

# A Brief Overview of “Organized Philanthropy” in San Diego March, 2009

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[www.sdgrantmakers.org](http://www.sdgrantmakers.org)

# San Diego Grantmakers

- Regional association of grantmakers
  - ◆ Nearly 90 members – foundations, corporations, other
- **OUR MISSION:** To connect, educate, develop and inspire a diverse group of foundations and corporations to stimulate effective philanthropy in the San Diego region.
- **OUR VISION:** A vibrant, effective and growing philanthropic community that improves the quality of life in the San Diego region.

# What is a foundation?

- A foundation is an entity that is established as a nonprofit corporation or trust with the principle goal of making grants for charitable purposes.
  - ◆ **Private Foundations:** Most funds come from one source (individual, family, or corporation). Can be operating foundations.
  - ◆ **Public Foundations:** Funds come from multiple sources. Can be community foundations.

# Types of Foundations

- **Family Foundations:** provide a forum in which family members work towards common goals. Advantages include: tax benefits, personal control and flexibility, and perpetuity.
- **Independent Foundations:** independent board develops policies, manages grantmaking and investment of endowment.
- **Community Foundations: local charitable entities that administer a number of donor-advised funds to solve community or regional problems.**
  - ◆ **A donor-advised fund is a charitable giving vehicle administered by a third party and created for the purpose of managing charitable donations on behalf of an organization, family, or individual**
- **Corporate Foundations:** usually started with a single gift that can become the endowment, which may be added to on an annual basis or if profits allow.

# Corporate giving programs

- A grantmaking program established and administered within a profit-making company. Gifts or grants go directly to charities from the corporation.
- Can be in Marketing, Public Relations, Human Resources, Community Relations.
- Objectives related to business development, giving back and community improvement.

# Other types of SDG funders

- Giving Circles
  - ◆ Social Venture Partners, Women's Foundations
- Government and similar
  - ◆ SD Workforce Partnership
  - ◆ City of SD Arts and Culture Commission
  - ◆ First Five

# Sources of Funding for Nonprofits

■ Charitable contributions	19.9%
■ Dues, fees, charges	37.5%
■ Government grants	31.3%
■ Other	11.4%

Giving USA

# Sources of giving

- **Individuals and Bequests** 82%
- **Foundations** 13%
- **Corporations** 5%

Giving USA



THE GRANTMAKING REPORT

*Foundation and Corporate Giving  
in the San Diego Region*

FALL 2008



# Quick SD Facts from the Report

- SD based foundations: 499
  - ◆ Typically small, unstaffed
- Over 50% foundations have less than \$500K assets (i.e. give less than \$25K)
- Per capita giving: \$81
  - ◆ LA \$138; SF \$1157; CA \$122
- 50% foundation \$ invested here come from non SD based foundations
- 30% of SD foundation \$ go out of SD

# Perfect Storm...

Nonprofit and Community Need Increased

BUT

Foundation Resources Reduced

Corporate Budgets Slashed

Government Budget Crises

- Not all nonprofits will survive
- Not all people/causes will be served
- New ways to do things will be discovered – an overall “reset”

# SDG Members and the Economy Survey (November 2008)

- 90% have seen their assets decrease
  - ◆ (60% had 11-30% decrease).
- 38% projected a decrease in 2009 giving budget
- 47% had not yet determined how their grantmaking might change
- 82% anticipated facilitating collaborations and partnerships among nonprofits

# Resources for Grantseekers

- Foundation Center Searchable Database
  - ◆ NMS [www.npsolutions.org](http://www.npsolutions.org)
  - ◆ The San Diego Foundation [www.sdfoundation.org](http://www.sdfoundation.org)
- Foundation Center Website/Publications  
[www.foundationcenter.org](http://www.foundationcenter.org)
- Foundation Search  
[www.foundationsearch.com](http://www.foundationsearch.com)
- Chronicle of Philanthropy  
[www.philanthropy.com](http://www.philanthropy.com)
- Guidestar  
[www.guidestar.org](http://www.guidestar.org)
  
- Common Grant Application  
[www.sdgrantmakers.com/grantseekers](http://www.sdgrantmakers.com/grantseekers)

# Economy Related Resources for Nonprofits

- **Fieldstone Alliance** [www.fieldstonealliance.org](http://www.fieldstonealliance.org)
- **Fiscal Management Associates** [www.fmaonline.net](http://www.fmaonline.net)
- **Nonprofit Finance Fund** [www.nonprofitfinancefund.org](http://www.nonprofitfinancefund.org)
- **National Council of Nonprofits**  
[www.councilofnonprofits.org/economy](http://www.councilofnonprofits.org/economy)

# Best Practices for Grantseekers

## No matter what is going on in the economy

- Do homework; follow directions
- Look for a good fit
- Show commitment
- Demonstrate expertise & convey success
- Input from clients about needs
- Secure multiple funding sources
- Work collaboratively
- Evaluate
- Show sustainability
- Communicate

# Some Trends in Organized Philanthropy

- Strategic, Change, Focused
  - ◆ Operating Support/Capacity Building
  - ◆ Venture, Involved
- Collaboration, Leverage, Partnerships
- Advocacy
- Outcomes, Evaluation, Impact
- Transparency and Accountability
- Examining Failures
- Streamlining Processes

*Trouble is opportunity in work clothes.*

Henry J. Kaiser