

Economic Crisis Stifling Philanthropy

Head of watchdog group doesn't see grant-making rebounding until after 2015

By Corilyn Shropshire

Chicago Tribune

October 30, 2011

The Washington-based National Committee for Responsive Philanthropy, an independent watchdog of the nation's grant-makers, aims to challenge funders to be more responsive to underserved and vulnerable populations.

The 35-year-old research and advocacy organization recently published a report challenging what it called an imbalance in funding favoring an increasingly small number of primarily white, wealthy arts groups, and another questioning Capital One's philanthropic track record. We spoke with Executive Director Aaron Dorfman, who will be among the speakers at the Independent Sector Annual Conference starting Sunday at the Fairmont Chicago.

The biggest challenge facing philanthropy today: The ongoing economic crisis facing our nation. Individual donations are down; foundation-giving is down and revenue to perform services for the government is down. All of this is hitting at a time when needs are increasing.

Philanthropy's role in tough economic times: During the economic crisis, I think what was really important from our perspective was to maintain giving levels. By and large, many foundations did that, and we were very pleased. That said, we've always encouraged higher payouts from foundations. Federal law requires a 5 percent payout. We've suggested 6 percent as a better minimum standard. Now (foundations) are trying to figure out what is the right spending level moving forward.

[Read the full article](#) .