

HIGHLIGHTS OF FOUNDATION YEARBOOK

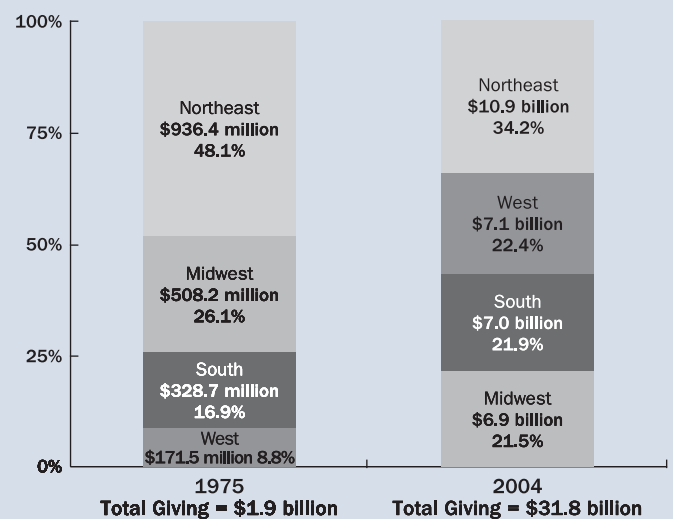
WEST RANKED SECOND BY SHARE OF OVERALL FOUNDATION GIVING—FIRST TIME ON RECORD

Foundation giving continued to recover from the downturn of the early 2000s but at a pace only a few points ahead of inflation. Modest gains in the stock market, new gifts into foundations, the outpouring of foundation support in response to the South Asian tsunami and Gulf Coast hurricanes, and the establishment of new foundations helped to sustain incremental growth in giving by the nation's close to 68,000 grantmaking foundations. Overall, foundation giving reached an estimated \$33.6 billion in 2005, up from \$31.8 billion in 2004. This 5.5 percent rise followed a 5.1 percent gain in giving in the prior year. Nonetheless, inflation-adjusted giving by foundations in 2005 continued to fall below the record level reached in 2001.

By region, the West posted the fastest growth in giving in 2004. Led by foundations in California and Washington State, the West also reported the largest increase in terms of actual grant dollars. In fact, Western funders surpassed Southern foundations by share of overall giving for the first time on record. Still, all major regions registered increased giving in the latest year. Similarly, foundation assets rose in all four major regions, with the South posting the largest gain.

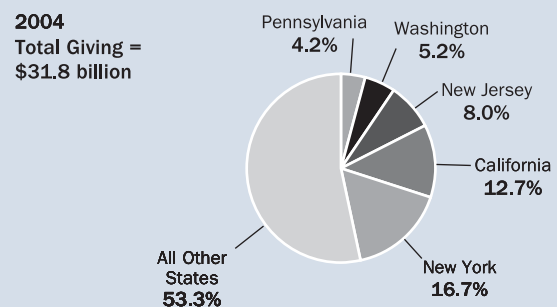
For more information on this report, published in June 2006, contact Josie Atienza, Research Analyst/Coordinator of the *Foundations Today Series*, at (212) 620-4230 or jsa@foundationcenter.org. "Highlights of Foundation Yearbook" can be downloaded at foundationcenter.org.

For the first time in 2004, the West surpassed the South by share of overall giving



Source: The Foundation Center, *Foundation Yearbook*, 2006. Figures based on unadjusted dollars. Due to rounding, percentages may not total 100. "Total Giving" figure includes foundations based in the Caribbean and South Pacific, which accounted for 0.0 percent of total foundation giving in 1975 and 2004.

Foundations in five states accounted for close to half of 2004 giving



Source: The Foundation Center, *Foundation Yearbook*, 2006.

About Foundation Yearbook

Foundation Yearbook, 2006 Edition, documents changes in the actual number, giving, and assets of all active U.S. foundations from 1975 through 2004 and includes estimates of foundation giving through 2005. 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 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 2005 are based on survey figures reported by 853 large and mid-size foundations combined with year-end fiscal indicators.

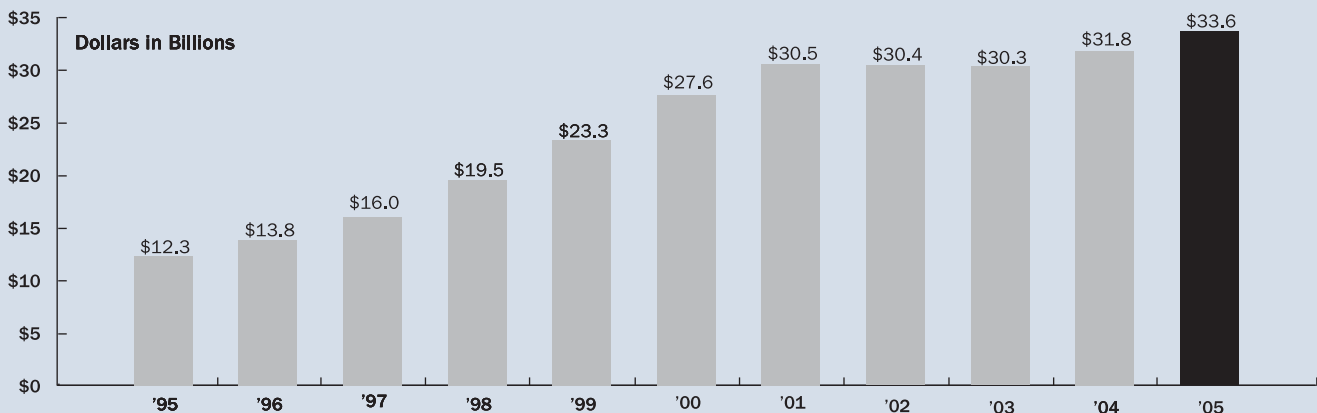
STATE OF FOUNDATION GIVING

- ◆ Giving rose 5.5 percent to an estimated \$33.6 billion in 2005
- ◆ Inflation-adjusted giving in 2005 remained below 2001 peak
- ◆ Accounting for inflation, growth in 2006 giving likely to be modest

FOUNDATION GROWTH, GIVING, AND ASSETS THROUGH 2004

- ◆ Number of grantmaking foundations reached nearly 68,000 in 2004
- ◆ Actual number of foundations increased by over 1,300 in the latest year—compared to a peak gain of nearly 6,400 in 2000
- ◆ Giving by the nation's grantmaking foundations grew 5.1 percent to \$31.8 billion in 2004, following two consecutive down years
- ◆ Giving by the 25 largest funders rose 15 percent to \$7.2 billion
- ◆ Assets of all active U.S. foundations grew 7.1 percent to \$510.5 billion; adjusted for inflation, assets remained below the peak level recorded in 2000
- ◆ For the 25 largest foundations, assets increased 3.5 percent
- ◆ Gifts into foundations totaled \$24 billion, down 3.5 percent from the prior year
- ◆ Total value of gifts of \$5 million or more fell 7.1 percent to \$16.6 billion

Foundation giving has nearly tripled since 1995



Source: The Foundation Center, *Foundation Yearbook*, 2006. Figure estimated for 2005. All figures based on current dollars.

FOUNDATIONS BY REGION AND STATE

Regions:

- ◆ South experienced fastest rate of growth in number of foundations in 2004
- ◆ Northeast continued to lead in terms of total foundation number
- ◆ West experienced the fastest growth in giving in 2004
- ◆ West surpassed South by share of overall giving for the first time on record
- ◆ All four regions showed asset gains in latest year
- ◆ South registered largest percentage increase in assets in 2004

States:

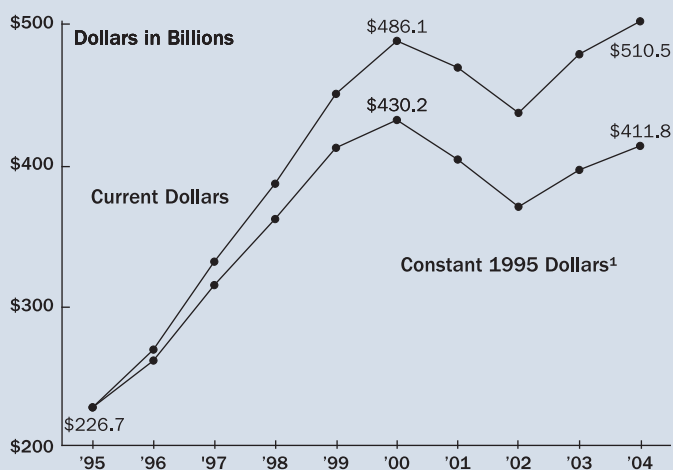
- ◆ 39 states plus the District of Columbia posted an increase in foundation giving in 2004
- ◆ Alaska experienced most rapid rate of growth in giving in latest year; New Jersey led in actual grant dollar gain
- ◆ New York foundations reported largest amount of giving overall
- ◆ District of Columbia ranked first based on giving per capita due to its small population and the presence of a few large national and international funders
- ◆ Alaska registered fastest rate of growth in assets in 2004; California topped all states in actual asset dollar gain
- ◆ All but three states reported asset increases in 2004

Change in Foundation Statistics, 2003 to 2004

	2003	2004	% Change
All Foundations			
No. of Foundations	66,398	67,736	2.0
Total Giving	\$30,309	\$31,844	5.1
Total Assets	\$476,713	\$510,481	7.1
Gifts Received	\$24,858	\$23,989	(3.5)
Independent			
No. of Foundations	58,991	60,031	1.8
Total Giving	\$22,568	\$23,334	3.4
Total Assets	\$399,138	\$425,103	6.5
Gifts Received	\$15,846	\$13,655	(13.8)
Corporate			
No. of Foundations	2,549	2,596	1.8
Total Giving	\$3,466	\$3,430	(1.0)
Total Assets	\$15,447	\$16,645	7.8
Gifts Received	\$3,234	\$3,667	13.4
Community			
No. of Foundations	699	700	0.1
Total Giving	\$2,532	\$2,916	15.2
Total Assets	\$34,153	\$38,782	13.6
Gifts Received	\$3,476	\$3,859	11.0
Operating			
No. of Foundations	4,159	4,409	6.0
Total Giving	\$1,744	\$2,164	24.1
Total Assets	\$27,975	\$29,951	7.0
Gifts Received	\$2,302	\$2,808	22.0

Source: The Foundation Center, *Foundation Yearbook*, 2006. Dollars in millions. Percent change represents current dollars. Includes only foundations that awarded grants in the latest fiscal year.

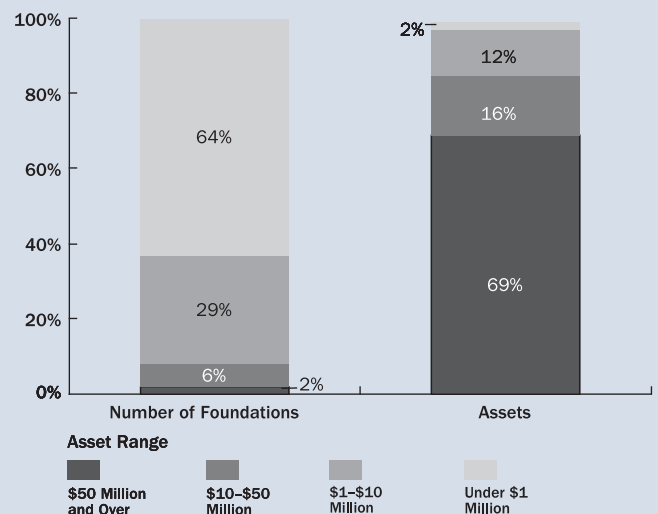
Foundation assets reached a record \$510.5 billion in 2004; after inflation, assets remained below 2000 peak



Source: The Foundation Center, *Foundation Yearbook*, 2006.

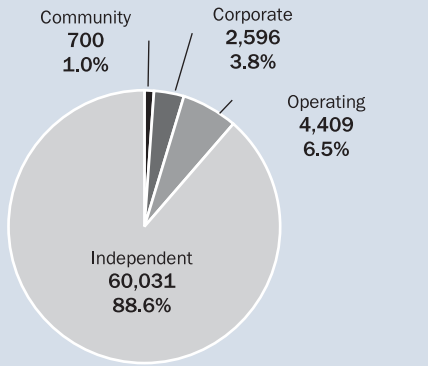
¹Constant 1975 dollars based on annual average Consumer Price Index, all urban consumers, as reported by the U.S. Department of Labor, Bureau of Labor Statistics, as of February 2006.

Only 2 percent of foundations held the vast majority of assets in 2004

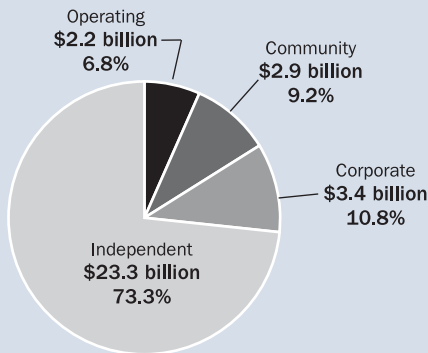


Source: The Foundation Center, *Foundation Yearbook*, 2006.

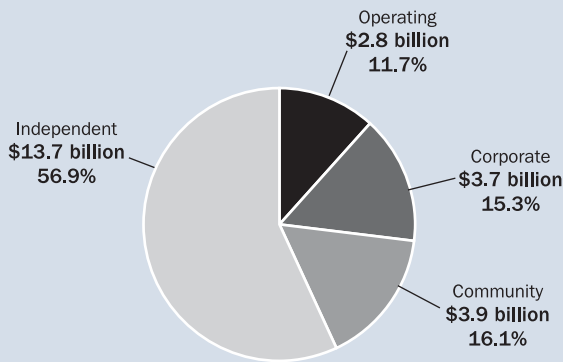
Community foundations represented just 1 percent of foundations in 2004, but accounted for over 9 percent of giving and 16 percent of gifts received



Total Number = 67,736



Total Giving = \$31.8 billion



Total Gifts Received = \$24 billion

Source: The Foundation Center, *Foundation Yearbook*, 2006.

GIVING AND GROWTH OF INDEPENDENT, CORPORATE, AND COMMUNITY FOUNDATIONS

- ◆ Giving by independent foundations rose 3.4 percent in 2004, following two consecutive years of decline
- ◆ Independent foundation assets increased 6.5 percent in the latest year, down from a 9.6 percent rise in 2003
- ◆ Corporate foundation giving dipped by 1 percent, after holding nearly steady in the prior year
- ◆ Assets of corporate foundations reached a record \$16.6 billion, up roughly 8 percent
- ◆ Giving by community foundations jumped 15 percent in 2004—far surpassing the rise in giving reported by independent foundations
- ◆ Community foundation assets grew 13.6 percent in the latest year, following a 14.7 percent gain in 2003

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