

# Surviving the Great Recession: Strategies for Foundation Support

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A Workshop Presentation by:

The National Committee for Responsive  
Philanthropy

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# The National Committee for Responsive Philanthropy

NCRP promotes philanthropy that serves the public good, is responsive to people and communities with the least wealth and opportunity, and is held accountable to the highest standards of integrity and openness.



# Agenda

- Grantmaker Surveys on the Recession
  - Council on Foundations
  - Washington Regional Assoc. of Grantmakers (WRAG)
- Quantitative Analysis
  - Chicago Community Trust
  - J. Paul Getty Trust
  - William Penn Foundation
- Qualitative Case Studies
  - Mary Reynolds Babcock Foundation

# Council on Foundations: Survey of 320 Foundations

- 2006: US grantmaking reached an all-time high of \$41 billion
- 2007: 37% of foundations expected to increase grantmaking
- 2008: 40% of foundations expect to:
  - Decrease overall grantmaking, but
  - Increase aid to families in need

# WRAG:

## 2009 Survey of DC Grantmakers

- 81% received more funding requests
- 51% experienced budget decrease
  - But, 38% of those with decreases, reported decreases of 5% or less
- 65% experienced asset decrease
  - But, 35% experienced asset increase (by <5%)

# WRAG: 2009 Survey of DC Grantmakers

- Grantmakers' reasons for their change in assets:
  - 53% cited “recession and resulting decrease in their return on investment”
  - “we’ve chosen to make grants at a higher level”
  - “reduced public funding”
  - “spending of reserves so as not to cut programming”

# WRAG:

## 2009 Survey of DC Grantmakers

- 2009 Increased grant requests
  - Human Services 48%
  - Arts 36%
  - Public/Society benefit 26%
  - Education and Environment 19%
  - Health 15%
- Grant budgets for 2010
  - Anticipate decreased 44%
  - Anticipate a modest increase 30%
  - Don't know yet 26%

# WRAG:

## 2009 Survey of DC Grantmakers

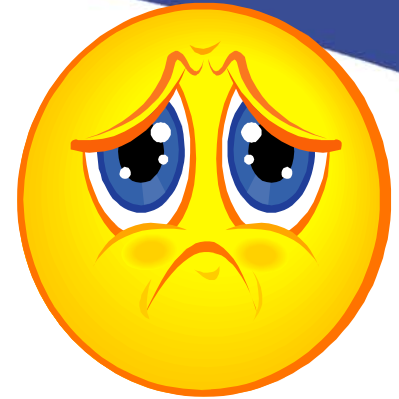
- 79% of respondents made internal changes as result of the economy.

	Mar. '09	Sept. '09
Reduced operating budget	42%	51%
Change investment strategy	40%	n/a
Salary freeze	33%	31%
Staff layoffs	28%	13%
Hiring freeze	9%	36%
Sharing space	5%	n/a

# Chicago Community Trust

- Creative coalition building with state and local government
- Unite Challenge
  - Red Tape Cutters program (state budget)
  - 18 community-based agencies
  - Older adults and home ownership
  - \$500K

# J. Paul Getty Trust



- 2010 Budget cut by 25%
- Endowment decreased significantly
- Arts, conservation, leadership development
- LA arts advocacy organizations suffer
  - Arts for LA
  - Over 50 nonprofits and foundations



# William Penn Foundation

- 2010 Budget remains stable
- New \$747 million increases of funds due to gift from John C. Hass
- Pennsylvania state budget crisis: support of advocacy work

# Mary Reynolds Babcock Foundation

- Public statement: “Investing during hard times with an eye on the future”
  - December 2007 to January 2009, assets shrank from \$189 million to \$126 million
  - Maintaining giving levels held at 2008 for the next 3 years
  - Decrease administrative costs and other benefits (8 fte)



# Looking Forward...

- Advocacy
- Community organizing
- Collaboration and coalition work
  - Increase return on investment
  - Increase help for marginalized populations
  - Increase long-term, sustainable change

# National Committee for Responsive Philanthropy

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