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Surge in corporate cash fills charities' coffers

Nonprofits nervous that uncertainty will again restrict giving

By [Miriam Kreinin Souccar](#)

Published: July 31, 2011 - 5:59 am

Corporations are once again writing big checks to charities, in many cases for the same or even larger amounts than before the recession.

Cash gifts rose 13% last year from 2009, a huge relief to nonprofits, which had weathered a decline of 7.5%, according to a survey of 180 companies by the *Chronicle of Philanthropy*, released last week. With the inclusion of product donations, corporate giving rose nearly 20%.

"There is a rebound," said Alison Rose, manager of standards and measurement at the Committee Encouraging Corporate Philanthropy. "Even amidst ongoing economic uncertainty, companies recognize the importance of investing in their communities."

With the fragile economic recovery, though, fundraising experts worry that corporate money will again stop flowing. In fact, most companies in the *Chronicle's* survey expect their giving to be flat this year.

A number of the companies with the biggest jumps last year are based in New York. Goldman Sachs moved into the No. 2 spot for cash donations—just below Wal-Mart Stores Inc.—with a 353% rise, to \$315.4 million, a record for the firm. JPMorgan Chase & Co. gave \$216.4 million, 106% more than in 2009. And Citigroup gave away \$109.8 million, a 16% increase.

Executives said Citigroup is working to get its philanthropy back to pre-recession levels.

"We've seen an incremental rebound in our total giving in 2010, and we expect 2011 will show a substantial increase," said Pam Flaherty, president of the Citi Foundation.

Though Goldman Sachs was a target of blame for the financial crisis and many suspect that its extra giving is an attempt to blunt criticism, a spokesman said that the timetable for the firm's three major philanthropic initiatives had been plotted before the recession.

Goldman Sachs Gives, a donor-advised fund controlled by the firm's partners and launched in 2007, gave more than \$200 million last year to a number of select groups, including the Harlem Children's Zone. The other two programs are 10,000 Women, a five-year \$100 million commitment launched in March 2008; and 10,000 Small Businesses, a \$500 million commitment announced in 2009.

"We have been scaling a series of strategic initiatives for the last four years," the Goldman spokesman said.

TOP LOCAL GIVERS		
Companies headquartered here gave cash and product donations.		
COMPANY	2009	2010
Pfizer	\$2.35B	\$3.11B
Bristol-Myers Squibb	\$283.6M	\$473.4M
Goldman Sachs	\$69.6M	\$315.4M
JPMorgan Chase	\$105.2M	\$216.5M
Citigroup	\$94.7M	\$109.8M

Source: *Chronicle of Philanthropy*



The bounty could be short-lived, however. Nearly three-quarters of the Fortune 500 companies that participated in the *Chronicle's* survey said that they planned to keep this year's giving at 2010 levels; with a few exceptions, the rest expected to increase donations.

FRAGILE CONDITIONS

"This has been a turnaround year, but we know how fragile that turnaround can be," said Marcia Stein, executive director of Citymeals-on-Wheels. "Once again," she added, "corporations and individuals are feeling uncertain about what they will give because they are uncertain about the economy."

The nonprofit, which delivers meals to New York's homebound elderly, just came off a record year. Citymeals-on-Wheels raised \$1.43 million in corporate gifts of more than \$10,000 in fiscal 2011, which ended June 30, versus \$1.19 million the previous year.

Citymeals-on-Wheels' largest sponsors, Fiji Water and American Airlines, maintained their giving at previous levels; and the nonprofit managed to snag several new donors. Two of them, Amherst Securities and Sprinkles Cupcakes, gave \$25,000 each.

But individual gifts cover about 90% of Citymeals-on-Wheels' \$18.5 million operating budget. With talk out of Washington about reducing the tax deduction for charitable donations to 28% from 35%, and President Barack Obama's plan to raise taxes on households earning \$250,000 or more, Ms. Stein is worried that another major downturn in giving is on the horizon.

"This might have a really severe impact on our individual giving," she said.

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