

Including *Foundation and Corporate Grants Alert*

E-mail delivery now available. Call 888.378.2537 for more information.

A Guide To Corporate Giving Strategies

CORPORATE PHILANTHROPY REPORT

In This Issue

SPOTLIGHT

FINANCIAL SECURITIES

The nation's financial securities firms offer a broad spectrum of expertise in the world of investments and asset management. These companies underwrite and manage a wide array of investment products, including stocks, corporate and municipal bonds, mortgage-backed securities and other financial products. Their philanthropy includes a heavy focus on financial literacy and education, as well as broader economic development efforts in their communities. Featured companies are Morgan Stanley, UBS, ING and Moody's.

PAGE 4

ACCOUNTING AND MANAGEMENT CONSULTING

The companies of the accounting and management consulting industry offer an expansive array of professional services to the business community. In addition to standard accounting and tax services, these companies provide strategic planning, risk management, human resources and other services that help their clients run leaner, more efficient operations. Their charitable giving also includes a focus on education and economic development in the cities they call home. Featured companies are PricewaterhouseCoopers, Booz Allen Hamilton, Aon and Accenture.

PAGE 8

COMING NEXT MONTH

The philanthropic work of the utilities and natural resources industries.

GRANT ALERTS.....13 SCUTTLEBUTT

- Target to fund makeovers for 42 school libraries.....2
- Safeway fundraising campaign nets \$10 million for disabilities groups.....2
- Bank of America awards \$1 million for Miami Art Museum.....3

Goldman Sachs, Bristol-Myers honored with Excellence Awards

Financial services giant Goldman Sachs and pharmaceutical conglomerate Bristol-Myers Squibb both were honored recently for their charitable giving programs at this year's Excellence Awards in Corporate Philanthropy, bestowed annually by the Committee Encouraging Corporate Philanthropy.

Each year, the CECF recognizes outstanding corporate giving initiatives based upon key metrics, including demonstrated CEO leadership, dedication to measurement, successful partnership and innovation. The winners are selected by an independent, cross-sector jury composed of representatives from the corporate, nonprofit, government, investment, consulting, media and academic communities.

Goldman Sachs received the Chairman's Award, given to a corporation with revenues of \$20 billion or more, for its 10,000 Women initiative, a five-year, \$100 million program that is striving to provide 10,000 underserved women in developing and emerging markets with a business and management education. The initiative was developed in light of Goldman's research highlighting the role that educating and empowering women plays in lifting a

(See **EXCELLENCE** on page 12)

Service organizations help nonprofits succeed

While grantmakers often like to see their contributions going directly toward a nonprofit partner's programmatic results—for example, a certain number of affordable housing units built, or such and such number of youth enrolled in after-school programs—they may be just as well served by ensuring that adequate investments are made in the behind-the-scenes operations of the nonprofits they are supporting.

According to Dave Welbourne, president and CEO of the Essex County Community Foundation in Boston, one of the key reasons that grants fail is because the nonprofit recipients don't have the "back-office" capacity to handle the money. They don't have dedicated staff for reception, insurance, human resources, accounting and other business functions that are just as essential to an organization's success as their core programs.

During a session on nonprofit capacity building at the recent Council on Foundations conference in April, Welbourne and other funders, including representatives from the Anchorage-based Rasmussen Foundation and the MJ Murdock Charitable Trust, noted the value and benefits of nonprofit support organizations, whose missions revolve around helping other

(See **CAPACITY** on page 12)

EXCELLENCE (continued from page 1)

country's economic output. The program provides support through dozens of academic and nonprofit partners in the developing world. According to the company, the program will have reached 5,000 women business owners in 22 countries by the end of 2011. To date, nearly 70 percent of graduates of the program have reported increasing revenue and more than half have added new jobs.

"Goldman Sachs is honored to work with a network of more than 70 leading academic and nonprofit partners and to demonstrate that investing in women is one of the best ways to stimulate economic growth," said Dina Habib Powell, president of the Goldman Sachs Foundation. "We are very pleased to see that thousands of graduates of 10,000 Women are building businesses, creating jobs and opening opportunity for others in their community."

Bristol-Myers Squibb received the President's Award, given to a corporation with revenues of less than \$20 billion, for its Secure the Future Technical Assistance Program, or TAP. The program provides technical assistance, capacity-building tools and seed funding to extend community-based approaches for fighting HIV/AIDS to an increasing number of African countries and communities. The TAP program is the latest phase of Bristol-Myers Squibb's flagship \$160 million Secure the Future initiative. Since 1999, Secure the Future has supported more than 240 projects in over 20 countries. Now in its third phase, the program is focused on leveraging its

past investments by sharing key lessons across the continent.

"Working with our public and private partners over the past 12 years, we have identified many world-class solutions for harnessing and strengthening community-based resources, building health care system capacity and improving the effectiveness and sustainability of community outreach programs," said John Damonti, president of the Bristol-Myers Squibb Foundation.

In addition to honoring outstanding corporate philanthropy programs, the CECF annually honors a single nonprofit organization with the Director's Award for highly effective corporate-nonprofit partnerships. This year, the award was given to DonorsChoose.org for its partnership with Crate and Barrel that supports underprivileged students across the country.

Under this partnership, which began in 2006, Crate and Barrel customers have received 1.1 million co-branded DonorsChoose.org gift cards to support 347,000 students. Sent via mail and e-mail, these prepaid gift cards have allowed Crate and Barrel customers to fund classroom projects proposed by teachers at schools across the country. According to Charles Best, founder and CEO of DonorsChoose.org, the campaign has met the key objectives of deepening Crate and Barrel customer loyalty and inspiring civic engagement at DonorsChoose.org.

For more information about the awards and the programs being honored, go to www.corporatephilanthropy.org. ■

CAPACITY (continued from page 1)

nonprofits with the "business end" of their organization's needs. Such support organizations provide a wide array of services, including all the back-office tasks mentioned earlier as well as broader strategic planning, staff training and education, and program development and management services.

Highlighted at the COF meeting was the Foraker Group, an Alaska-based support organization founded in 2001 with funding from the Rasmussen Foundation and the MJ Murdock Charitable Trust.

Diane Kaplan, the Rasmussen Foundation's executive director who played a key role in getting the new group off the ground, said the Foraker model was designed to address critical gaps in the skills and resources of grantees seeking support from major donors. When researching the kinds of skills that successful nonprofits had in place, Kaplan said, her organization noticed a Catch-22-type situation that many grantseekers face: they can hire CPAs and other dedicated, skilled professionals, which is often overkill and quite costly, or they can understaff their accounting and other back-office tasks, in which case their financials might not be up to snuff.

Another thing Kaplan and others at the COF meeting noted is that starting a nonprofit organization, and keeping that organization functioning in the long term, require two

different skill sets. To launch a new nonprofit, many rely mostly on guts and passion to get others involved in their cause. To transition that passion into a financially sustainable organization requires business and management skills that don't necessarily go hand in hand with social activism.

That's where groups like Foraker come in. Foraker serves thousands of nonprofits scattered throughout the state, from scores of tiny rural villages to the relatively large cities of Anchorage, Juneau and Fairbanks.

Foraker provides its clients with a wide range of services, including business planning, document review, financial management, human resources and planned giving.

Foraker's nonprofit clients pay for the services they receive, but typically the costs are far less than for-profit providers. Nonprofits can also apply to become Foraker Partners, which qualifies them for dramatically reduced fees for various professional services and educational opportunities. Partners pay a small fee, based upon their organization's annual budget, to be part of the program.

By earmarking a portion of a grant specifically to pay for the acquisition of such services, or by directly funding such nonprofit support organizations themselves, Kaplan said grantmakers have a better chance at seeing their contributions bear fruit in the long run.

To learn more about the Foraker Group and the types of services it offers, go to www.forakergroup.org. ■