



*Connecting Grantmakers. Inspiring Excellence.*

## 2016 **GIVING STUDY**

An Overview of Grantmaking by Private and Community Foundations in the Southwest

### METHODOLOGY

Philanthropy Southwest's 2016 Giving Study analyzes giving based on the most current data available (2014 foundation tax returns) by private, community, and health care conversion foundations headquartered in Arkansas, Arizona, Colorado, Nevada, New Mexico, Oklahoma and Texas. Philanthropy Southwest contracted Jankowski Associates, Inc. (JA) to conduct the research. The source of the data is IRS/publicly available Forms 990-PF and 990s and self-reported grants data, as needed. JA researchers identified 6,372 independent grantmaking, community, and health care conversion foundations in Philanthropy Southwest's seven states that reported assets of at least \$1 million or grants paid of at least \$10,000 between 2011 and 2014. Contributions of \$1,000 and up were captured. With more than 99% of the foundations filing 2014 IRS tax forms, the data contained in these tables and charts is the most current and comprehensive data available.

More than 138,000 grants paid by foundations were captured. Approximately 82% of Philanthropy Southwest's membership is represented in this report (N = 185). Operating foundations that do not make grants and public charities (other than community and health care conversion foundations) are not in the scope of this report. Data analyzed for this study only include investments made by foundations that are headquartered or located in the region.

It is important to understand the spirit of this study, which is to provide an overall analysis of grantmaking within Philanthropy Southwest's geographic region and, with that as a starting point, to initiate conversations, both within our membership and beyond. It is also important to note that wide variation exists in how foundations conduct their overall giving in terms of classifying grants, the practice of using intermediaries to accomplish their grantmaking, and giving in the form of program-related investments, professional development programs and other activities that are not captured in this report. This research captures, to the extent data is available, the recipients of the grant dollars. As we move forward, our hope is to examine trends that illustrate patterns of giving over the course of time by foundations headquartered within our region.

The foundation total assets figure was captured from Section II, Line 16(c) – Fair Market Value. In rare cases where a foundation did not report a fair market value, the book value was captured. Foundation total giving was captured from Part 1, Line 25(d) – Contributions, gifts, and grants disbursed for charitable purposes. In cases where 25(d) was not reported, 25(a) was captured.

In order to assess the impact of foundation giving in the community, the research focused on grants to charities for charitable purposes. Qualifying distributions relate to the 5% minimum payout requirement for foundations, which can be met by any expenditure that meets the definition of a "qualifying distribution." In addition to grants to charities, qualifying distributions can include all reasonable administrative expenses necessary to conduct the charitable activities of the foundation, costs of all direct charitable activities, amounts paid to acquire assets used directly in carrying out charitable purposes, set-asides, and program-related investments.

Jankowski Associates, Inc. has utilized the 25 categories derived from the National Taxonomy of Exempt Entities for its coding:

Arts, Culture, and Humanities; Educational Institutions and Related Activities; Environmental Quality, Protection, and Beautification; Animal Related; Health-General and Rehabilitative; Mental Health, Crisis Intervention; Disease, Disorders, Medical Disciplines; Medical Research; Crime, Legal Related; Employment, Job Related; Food, Agriculture, and Nutrition; Housing, Shelter; Public Safety, Disaster Preparedness, and Relief; Recreation, Sports, Leisure, Athletics; Youth Development; Human Services; International, Foreign Affairs, and National Security; Civil Rights, Social Action, Advocacy; Community Improvement, Capacity Building; Philanthropy, Voluntarism, and Grantmaking Foundations; Science and Technology Research Institutes, Services; Social Science Research Institutes, Services; Public Policy Research and Analysis; Religion Related, Spiritual Development; Mutual/Membership Benefit Organizations, and Other.