

## **\$1 billion? Just more to give out**

### **Community-grant foundation hits major milestone and celebrates**

By Rita Price

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In 1943, the Columbus Foundation organized around a wealth of good wishes and a \$700 grant. The aim remains much the same, but now the money is a 10-figure matter.

Officials announced yesterday that the philanthropic organization has surpassed \$1 billion in assets.

That places it among the top community foundations in the nation. "It's a very exclusive club," said Ken Strmiska of the Washington-based Council on Foundations.

Of the 700 or so community foundations in the United States, just seven -- most of them in larger, charity-rich areas -- listed assets at or beyond the billion-dollar mark in a survey last year.

Donors, officials and grant recipients celebrated the milestone at a gathering last night. Doug Kridler, president of the Columbus Foundation, called it "a point of civic pride" that the relatively young foundation has secured such a lofty position.

As philanthropy explodes in Columbus and throughout the nation, so does scrutiny and responsibility, observers say. In the community-foundation sector alone, assets have surged nearly fivefold since 1990.

More than ever, the focus is on how much goes out the door. "The goal is not to just have as many assets as we can. It's to make communities better," Strmiska said.

The Internal Revenue Service has been studying the payout requirements at private foundations, which differ from community foundations. Privately held foundations are supposed to give away at least 5 percent a year, including administrative costs, and critics say that figure is far too low.

As a community foundation, Columbus isn't subject to the 5 percent threshold. But it distributes more, officials say: In 2006, about 8.5 percent of its market value -- or \$72.4 million -- was given away in grants to the community.

The 8.5 percent does not include administrative costs, officials say. The Council on Foundations puts the average payout among community foundations at 7 percent to 7.5 percent.

"I think the Columbus Foundation, in certain aspects, has always been at the cutting edge," said Ray Biddiscombe, chief financial officer for the foundation. "We've been held in good esteem, and some organizations have mimicked some of our practices."

The IRS also is considering additional regulations for donor-advised funds, which operate like private charitable accounts managed by a larger foundation. [The National Committee for Responsive Philanthropy](#) advocates a 6 percent annual payout from the donor-advised funds so that the money isn't merely "parked" for the tax break.

At the Columbus Foundation, gifts to create donor-advised funds have more than doubled in the past five years, and in 2006, they accounted for 45 percent of all new gifts.

Locally, payout rates are high, Biddiscombe said. Money granted from donor-advised funds in 2006 was 30 percent of the beginning-of-the-year market value and has averaged at least 25 percent for the past three years, he said.

He thinks the give-and-grant balance in Columbus is healthy. "The needs continue to grow in the community. The idea is to grow the endowment so that it can meet those future needs."

Also last night, the foundation presented the Harrison M. Sayre Award -- named for the founder -- to developer and philanthropist Richard J. Solove.

In 1998, Solove gave the Ohio State University Medical Center a \$20 million gift for cancer research. In 1999, the cancer hospital was renamed the Arthur G. James Cancer Hospital and Richard J. Solove Research Institute.

"I have built many, many shopping centers, thousands of apartments," Solove said in accepting the award. "It doesn't mean anything. But it's a wonderful feeling to know you've helped to extend a life."

The 2007 Columbus Foundation Award, along with a \$25,000 grant, went to LifeCare Alliance and its volunteers for their efforts to provide health and nutrition services to central Ohioans.

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### **Solid Foundation:**

The 10 largest community foundations in the U.S., based on a 2005 year-end survey of assets:

1. Tulsa (Okla.) Community Foundation, \$2,293,370,700

2. The New York Community Trust, \$1,897,604,374

3. The Cleveland Foundation, \$1,716,136,165
4. The Chicago Community Trust, \$1,503,994,247
5. California Community Foundation, \$1,152,601,808
6. Marin (Calif.) Community Foundation, \$1,126,000,000
7. Greater Kansas City (Mo.) Community Foundation, \$1,013,035,000
8. Community Foundation Silicon Valley (Calif.), \$919,431,149
9. The Columbus Foundation, \$850,089,853
10. The Oregon Community Foundation, \$850,034,138

\* The Columbus Foundation announced yesterday that its assets now exceed \$1 billion.

Source: The Columbus Foundation

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