 percent of total foundation assets in 1975 and 2000.

Foundation Profile, 1999 to 2000*

	1999	2000	% Change
All Foundations			
No. of Foundations:	50,201	56,582	12.7
Total Giving:	\$ 23,321	\$ 27,563	18.2
Total Assets:	\$448,612	\$486,085	8.4
Gifts Received:	\$ 32,076	\$ 27,614	-13.9
Independent			
No. of Foundations:	44,824	50,532	12.7
Total Giving:	\$ 17,989	\$ 21,346	18.7
Total Assets:	\$381,365	\$408,749	7.2
Gifts Received:	\$ 24,097	\$ 19,156	-20.5
Corporate			
No. of Foundations:	2,019	2,018	0.0
Total Giving:	\$ 2,814	\$ 2,985	6.1
Total Assets:	\$ 15,258	\$ 15,899	4.2
Gifts Received:	\$ 3,313	\$ 2,902	-12.4
Community			
No. of Foundations:	519	560	7.9
Total Giving:	\$ 1,849	\$ 2,166	17.1
Total Assets:	\$ 27,649	\$ 30,464	10.2
Gifts Received:	\$ 3,295	\$ 3,829	16.2
Operating			
No. of Foundations:	2,839	3,472	22.3
Total Giving:	\$ 669	\$ 1,065	59.2
Total Assets:	\$ 24,340	\$ 30,973	27.3
Gifts Received:	\$ 1,371	\$ 1,727	26.0

Source: *Foundation Yearbook*, 2002.
*Dollars in millions. Percent change represents current dollars. Includes only foundations that awarded grants in the latest fiscal year.

- Gifts from companies to their foundations (pay-in) decreased 12.4 percent
- Pay-in fell behind giving (payout) in the latest year by close to 3 percent, placing a modest drain on corporate foundation assets
- Giving by community foundations grew an estimated 4.6 percent in 2001, following a 17.1 percent rise in 2000
- Community foundations' assets grew 10.2 percent in the latest year, roughly half of the prior year's increase

Foundation Development

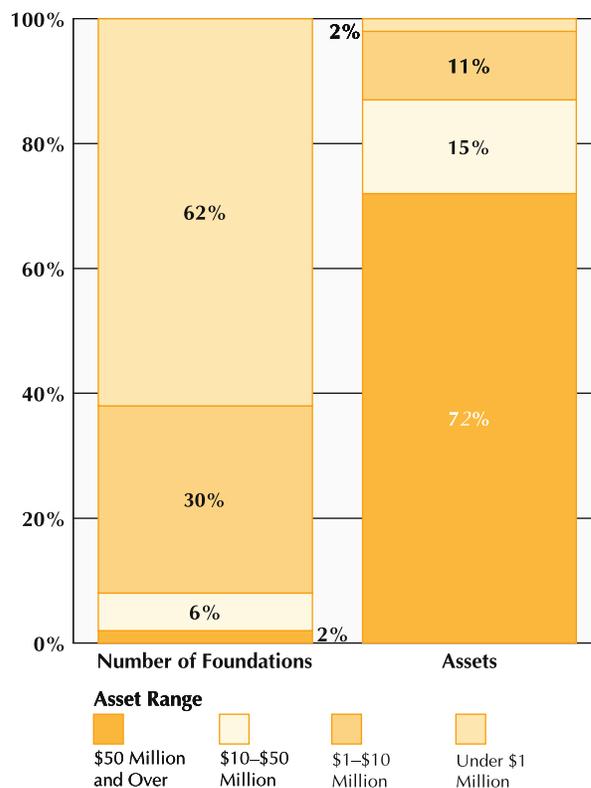
- Foundation community grew by a record 12.7 percent in 2000

ORDERING INFORMATION

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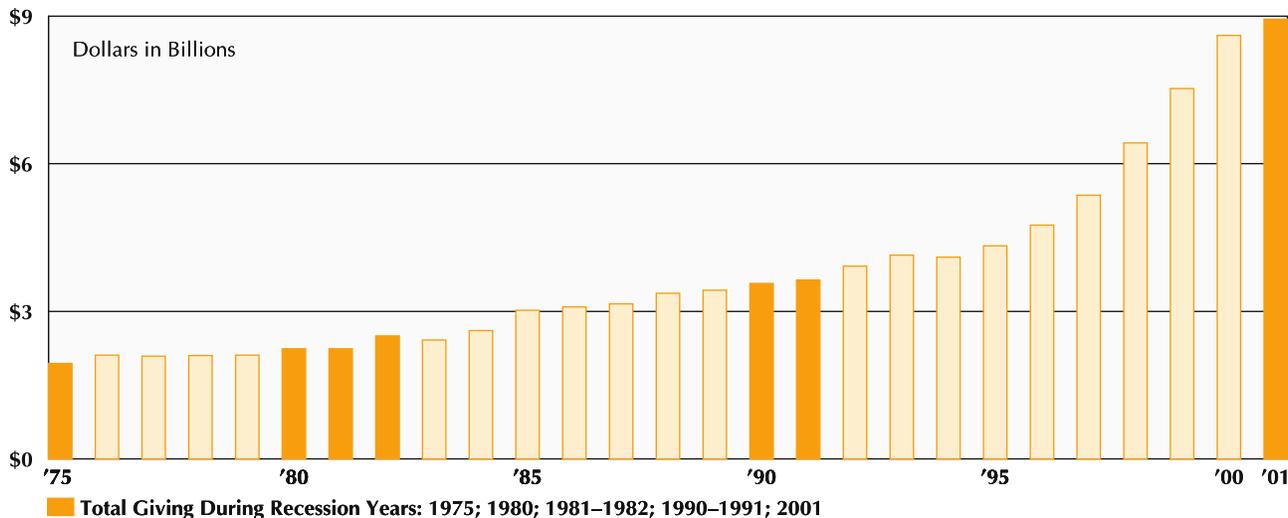
- Actual number of grantmaking foundations climbed by a record 6,381
- Over two-fifths of larger foundations were formed in 1990s
- More than three-fifths of larger foundations were created since 1980

Only two percent of foundations or just over 1,100 held more than seven out of ten asset dollars in 2000



Source: *Foundation Yearbook*, 2002.

Foundation giving grew ahead of inflation during recessions over the last quarter-century*



Source *Foundation Yearbook*, 2002.

*Figures estimated for 2001. Constant 1975 dollars based on annual average Consumer Price Index, all urban consumers, U.S. Department of Labor, Bureau of Labor Statistics, as of March 2002.