

## **When the Giving Stops**

### **When corporations have money problems, so do charities**

By Richard Abowitz

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Las Vegas is a town that depends on nonprofits more than most cities of its size, due to the limited safety net provided by government in Nevada. And one of the most visible signs of giving in Vegas is from corporate foundations. For example, turn on KNPR, and you are likely to hear a show sponsored by the Harrah's Foundation.

But that is just promotion, according to Thom Reilly, who runs the Harrah's Foundation. The real focus of the foundation is supporting seniors in a variety of ways. The Harrah's Foundation contributes to a national Alzheimer's charity, as well as Meals on Wheels. Data for 2007 indicates the Harrah's Foundation distributed more than \$13 million nationwide.

Reilly says the foundation is only part of Harrah's charitable work. "The other components include corporate giving, and the properties are required to make various types of gifts to the community. But if you combine them all together it is very substantial." So substantial that in 2006, Harrah's was the only casino company included on Business Week's list of largest cash-givers.

... Aaron Dorfman, executive director of the National Committee for Responsive Philanthropy, thinks the financial health of companies should not deter them from charitable giving: "The best corporate citizens, whether or not they are making profits, are continuing their charitable giving."

...Meanwhile, one study by Dorfman's group might in an odd way suggest a possible future for the large Vegas casino companies should they founder further or fall apart altogether by studying the mergers of banks (actually the perfect choice for the next owners of the Vegas Strip). "We were looking at what happens when banks merge. And, the hypothesis was that as banks merge the total net giving would go down. In fact, we didn't see that. We found it went up. Post-merger giving of the banking conglomerates was larger than the sum of the pre-merger parts. We attributed the results to additional scrutiny and community pressure."

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