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AUGUST 2006

GIVING IN THE AFTERMATH OF THE GULF COAST HURRICANES

REPORT ON THE FOUNDATION AND
CORPORATE RESPONSE





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CORPORATE RESPONSE

Loren Renz

Vice President for Research

Steven Lawrence

Director of Research

Contributor:

Jessica Diaz

Hurricane Katrina Response
Coordinator

CONTRIBUTING STAFF

Joyce Infante _____ Senior Vice President for Institutional Advancement
Christine Innamorato _____ Production Manager
Cheryl Loe _____ Communications Project Manager
Rebecca MacLean _____ Director of Grants Processing
Teri Maiorca _____ Vice President for Communications
Frederick Schoff _____ Senior Vice President for Information Resources
and Publishing
Pierre St. Hillaire _____ Research Intern

ABOUT THE FOUNDATION CENTER

The Foundation Center's mission is to strengthen the nonprofit sector by advancing knowledge about U.S. philanthropy.

Established in 1956, and today supported by more than 600 foundations, the Foundation Center is the nation's leading authority on organized philanthropy, connecting nonprofits and the grantmakers supporting them to tools they can use and information they can trust. The Center maintains the most comprehensive database on U.S. grantmakers and their grants and conducts research on trends in foundation growth and giving. It also operates education and outreach programs that help nonprofit organizations obtain the resources they need. More than 37,000 people visit the Center's web site each day, and thousands more are served in its five regional learning centers and through its national network of more than 250 Cooperating Collections. For more information, visit foundationcenter.org or call (212) 620-4230.

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For more information contact Steven Lawrence at (212) 620-4230 or
sal@foundationcenter.org.

INTRODUCTION

Among the 26 named storms tracked in 2005, two hurricanes—Katrina and Rita—will be remembered for the unprecedented devastation they inflicted on the Gulf Coast region. Through the destruction and flooding they left in their wake and, in the case of Katrina, the failure of the New Orleans levee system, these storms caused damage that will take many years to repair. Beyond their physical impact, these storms also revealed grave shortcomings in the nation’s ability to respond to large-scale emergencies and placed in broad relief the dire impact of persistent poverty and racial inequality in this country.

In response to the 2005 Gulf Coast hurricanes, foundations, corporations, and other institutional donors have once again provided substantial funding for short-term relief and recovery and made commitments to support long-term rebuilding efforts. Following the model established in tracking the institutional response to the September 11, 2001, terrorist attacks, the Foundation Center launched a multi-year effort to document the philanthropic response to the Gulf Coast hurricanes. The Center’s goal has been to record foundation and corporate giving as it happens so that grantmakers and charities can better identify unmet needs; and to help the field respond to questions from the media, government officials, and the general public. Over the longer term, the Center’s goal is to provide a definitive record of the institutional donor response that will help the philanthropic sector better understand the differences in roles and practices of various types of donors. Understanding the unique ways that institutional donors respond to major disasters is an important step toward fostering dialogue within the field about effective practices.

This report provides an overview of foundation and corporate activities in response to the Gulf Coast hurricanes, drawn from data compiled by the Foundation Center up to June 2006. Reflecting differences in sources of information, the report offers two distinct and complementary views of giving. The first part of the report, which is based on a 2006 survey of larger private and community foundations, focuses on grantmaker practices, such as how funders paid for hurricane response funding, what impact it has had on their other programs, and how likely they are to fund other disasters. The second part, which is based on actual grant commitments tracked by the Foundation Center in our Gulf Coast response database, examines the scope, purposes, and recipients of hurricane response giving by foundations and corporations. Together these analyses provide the most comprehensive portrait available of institutional support for Gulf Coast relief, recovery, and rebuilding.

GULF COAST HURRICANES RESPONSE:

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KEY FINDINGS

GRANTMAKERS' PERSPECTIVES

The following findings are based on an early 2006 survey of more than 3,500 large private and community foundations. The survey aimed to measure the breadth of hurricane response giving among larger grantmakers nationwide and explore grantmaker practices and attitudes related to disaster funding. A total of 906 foundations, or roughly one-fourth, provided usable responses. These survey findings complement the Foundation Center's detailed analysis of actual commitments announced by institutional donors.

Nearly one-half of surveyed foundations provided hurricane-related support. Among the 906 respondents, 47.7 percent indicated that they provided some measure of support. Corporate foundations reported by far the highest response participation levels (75.6 percent), followed by community foundations (62.7 percent). Independent foundations, which typically draw on a much narrower range of funding sources than do corporate and community foundations, were the only type for which less than half of funders (40.7 percent) provided hurricane response support.

Respondents were most apt to tap their annual grants budgets to make hurricane response grants. More than three-fifths (61.1 percent) of grantmakers that reported hurricane-related giving made at least a portion of these gifts from their contributions budgets. The other principal sources of support were donor-advised funds (19.8 percent), employee matching gift programs (16.2 percent), and special discretionary, reserve, or emergency funds (9.8 percent). Independent foundations were the most likely to tap their grants budgets, while community foundations were the least likely. Corporate foundations were the most likely to report multiple sources of funds and to use employee matching gift and discretionary funds.

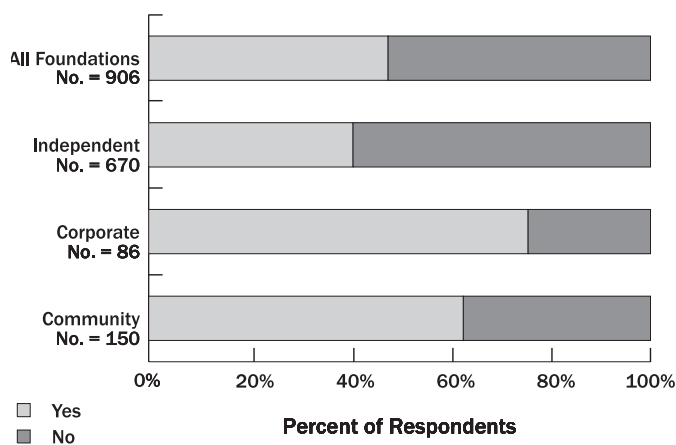
Hurricane response support did not undercut funding for other programs for most funders. Even though grants budgets were the most common source of hurricane giving for the majority of surveyed grantmakers, less than one-in-six funders (15.6 percent) reduced their support for other programs as a result of making relief and recovery grants. The impact was greatest on corporate foundations. Community foundations, which were the least likely to draw disaster support from their grants budgets, were the least affected.

Emergency relief, long-term recovery, and affected nonprofits were top priorities of grantmakers providing hurricane response funding. By far the largest share of surveyed hurricane

response funders (82 percent) supported emergency relief efforts. Still, more than one out of five foundations (21.5 percent) supported long-term recovery efforts, especially housing and economic or job development, while more than one out of seven (15 percent) provided aid directly to affected nonprofits. Among those targeting their response assistance, the main focus areas were health care, aid to vulnerable populations, social and economic equality issues, and mental health care. Community foundations reported the most diverse funding purposes. Corporate foundations were the most likely to fund emergency relief, economic and job development, education and scholarship support, and communications infrastructure.

Grantmakers channeled their support mainly to disaster relief agencies, community foundations and other regranting organizations, and direct service organizations. By far the largest share of respondents (67.8 percent) supported existing disaster relief agencies, followed by community foundations and other regranting organizations (almost 40 percent), and direct service agencies, including nonprofits affected by the hurricanes (34.7 percent). Corporate foundations were the most likely to support disaster relief agencies and regranting funds. Community foundations nationwide were the most likely to fund community foundations in the affected regions. Community and independent foundations were the most likely to fund direct service agencies.

Has your foundation provided support in response to the Gulf Coast hurricanes?



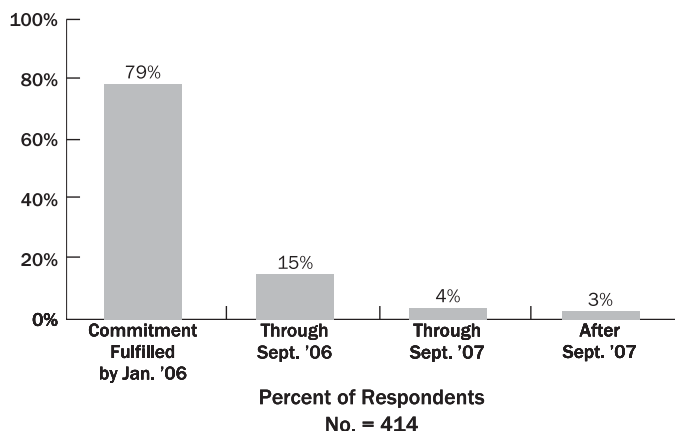
Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

More than half of hurricane response funders supported first-time recipients. Although foundations funded a mix of former, current, and new grantees, the largest proportion of grantmakers (51.6 percent) made hurricane-related grants to organizations they were funding for the first time. The second and third largest shares supported existing grantees (40 percent) and former grantees (38.2 percent). Community foundations were the most likely to fund new grantees, suggesting that national disasters provide these local funders and their donors with an opportunity to reach out to other communities. Corporate foundations were the least likely to fund new grantees and the most likely to fund current grantees, such as disaster relief agencies.

Most foundation pledges for hurricane relief were paid quickly. Nearly four-fifths of surveyed hurricane response funders (78.5 percent) fulfilled their pledges by January 2006 and did not expect to provide additional support. This finding suggests that most foundation giving for hurricane relief and recovery was distributed in 2005. The second largest share of funders (15 percent) planned to fulfill their commitments within a year of the hurricanes. Of the 27 respondents (6.5 percent) who expect to provide support after the first year, fewer than half expect to make grants after the second year. Since one out of five surveyed hurricane response funders (21.5 percent) said that they supported long-term recovery, it seems likely that their grants—though paid out in the first year—funded multiyear initiatives.

A foundation's past record on disaster response is a likely predictor of their future willingness to respond. Foundations that have made disaster-related grants, whether U.S.-focused or international, appear much more likely to respond to a new disaster than those that have not. Nearly three out of four surveyed funders that provided hurricane-related support (73.1 percent) said that they had supported at least one other disaster response in the past five years, with roughly half giving in response to the South Asian tsunami and the 9/11 terrorist attacks. By comparison, fewer than one out of six foundations that did not fund the 2005 hurricane relief efforts (15.8 percent) had provided support for at least one other recent disaster.

Over what timeframe does your foundation expect to provide support in response to the Gulf Coast hurricanes?



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Due to rounding, percentages do not equal 100.

DONORS AND RECIPIENTS

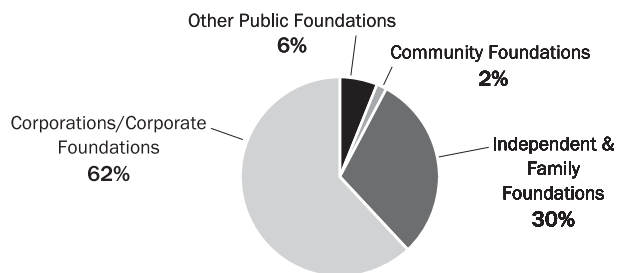
The following findings are based on the actual commitments announced by institutional donors—corporations and corporate foundations, independent and family foundations, community foundations and other public foundations, and various business and professional associations—in response to the Gulf Coast hurricanes through the start of June 2006. The number of donors and amounts committed will increase as more complete information becomes available.

Institutional donors accounted for nearly 11 percent of private giving in response to the Gulf Coast hurricanes. The Foundation Center has identified 435 corporations, foundations, and other institutional donors that together committed \$577.1 million for relief, recovery, and rebuilding efforts. This represented 10.9 percent of *Giving USA's* estimated \$5.3 billion in total private giving in response to the hurricanes. As additional institutional support is announced, the overall share of Gulf Coast response giving provided by foundations and corporations will undoubtedly increase.

Corporations provided a larger share of Gulf Coast support than foundations, although commitments for both represent a modest share of overall giving. Corporate donors pledged \$358.1 million, or 62 percent of overall institutional giving in response to hurricanes Katrina and Rita. By comparison, independent and operating foundations, community foundations, and other public foundations and associations pledged \$219 million, or about 38 percent of institutional funding. Nonetheless, corporate commitments tracked through June 2006 would represent a modest 2.6 percent of estimated total corporate giving for 2005; for independent and community foundations, the share would be less than 1 percent.

Fewer than half of institutional donors committed more than \$1 million to their Gulf Coast response; the majority allocated far less. Close to 57 percent of institutional donors tracked by the Foundation Center gave less than \$1 million for Gulf Coast relief and recovery. The median amount—the mid-point for all donors ranked by giving—was \$500,000, but it varied widely by donor type. The median giving amount ranged from \$161,375 for community foundations, to \$250,000 for independent and family foundations, to \$670,000 for corporate foundations alone and \$741,500 for corporations overall, to \$1 million for public foundations.

Corporations and corporate foundations provided the majority of institutional giving in response to the Gulf Coast hurricanes



Total Hurricane Giving = \$577.1 million

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

Institutional donors across the country made pledges to support relief, recovery, and rebuilding in the aftermath of the Gulf Coast hurricanes. New York-based corporations and foundations, which include many national donors, contributed just over 13 percent of support, while donors in the top 15 states together provided about 84 percent of all contributions. Yet, while New York donors led by overall share of giving, institutional donors based in the South and Midwest ranked as the top individual funders. Among corporations and corporate foundations, the Arkansas-based Wal-Mart Foundation ranked at the top with a \$17 million commitment. The Indiana-based Lilly Endowment ranked first among foundation donors, with a \$30 million commitment.

The national headquarters of the American Red Cross (ARC) ranked as by far the largest named recipient of contributions from institutional donors. Of the nearly 710 recipient groups receiving designated support from institutional donors, the ARC received \$188.4 million, or 32.7 percent. However, corporate donors provided a far larger share of their giving to the American Red Cross (43.8 percent), compared to independent foundations (14 percent).

Most Gulf Coast response giving by foundations and corporations targeted intermediaries headquartered around the country. Institutional donors supported organizations working on the Gulf Coast response in 39 states and the District of Columbia. Recipients based in the District of Columbia garnered \$199.1 million, or 34.5 percent of all Gulf Coast response funding. However, nearly all of this support targeted the

American Red Cross, which redistributed these funds in the affected region. In fact, twelve of the top 20 recipients of institutional donors will either exclusively or primarily support hurricane relief and recovery through regranting of the dollars they have raised to affected individuals or other organizations. Intermediaries ranged from funders based in the affected region (Baton Rouge Area Foundation, Foundation for the Mid South), to existing national entities (ARC, Salvation Army, United Way of America), to entities created in direct response to the disasters (Bush-Clinton Katrina Fund, Katrina Housing Assistance Fund).

Majority of Gulf Coast response funding provided for human services, although many fields received support. Over 59 percent of the dollars committed by foundations and corporations in the wake of the disaster either indicated support for general relief and recovery efforts or specified a range of human services to be supported. Nonetheless, some donors were more specific in targeting their support to one or a few areas, which often reflected their general programmatic focuses. Following human services by shares of grant dollars were, housing (7 percent), education (6.6 percent), and health (3 percent). Other fields benefiting from at least 2 percent of Gulf Coast response giving included economic and community development, arts and culture, civil rights and public affairs, and the environment and animals. As the focus of donors shifts from immediate relief and recovery to rebuilding, it is likely that the share of Gulf Coast response funding targeting fields other than human services will increase.

Gulf Coast Hurricanes Response: GRANTMAKERS' PERSPECTIVES

As one part of its ongoing effort to gather data on the institutional donor response to the Gulf Coast hurricanes, the Foundation Center surveyed a large sample of foundations in early 2006. The principal goals of the confidential survey were to measure the breadth of hurricane response giving among larger grantmakers nationwide, learn about the sources of disaster giving, assess the impact of hurricane response funding on foundation giving overall, ascertain the duration of funding, and examine correlations between hurricane-related support and funding for other recent disasters. The following analysis identifies principal findings from the survey. (For more results, see "Survey Sample Information" on page 15)

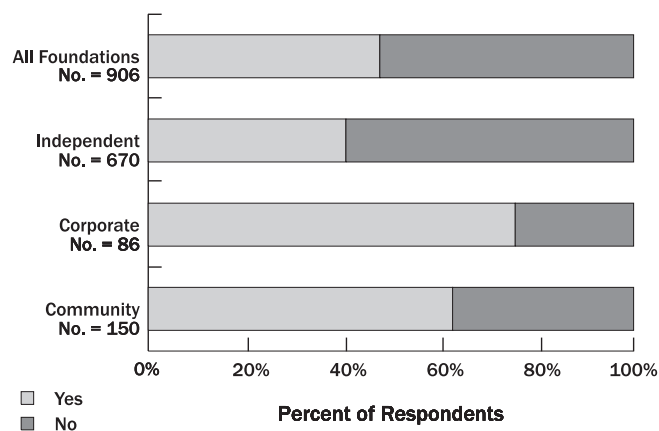
BREADTH OF FOUNDATION SUPPORT

As the number of large-scale disasters appears to accelerate, the debate over how needs will be met and how various sources of philanthropy will respond has become more urgent. The survey sought to measure, for the first time ever, the extent of the disaster response to the Gulf Coast hurricanes overall and by foundation type among a broad cross-section of larger foundations nationwide.

- ◆ Among the 906 larger foundations that responded to the survey, nearly one-half (47.7 percent) indicated that they provided some measure of hurricane-related support (Figure 1).
- ◆ Corporate foundations in the sample reported by far the highest participation levels in response to the hurricanes (75.6 percent), followed by community foundations (62.7 percent). Independent foundations and family foundations, which accounted for two-thirds of the respondents overall, were the sole foundation type for which less than half of funders (40.7 percent) provided hurricane response support.
- ◆ Differences in the structures and funding sources of independent, corporate, and community foundations provide one key to understanding variations in levels of disaster response participation. In general, corporate foundations, which maintain close ties with their parent companies and represent just one of several arms of company philanthropy, and community foundations, which represent a pool of funds contributed by many donors, draw on a much wider range of funding sources than do independent and family foundations. (See "Foundation Types" and "Sources of Funds" below).

**FIGURE 1. Gulf Coast Hurricane(s) Response:
Breadth of Foundation Involvement**

Has your foundation provided support?



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

SOURCES OF FUNDS

The survey sought to shed light on the sources of foundation and corporate funds, both to add to general knowledge of grantmaker practice in disaster-related funding and to respond to questions of future capacity. Specifically, grantmakers were asked to what extent their hurricane response contributions were made from existing budgets and to what extent they were funded from other sources.

- ◆ More than three-fifths (61.1 percent) of the 432 grantmakers that reported hurricane response funding made at least a portion of these gifts from their annual contributions budgets (Figure 2 and Table 1). The other principal sources of support were donor-advised funds (19.8 percent), employee matching gift programs (16.2 percent), and special discretionary or reserve funds, including emergency funds created for disaster relief (9.8 percent).¹

WHAT ROLE SHOULD INDEPENDENT AND FAMILY FOUNDATIONS PLAY IN RESPONSE TO MAJOR DISASTERS?*

“Foundations should move quickly to provide disaster relief support that is in keeping with their missions and to assess and address the impact of the disaster on their existing grantees in the affected area.”

“Foundations should be prepared to relax their giving guidelines at times of a major disaster response.”

“Foundations should provide help that can be assured of reaching the most needy people.”

“Foundation resources may best be used in a second-responder mode that addresses systemic issues created by major disasters.”

“Foundations have a responsibility following major disasters to listen and then determine what makes sense to support, given the foundation’s niche and what is strategic to its mission, vision, values, and priorities.”

“Foundations play a critical role in funding but should stick to their missions and focus on the short- and long-term implications of the disaster.”

“Foundations should be willing to increase their giving to respond to major disasters.”

“Foundations should assist as possible but without affecting any current or future grantmaking plans.”

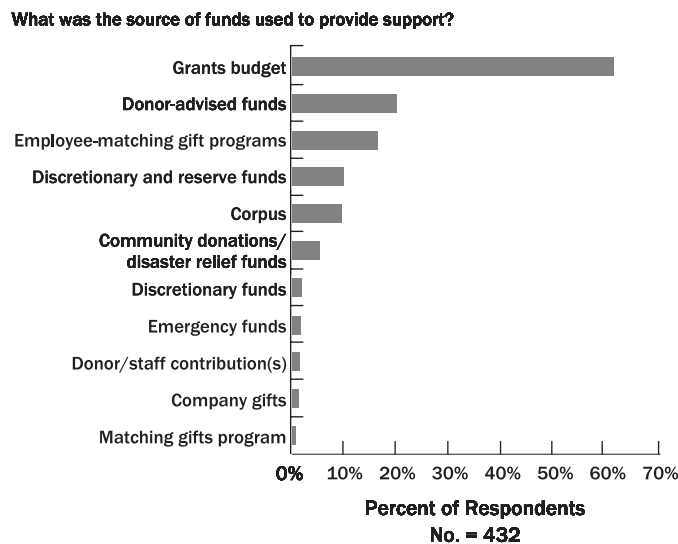
“Private philanthropy cannot replace national governments, international aid, or disaster relief organizations. But targeting specific projects or groups can enhance the recovery.”

“This is an individual choice. Our foundation doesn’t fund disasters; it would take away from our existing grantees.”

“Foundations should respond if they are in the area, have a national position, or have the resources.”

*Based on comments of independent and family foundation Gulf Coast response donors and non-donors captured in the Foundation Center’s 2006 “Foundation Giving Forecast Survey.”

FIGURE 2. Gulf Coast Hurricanes Response: Sources of Contributions



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

TABLE 1. Gulf Coast Hurricanes Response: Sources of Contributions by Foundation Type

What was the source of funds used to provide support?

| | All Foundations | | Independent and Family | | Corporate | | Community | |
|---|-----------------|------|------------------------|------|-----------|------|-----------|------|
| | No. = 432 | | No. = 273 | | No. = 65 | | No. = 94 | |
| | No. | % | No. | % | No. | % | No. | % |
| Grants budget | 264 | 61.1 | 200 | 73.3 | 40 | 61.5 | 24 | 25.5 |
| Donor-advised funds | 85 | 19.8 | 8 | 2.9 | 0 | 0.0 | 77 | 81.9 |
| Employee-matching gift program | 70 | 16.2 | 26 | 9.5 | 36 | 55.4 | 8 | 8.5 |
| Discretionary or reserve funds ¹ | 42 | 9.8 | 25 | 9.2 | 7 | 10.8 | 10 | 10.6 |
| Corpus | 41 | 9.5 | 39 | 14.3 | 2 | 3.1 | 0 | 0.0 |
| Community donations/disaster relief funds | 23 | 5.3 | 1 | 0.4 | 1 | 1.5 | 21 | 22.3 |
| Donor/staff contribution(s) | 6 | 1.4 | 6 | 2.2 | 0 | 0.0 | 0 | 0.0 |
| Company gifts | 5 | 1.2 | 0 | 0.0 | 5 | 7.7 | 0 | 0.0 |
| Matching gifts | 3 | 0.7 | 3 | 1.1 | 0 | 0.0 | 0 | 0.0 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

¹Includes emergency funds.

- ◆ Independent foundations, which include family foundations, were most likely to draw from their grants budgets for hurricane response funds. Among the 273 independent and family foundations in the sample, nearly three-fourths (73.3 percent) used this source, while 14.3 percent drew from their endowments to fund their gifts. Approximately one out of ten independent foundations matched employee gifts or drew from special discretionary, reserve, or emergency funds.
- ◆ Corporate foundations were most likely to report multiple sources of funds and to use employee matching gift and discretionary funds. While the largest share of corporate foundations—61.5 percent—tapped their contributions budgets, more than half (55.4 percent) matched employee contributions and 10.8 percent drew from discretionary or reserve funds. Interestingly, 7.7 percent of corporate foundations received additional pass-through gifts from their companies specifically to fund the hurricane response. Only 3.1 percent of corporate foundations drew funds from their corpus to pay for hurricane relief.
- ◆ Community foundations were least likely to dip into their contributions budgets for hurricane response gifts. Only one out of four (25.5 percent) drew from that source. Instead, the vast majority of community foundations made grants from donor-advised funds (81.9 percent), which are set up by individual donors from their communities. Others raised funds from their communities (22.3 percent) for disaster relief or tapped existing discretionary, reserve, or emergency funds (10.6 percent).

FOUNDATION TYPES

Foundations are nonprofit entities established with a principal purpose of making grants to unrelated organizations or institutions or to individuals for scientific, educational, cultural, religious, or other charitable purposes. This broad definition encompasses two foundation types: private foundations and public foundations. The most common distinguishing characteristic of a private foundation is that most of its funds come from one source, whether an individual, a family, or a corporation. A public foundation, in contrast, normally receives its assets from multiple sources, which may include individuals, private foundations, government agencies, and fees for service. This analysis of responses to the Foundation Center's annual "Foundation Giving Forecast Survey" includes two types of private foundations—-independent and family foundations and corporate foundations—and one type of public foundation—community foundations.

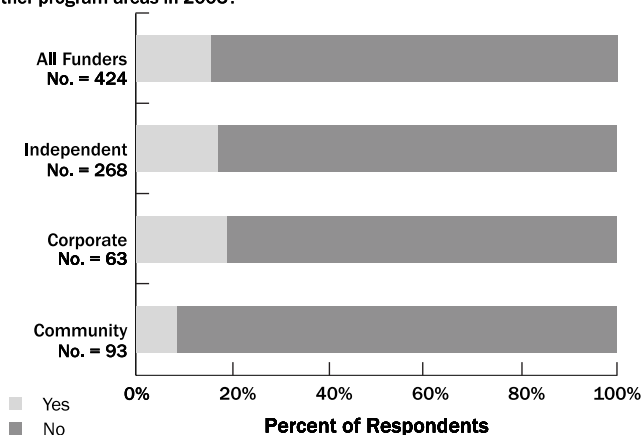
IMPACT OF SUPPORT ON OTHER GIVING AREAS

In the weeks following hurricanes Katrina and Rita, as the magnitude of the devastation and its long-term impact were revealed, nonprofits and the media questioned whether the public response to the disasters would harm fundraising efforts overall. The survey sought to assess the impact of foundation and corporate hurricane response funding on their support for other programs in 2005 and 2006.

- ◆ Even though grants budgets were the most common source of hurricane response pledges for the majority of surveyed grantmakers, relief and recovery support did not undercut funding for their other programs in 2005. Only 66 of the 424 respondents (15.6 percent) reduced their support for other programs as a result of contributing to hurricane response efforts (Figure 3).²
- ◆ The impact was greatest on corporate foundations: nearly one out of five of these donors reduced funding for other programs. Not surprisingly, community foundations, which were least likely to draw their disaster relief support from grants budgets, were the least affected. Less than one out of ten community foundation respondents (8.6 percent) said that hurricane response funding undercut support for other programs.
- ◆ Similarly, grantmakers' pledges to hurricane relief and recovery efforts will not reduce levels of giving to other areas in 2006. Only 17 respondents (4.2 percent) expect their hurricane response giving to limit giving to other programs (Figure 4). Of these foundations, all are independent, except for one corporate foundation. Most of these independent foundations are relatively large—with annual budgets of \$3 million or more. Thirteen of the 16 had drawn from their annual grants budgets for hurricane response funds and four had drawn from their endowments.

FIGURE 3. Gulf Coast Hurricanes Response: Impact on Grantmakers' Other Programs in 2005

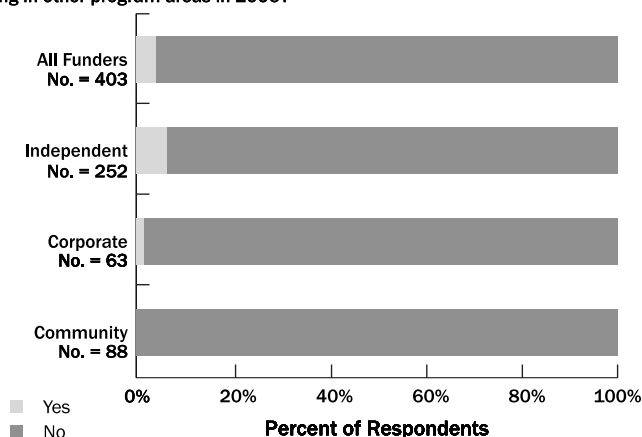
Did your hurricane-related support reduce your giving in other program areas in 2005?



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

FIGURE 4. Gulf Coast Hurricanes Response: Impact on Grantmakers' Other Programs in 2006

Do you expect your hurricane-related support to reduce your giving in other program areas in 2006?



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

PURPOSES OF FUNDING

One of the key characteristics that distinguished institutional philanthropy's response to the 9/11 disaster from the response of individual donors was its stronger focus on long-term needs, the needs of affected nonprofits, and the use of local and regional organizations to deliver services. To help understand the role of foundations and corporations in Gulf Coast hurricane relief and recovery, the survey asked funders about their purposes, recipients, and intended beneficiaries.

- ◆ In response to the devastation of the hurricanes, more than four out of five foundations (82 percent) supported emergency relief efforts in the affected areas (Figure 5). Nevertheless, a substantial number of grantmakers opted for a more targeted, multi-pronged, and/or long-term approach to their disaster response. More than one out of five foundations (21.5 percent) supported long-term recovery efforts, especially housing and economic or job development. More than one out of seven foundations (15 percent) provided aid directly to affected nonprofits. Among those targeting their response assistance, the principal areas of focus were health care, aid to vulnerable populations, social and economic equality issues, and mental health care. Smaller numbers of foundations provided aid to displaced victims of the

hurricanes for resettlement in their local areas or supported education or scholarships for affected students.

- ◆ Among the principal foundation types, community foundations reported the most diverse funding purposes (Table 2). In addition to funding emergency relief, community foundations reported relatively higher levels of support for nearly all of the “purpose” categories, especially aid to nonprofits (including aid to affected community foundations), housing and economic development, aid to vulnerable populations, and mental health care.
- ◆ Corporate foundation donors were the most likely to fund emergency relief and also economic and job development, education and scholarship support, and communications infrastructure. In the “other area,” corporate donors provided assistance to company employees affected by the disasters.
- ◆ The proportion of independent and family foundations supporting the various hurricane response purposes was generally consistent with the other types of foundations. Numerically, however, they accounted for the majority of grantmakers in all categories, except mental health care and communications infrastructure. In the “other” category, independent foundations reported animal rescue and unrestricted support.

WHAT ROLE SHOULD CORPORATE FOUNDATIONS PLAY IN RESPONSE TO MAJOR DISASTERS?*

“Corporate foundations should take the lead in modeling aid in extraordinary times.”

“Corporate foundations should have an immediate response plan in place for major disasters and utilize the foundation’s matching gift program.”

“Corporate foundations are limited in their ability to effect profound change in major disasters and, therefore, may best help by being early responders with emergency relief.”

“Rebuilding is harder than relief. Perhaps corporate foundations are best suited to coming in afterwards with more deliberate giving.”

“Corporate foundations should make grants for emergency relief to the degree possible and fund follow-up issues like reconstruction, economic development, etc.”

“Foundations should help as much as they can but should look to their own company to provide the majority of disaster funding. Otherwise, the foundation may have to decrease its support for other nonprofits.”

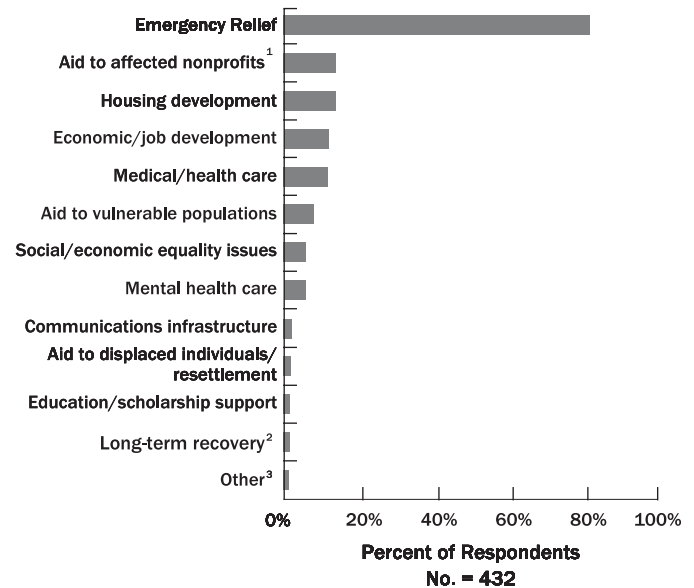
“Each situation has to be looked at separately, the needs determined, and then the foundation can decide if funding is something they can help with.”

“Our foundation funds programs only in our local communities; larger corporate foundations can help with larger programs.”

*Based on comments of corporate foundation Gulf Coast response donors and non-donors captured in the Foundation Center’s 2006 “Foundation Giving Forecast Survey.”

FIGURE 5. Gulf Coast Hurricanes Response: Purposes of Contributions

Which categories best describe the purpose(s) of your support?



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

¹Includes aid to affected community foundations.

²Respondents did not check off economic/job development or housing development.

³Includes employee assistance, animal rescue, unrestricted support, and miscellaneous purposes.

TABLE 2. Gulf Coast Hurricanes Response: Purposes of Contributions by Foundation Type

Which categories best describe the purpose(s) of your support?

| | All Foundations | | Independent and Family | | Corporate | | Community | |
|--|-----------------|------|------------------------|------|-----------|------|-----------|------|
| | No. = 432 | | No. = 273 | | No. = 65 | | No. = 94 | |
| | No. | % | No. | % | No. | % | No. | % |
| Emergency relief | 354 | 82.0 | 215 | 78.8 | 62 | 95.4 | 77 | 81.9 |
| Aid to affected nonprofits ¹ | 65 | 15.0 | 36 | 13.2 | 9 | 13.8 | 20 | 21.3 |
| Housing development | 61 | 14.1 | 32 | 11.7 | 10 | 15.4 | 19 | 20.2 |
| Economic/job development | 52 | 12.0 | 24 | 8.8 | 7 | 10.8 | 21 | 22.3 |
| Medical/health care | 51 | 11.8 | 32 | 11.7 | 7 | 10.8 | 12 | 12.8 |
| Aid to vulnerable populations | 35 | 8.1 | 21 | 7.7 | 4 | 6.2 | 10 | 10.6 |
| Social/economic equality issues | 26 | 6.0 | 15 | 5.5 | 3 | 4.6 | 8 | 8.5 |
| Mental health care | 25 | 5.8 | 10 | 3.7 | 3 | 4.6 | 12 | 12.8 |
| Communications infrastructure | 10 | 2.3 | 3 | 1.1 | 3 | 4.6 | 4 | 4.3 |
| Aid to displaced individuals/resettlement | 8 | 1.9 | 5 | 1.8 | 0 | 0 | 3 | 3.2 |
| Education/scholarship support | 7 | 1.6 | 3 | 1.1 | 4 | 6.2 | 0 | 0.0 |
| Long-term recovery and rebuilding ² | 7 | 1.6 | 5 | 1.8 | 0 | 0 | 2 | 2.4 |
| Other ³ | 6 | 1.4 | 3 | 1.1 | 2 | 3.1 | 1 | 1.1 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

¹Includes aid to affected community foundations.

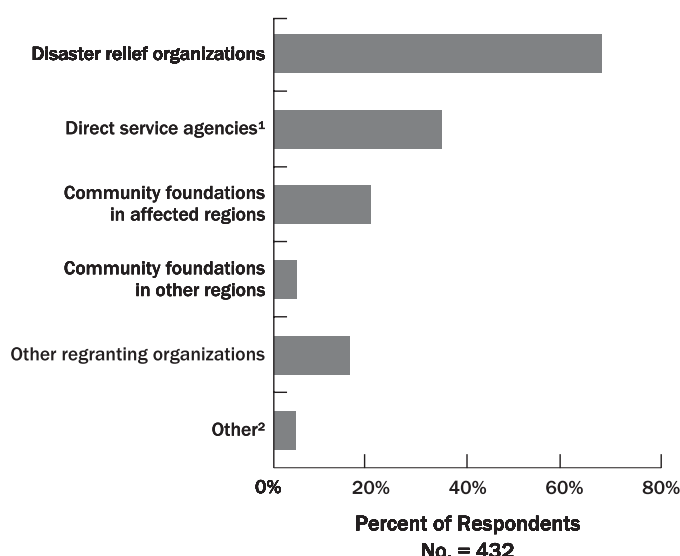
²Respondents did not check off economic/job development or housing development.

³Includes employee assistance, animal rescue, unrestricted support, and miscellaneous purposes.

PROFILE OF RECIPIENTS AND OF GRANTMAKERS' RELATIONSHIPS WITH GRANTEEES

- ◆ Foundations channeled their hurricane support to three main categories of recipients: national and local disaster relief organizations, direct service organizations, and community foundations and other regranteeing organizations. The majority of grantmakers reported making grants to more than one recipient category.
- ◆ By far the largest share of respondents (67.8 percent) supported existing disaster relief organizations (Figure 6). The second largest share (almost 40 percent) made grants to community foundations in Louisiana, Mississippi, Alabama, Texas, and neighboring states, mainly for regranteeing purposes, and to other regranteeing organizations, such as the Bush-Clinton Katrina Fund. The third largest share of grantmakers (34.7 percent) made grants to direct service agencies, including nonprofits directly affected by the disasters.
- ◆ Among foundation types, corporate foundations were the most likely to support disaster relief agencies—more than nine out of ten did so—and also existing or newly created regranteeing funds; they were the least likely to support community foundations (Table 3). In contrast, community foundations nationwide were by far the most likely to fund community foundations in the affected region. Both community and independent foundations were much more likely to fund direct service agencies than corporate foundations.
- ◆ Grantmakers directed their hurricane support to a mix of former, current, and new grantees. Interestingly, the largest proportion of funders—51.6 percent—made hurricane response grants to organizations they were supporting for the first time (Figure 7). The second largest group—40 percent—channeled their response support through existing grantees. A nearly equal share of funders—38.2 percent—reached out to former grantees. For some foundations, this giving reflected support for disaster relief agencies or regranteeing organizations they had funded in the past; for others, it indicated support for past grantees that happened to be located in the affected disaster areas. In these cases, funding targeted purposes ranging from mobilizing the agencies to provide services to victims to providing support for relocation or basic operating expenses.
- ◆ Community foundations were by far the most likely to fund organizations for the first time—three out of four reported support for new grantees—suggesting that national disasters provide an opportunity for community foundations and their donors to help communities beyond their own geographic focus area. Nearly half of independent foundations (46.9 percent) funded new grantees. Corporate foundations were the least likely to support new grantees and the most likely to fund current grantees, presumably including disaster relief agencies. This finding underscores the vital role that corporate funders play in providing ongoing annual support to organizations such as the American Red Cross.

FIGURE 6. Gulf Coast Hurricanes Response: Types of Recipient Organizations Supported



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

¹Includes nonprofits affected by the disasters.

²Includes direct support for affected employees and displaced individuals.

TABLE 3. Types of Recipient Organizations Supported by Foundation Type

| | All Foundations | | Independent and Family | | Corporate | | Community | |
|---|-----------------|------|------------------------|------|-----------|------|-----------|------|
| | No. = 432 | | No. = 273 | | No. = 65 | | No. = 94 | |
| | No. | % | No. | % | No. | % | No. | % |
| Disaster relief organizations | 293 | 67.8 | 164 | 60.1 | 60 | 92.3 | 69 | 73.4 |
| Direct service agencies¹ | 150 | 34.7 | 101 | 37.0 | 14 | 21.5 | 35 | 37.2 |
| Community foundations in affected regions | 86 | 19.9 | 36 | 13.2 | 6 | 9.2 | 44 | 46.8 |
| Community foundations in other regions | 20 | 4.6 | 12 | 4.4 | 3 | 4.6 | 5 | 5.3 |
| Other regranteeing organizations | 68 | 15.7 | 41 | 15.0 | 14 | 21.5 | 13 | 13.8 |
| Other² | 19 | 4.4 | 12 | 4.4 | 2 | 3.1 | 5 | 5.3 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, January 2006.

¹Includes nonprofits affected by the disasters.

²Includes public agencies, advocacy groups, and direct support for affected employees and displaced individuals.

DURATION OF RESPONSE FUNDING

One of the principal research questions on disaster-related funding concerns how quickly pledges and commitments are fulfilled and how long grantmakers will remain engaged in long-term needs and issues, e.g., rebuilding and providing mental health services, after the initial response period. To shed light on these issues, the survey asked grantmakers about the duration of their hurricane response funding.

- ◆ By January 2006, nearly four-fifths of the sampled grantmakers who made hurricane-related grants (78.5 percent) had fulfilled their pledges and did not expect to provide additional support (Figure 8). This finding suggests that the vast majority of foundation funds pledged for hurricane relief were distributed in 2005. The second largest portion of respondents (15 percent) planned to fulfill their commitments within a year of the disasters (September 2006).
- ◆ Of the 27 respondents (6.5 percent) who expect to provide support after the first year, 16 indicated that their support would continue through a second year, while only 11 expected to providing funding beyond that time. Not

WHAT ROLE SHOULD COMMUNITY FOUNDATIONS PLAY IN RESPONSE TO MAJOR DISASTERS?*

“Community foundations should play a major role in response to local disasters and should harness local resources to help relief and recovery in national and international disasters.”

“Community foundations can assist donors by providing information on organizations and assisting other community foundations that are providing funding and services to victims.”

“Our foundations need to educate donors and promote longer term rebuilding—not just disaster relief.”

“Foundations in the disaster area should coordinate response efforts; community foundations outside of the area should act as local intermediaries for contributions for people who prefer not to give to a specific relief agency.”

“Community foundations should partner with local governments and nonprofit organizations in coordinating relief efforts.”

“Community foundations do not have a role, except for making grants from donor-advised funds when donors make the choice to use our organization to fulfill their contributions.”

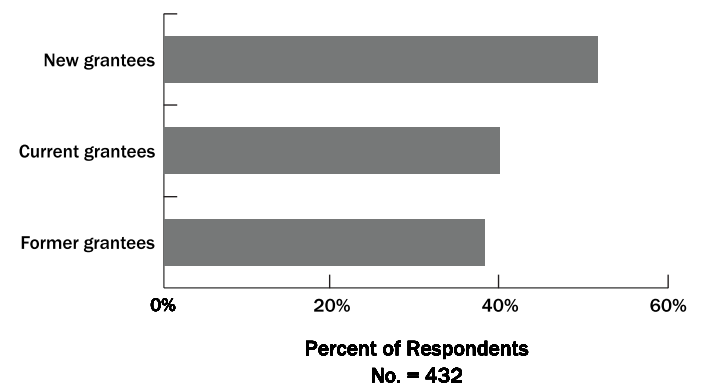
“The strength of community foundations is that they focus just on their communities. There are other nonprofits that focus on disaster relief.”

“The role of community foundations is minimal. This is where individual giving needs to kick in.”

*Based on comments of community foundation Gulf Coast response donors and non-donors captured in the Foundation Center's 2006 "Foundation Giving Forecast Survey."

FIGURE 7. Gulf Coast Hurricanes Response: Grantmakers' Relationships to Grantees

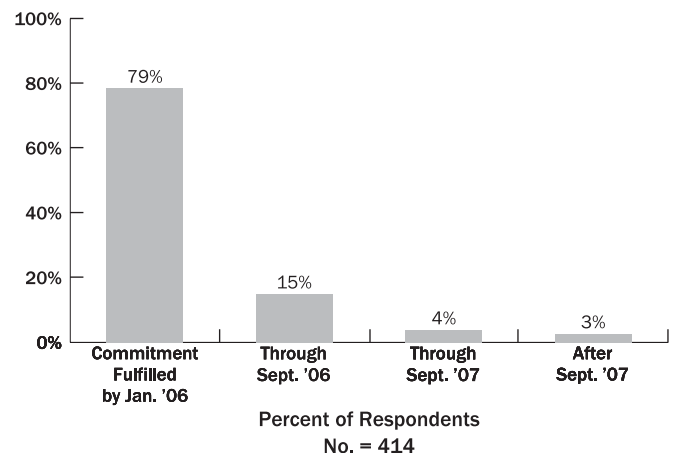
Does your response support former, current, or new grantees?



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

FIGURE 8. Gulf Coast Hurricanes Response: Duration of Funding

Over what timeframe do you expect to provide support?



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Due to rounding, percentages do not equal 100.

surprisingly, grantmakers whose commitments stretched beyond the first year included mainly those supporting housing, economic development, and other types of long-term recovery efforts. Other areas of support frequently cited by these funders were health and mental health, education, social and economic equality, and aid to affected nonprofits.

- ◆ Regardless of grantmaker type, more than nine out of ten respondents will have completed their hurricane response support within the first year after the disaster. Of the 27 grantmakers who expect to provide longer-term support, 17 are independent or family foundations, five are corporate foundations, and five are community foundations.

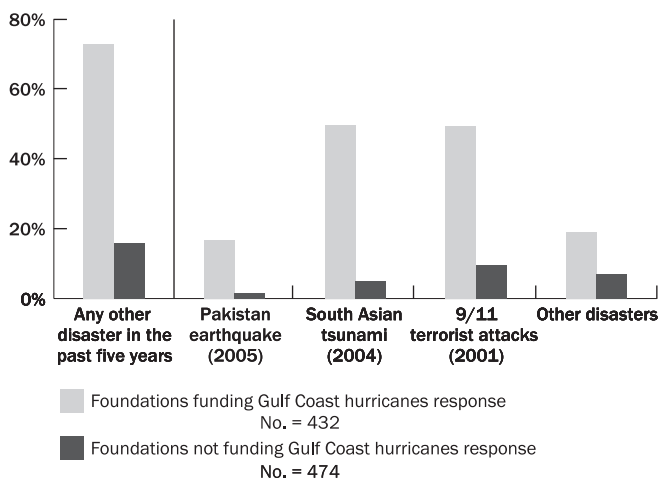
GRANTMAKERS' PROPENSITY TO RESPOND TO DISASTERS

How likely are institutional funders to respond to major disasters, and is their response to one disaster a predictor for response to the next one? The survey on hurricane response funding provided an opportunity to probe grantmakers about their disaster funding practices over the past five years.

- ◆ Foundations that have already responded to a disaster, whether U.S.-focused or international, appear much more likely to respond to a new disaster than those that have not. For example, nearly three out of four funders that provided Gulf Coast hurricane-related support (73.1 percent) said that they had funded at least one other disaster response effort in the past five years (Figure 9). By comparison, fewer than one out of six foundations that did not fund the 2005 hurricane relief efforts (15.8 percent) had provided support for at least one other recent disaster.
- ◆ Among the foundations that funded the 2005 hurricane relief efforts, roughly one-half had responded to the 2004 South Asian tsunami (49.8 percent) and the 2001 9/11 terrorist attacks (49.5 percent). A much smaller share of these grantmakers had responded to the 2005 Pakistan earthquake (16.7 percent) or to some other disaster that had occurred in the past five years (19 percent).
- ◆ Corporate foundations providing hurricane-related support were the most likely to have funded other recent disasters. Eighty-nine percent of corporate foundation hurricane response funders had supported another disaster response in the last 5 years, compared with 77 percent of community foundations and 68 percent of independents.
- ◆ As noted above, among grantmakers that did not fund the Gulf Coast response, about 16 percent responded to at least one other disaster in the past five years. The largest share (9.7 percent) provided 9/11-related support. Interestingly, the second largest share (7 percent) funded an unspecified (possibly local) disaster.

FIGURE 9. Gulf Coast Hurricanes Response: Grantmakers' Support for Other Recent Disasters

Has your foundation provided support in response to other disasters over the past five years?



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

SURVEY SAMPLE INFORMATION

To learn more about foundations' hurricane response grantmaking practices and the impact of disaster-related giving on their programs overall, the Foundation Center included a set of questions on these topics in its 2006 "Foundation Giving Forecasting Survey." The confidential survey, which targeted the roughly 3,500 largest foundations nationwide, was conducted from January through March 2006 and included both print and online response options. A total of 906 foundations (25.9 percent) provided usable responses.

The sample reflects the range of donor types included among the nation's larger foundations (Table A). Nearly three-fourths of the 906 survey respondents (74.0 percent) were independent foundations, which also include family foundations. Community foundations represented the second largest category of respondents (16.6 percent), followed by corporate foundations (9.5 percent). Compared with the original sample, community foundations are over-represented due to an above-average response rate, while corporate foundations are underrepresented. Interestingly, both corporate and community foundations represent larger proportions of respondents who supported hurricane relief and recovery (15.0 percent and 21.8 percent, respectively) than of survey respondents overall.

Although the sample includes most of the nation's top foundations by giving, survey respondents nevertheless fell into a very wide range of giving size groups (Table B). Of the 906 respondents, the largest share (40.7 percent) made total grants of less than \$1 million in the latest year reported (2004 for most), while the second largest share (33 percent) gave between \$1 million and \$5 million. Roughly one-fourth of respondents gave more than \$5 million in the latest year, including 73 funders that gave more than \$25 million. (Annual giving figures were not available for a handful of respondents.) Among these largest givers, all but 15 reported hurricane response giving. Of funders with \$100 million or more in total giving, all supported hurricane relief and recovery efforts.

Table C provides a breakdown of the survey sample by region and reveals that roughly one-fourth of all 906 respondents came from each of the four major regions: Midwest (28.3 percent), Northeast (25.8 percent), South (24.1 percent), and West (21.9 percent). Among the 432 respondents that reported hurricane support, the South, which includes the states most directly affected by the disaster, surpassed all other regions. The Midwest, which is home to a relatively large share of corporate and community foundations, ranked second.

TABLE A. Survey Respondents by Grantmaker Type

| Type of Grantmaker | All Funders | | Hurricane Response Funders | |
|---|-------------|--------------|----------------------------|--------------|
| | No. | % | No. | % |
| Independent and Family Foundations | 670 | 74.0 | 273 | 63.2 |
| Community Foundations | 150 | 16.6 | 94 | 21.8 |
| Corporate Foundations | 86 | 9.5 | 65 | 15.0 |
| TOTAL | 906 | 100.0 | 432 | 100.0 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

TABLE B. Survey Respondents by Range of Overall Giving

| Total Giving Range ¹ | All Funders | | Hurricane Response Funders | |
|---|-------------|--------------|----------------------------|--------------|
| | No. | % | No. | % |
| \$100 million+ | 15 | 1.7 | 15 | 3.5 |
| \$25 million-under \$100 million | 58 | 6.4 | 43 | 10.0 |
| \$10 million-\$25 million | 62 | 6.8 | 41 | 9.5 |
| \$5 million-\$10 million | 98 | 10.8 | 53 | 12.3 |
| \$2.5 million-\$5 million | 138 | 15.2 | 84 | 19.4 |
| \$1 million-\$2.5 million | 161 | 17.8 | 74 | 17.1 |
| \$500,000-\$1 million | 120 | 13.2 | 53 | 12.3 |
| Under \$500,000 | 249 | 27.5 | 65 | 15.0 |
| Unknown | 5 | 0.6 | 4 | 0.9 |
| TOTAL | 906 | 100.0 | 432 | 100.0 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

¹ Respondents' giving for all purposes circa 2004.

TABLE C. Survey Respondents by Region

| Region | All Funders | | Hurricane Response Funders | |
|------------------|-------------|--------------|----------------------------|--------------|
| | No. | % | No. | % |
| Midwest | 256 | 28.3 | 115 | 26.6 |
| Northeast | 234 | 25.8 | 109 | 25.2 |
| South | 218 | 24.1 | 121 | 28.0 |
| West | 198 | 21.9 | 87 | 20.1 |
| TOTAL | 906 | 100.0 | 432 | 100.0 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006.

Gulf Coast Hurricanes Response: DONORS AND RECIPIENTS

The first part of this report provided perspective on the response of a sample of the nation's largest independent, corporate, and community foundations to the 2005 Gulf Coast hurricanes Katrina and Rita and broader insights on these funders' attitudes toward disaster-related giving. The following analysis focuses on the actual commitments announced up to June 2006 by institutional donors—corporations and corporate foundations, independent and family foundations, community foundations and other public foundations, and various business and professional associations—in response to the Gulf Coast hurricanes. Following the model established in tracking the institutional response to the September 11, 2001, terrorist attacks, the Foundation Center will continue tracking foundation and corporate giving in response to the Gulf Coast hurricanes through the second anniversary of the disaster in 2007.

THE RESPONSE OF INSTITUTIONAL DONORS

Overview

- ◆ As of the beginning of June 2006, the Foundation Center had identified 435 corporations, foundations, and other institutional donors that had together committed \$577.1 million for relief and recovery efforts in the aftermath of Gulf Coast hurricanes Katrina and Rita (Table 4). This figure represented just over half of the \$1.1 billion in response giving that foundations and corporations provided in the first three years after the 9/11 terrorist attacks. However, as additional foundation and corporate support is announced, the overall amount of their Gulf Coast response giving will undoubtedly increase.
- ◆ Giving by institutional donors represented 10.9 percent of an estimated \$5.3 billion in total private giving in response to the hurricanes (Figure 10).³ This proportion was less than the share of overall U.S. private giving accounted for by foundations and corporations.⁴ However, the figure for institutional donors excludes in-kind giving, which is included in the estimate of the total private response. Moreover, numerous foundation and corporate donors have given in response to hurricanes Katrina and Rita but not yet publicly reported their contributions. As this information becomes available, the share of overall giving will rise.
- ◆ Corporations, foundations, and other institutional donors reported a total of 1,751 commitments. However, the

TABLE 4. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Donor Type*

| Donor Type | No. of Donors | % | Amount | % | Number ¹ | % |
|---|---------------|--------------|----------------------|--------------|---------------------|--------------|
| Corporations/Corporate Foundations | 286 | 65.7 | \$358,069,951 | 62.0 | 678 | 38.7 |
| Independent and Family Foundations | 101 | 23.2 | 174,667,558 | 30.3 | 414 | 23.6 |
| Community Foundations | 18 | 4.1 | 9,675,843 | 1.7 | 557 | 31.8 |
| Other Public Foundations | 30 | 6.9 | 34,688,093 | 6.0 | 102 | 5.8 |
| TOTAL | 435 | 100.0 | \$577,101,445 | 100.0 | 1,751 | 100.0 |

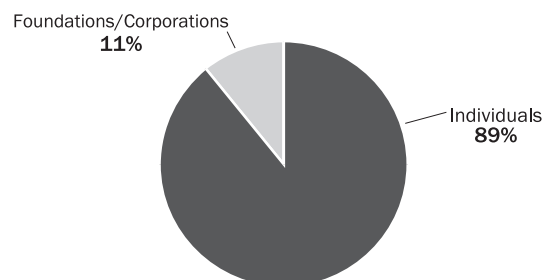
Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

Note: Due to rounding, percentages may not total 100.

*Includes cash donations and amounts pledged to match employee gifts; excludes in-kind donations.

¹As additional information on undesignated and unspecified contributions becomes available, the number of contributions will increase.

FIGURE 10. Gulf Coast Hurricanes Response: Foundation and Corporate Funding as a Share of All Private Giving

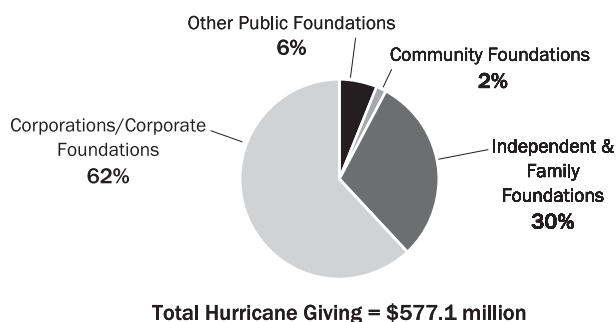


All Private Hurricane Giving = \$5.3 billion¹

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Foundation and corporate figures based on giving announced through June 2, 2006.

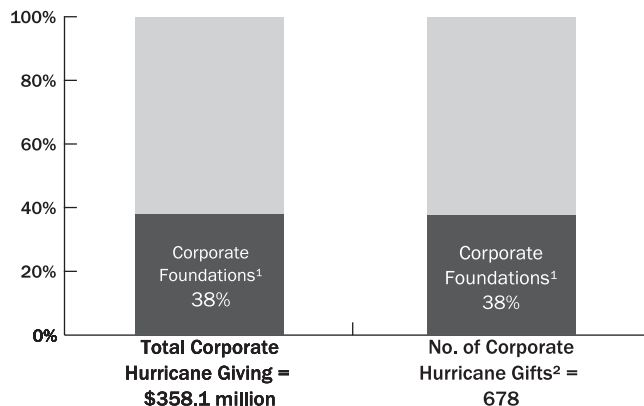
¹See Giving USA Foundation, *Giving USA*, ed. by M. Brown, Glenview, IL: Giving USA Foundation, 2006. Estimate of total private Gulf Coast hurricanes response funding, including in-kind giving. According to the Foundation Center, \$577.1 million of this total was provided by corporations and foundations. This figure excludes in-kind giving.

FIGURE 11. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Donor Type



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

FIGURE 12. Gulf Coast Hurricanes Response: Corporate Foundation Funding as a Share of All Corporate Funding*



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

¹ Includes 97 corporate foundations.

² Figures include a substantial proportion of unspecified contributions. As donors fulfill their undesignated pledges, the overall number of contributions will rise.

number of individual commitments will continue to rise as donors fulfill their undesignated pledges and as more funders provide complete reporting of the exact amount given to named recipients.

Funder Type

- ◆ 286 corporate donors pledged \$358.1 million, or 62 percent of overall institutional giving made in response to hurricanes Katrina and Rita (Figure 11). This figure included cash donations and \$31.9 million in employee matching gifts. In fact, several major corporations eliminated their caps on corporate matching to increase the amount of support flowing to those affected by the hurricanes. (See “Corporate In-Kind Giving” for information on product and service donations made in response to the storms.)
- ◆ Among various types of corporate donors were 97 corporate foundations. They contributed \$136.8 million, or just over 38 percent of all corporate Gulf Coast response giving (Figure 12). This share far surpassed the 26.1 percent of overall corporate giving accounted for by corporate foundations in 2005. In general, this finding is consistent with corporate giving patterns in response to the September 11th, 2001, tragedy, when corporations also drew more heavily on their foundations for response funding.⁵
- ◆ Corporate commitments made in response to the Gulf Coast hurricanes represented only a small proportion of their overall giving. For example, the \$358.1 million in corporate commitments tracked through June 2006

SOURCES OF DATA

Data on the institutional donor response to hurricanes Katrina and Rita comes from foundation annual reports, grants lists, IRS Forms 990-PF, web postings, and other public announcements collected by the Foundation Center since late August 2005. The Center also conducted a survey of all known institutional Gulf Coast hurricane donors in March 2006 to confirm their announced gifts, obtain greater detail on that giving, and determine if these donors had made additional commitments.

The giving captured in this analysis is substantial but far from comprehensive. Many institutional donors that announced pledges in the wake of the hurricanes have yet to publicly report their specific contributions. Others that have provided support will only report Gulf Coast response giving in their annual reports or on their IRS Form 990-PF information returns, resulting in a substantial lag in this information becoming publicly available.

As part of our ongoing tracking efforts, the Center will continue to collect new information on the Gulf Coast response and expand upon existing information. These efforts will culminate in a final report on the institutional donor response to the Gulf Coast hurricanes in August 2007. By that time, the number of institutional donors identified and their giving will likely have increased substantially.

would represent a modest 2.6 percent of the \$13.8 billion in overall corporate giving estimated for 2005.⁶

- ◆ 149 independent and operating foundations, community foundations, and other public foundations and associations pledged \$219 million, or almost 38 percent of institutional funding in response to the hurricanes. Independent foundations alone provided \$174.7 million, while other public foundations contributed \$34.7 million and community foundations gave \$9.7 million.
- ◆ Similar to corporations, foundations' Gulf Coast response support accounted for a small share of their overall funding. For example, the \$184.4 million in independent, operating, and community foundation commitments tracked through June 2006 would represent less than 1 percent of the \$30 billion in overall 2005 giving estimated for these funders by the Foundation Center.
- ◆ Corporations and corporate foundations reported 678 gifts to specified recipient organizations (excluding in-kind gifts), or roughly 39 percent of all institutional gifts reported. Despite accounting for the smallest amount of giving, community foundations reported the second largest share of number of gifts (31.8 percent), reflecting the much smaller average size of disaster response gifts from community foundations. Giving by institutional donors overall reflected a range of purposes, from providing for immediate relief efforts, to assisting in long-term rebuilding, to addressing ongoing mental health needs. (See "The Recipients of Support" for an analysis of Gulf Coast response giving to recipient organizations.)

Range of Giving

- ◆ Giving per funder in response to the Gulf Coast hurricanes ranged from less than \$500 for an operating foundation in the Southwest to the \$30 million pledged by the Indiana-based Lilly Endowment. Among corporations, giving ranged from \$10,000 to the \$17 million pledged by Wal-Mart through its foundation.
- ◆ Well over half (56.8 percent) of all institutional donors gave less than \$1 million for Gulf Coast relief and recovery (Table 5 and Figure 13). The median amount—the mid-point for all donors ranked by giving—was \$500,000,

CORPORATE IN-KIND GIVING

Corporate and corporate foundation cash giving in response to the Gulf Coast hurricanes totaled \$358.1 million through the beginning of June 2006. While substantial, this figure captured only part of their response to the disaster. The Foundation Center has tracked 81 corporations that provided an additional \$227.4 million¹ in in-kind commitments for relief and recovery. Examples of in-kind contributions reported to date include Albertson's Corporate Giving Program's \$9 million in food and water; General Motors Acceptance Corporation's \$6 million in vehicles; Dress Barn's \$3 million in clothing; and FedEx Corporation Contributions Program's \$500,000 in shipping services.

1. Figure based on value of products and services reported by the corporations. The Foundation Center has identified additional corporations that indicate having provided in-kind contributions without noting the value of those contributions.

TABLE 5. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Range of Giving*

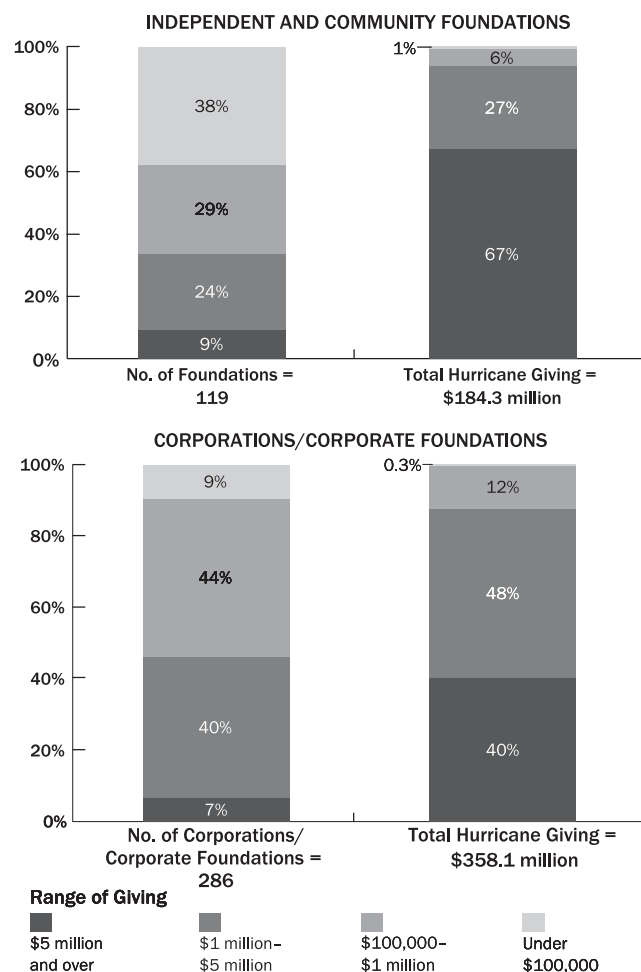
| Range of Hurricane Giving | No. of Donors | % | Amount | % |
|---------------------------|---------------|--------------|----------------------|--------------|
| \$10 million and over | 12 | 2.8 | \$183,512,911 | 31.8 |
| \$5 million–\$10 million | 21 | 4.8 | 127,328,534 | 22.1 |
| \$2 million–\$5 million | 43 | 9.9 | 108,787,666 | 18.9 |
| \$1 million–\$2 million | 112 | 25.7 | 99,526,610 | 17.2 |
| \$500,000–\$1 million | 50 | 11.5 | 30,856,534 | 5.3 |
| \$250,000–\$500,000 | 53 | 12.2 | 16,268,741 | 2.8 |
| \$100,000–\$250,000 | 68 | 15.6 | 8,194,236 | 1.4 |
| \$50,000–\$100,000 | 31 | 7.1 | 1,791,620 | 0.3 |
| Less than \$50,000 | 45 | 10.3 | 834,593 | 0.1 |
| TOTAL | 435 | 100.0 | \$577,101,445 | 100.0 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

Note: Due to rounding, percentages may not total 100.

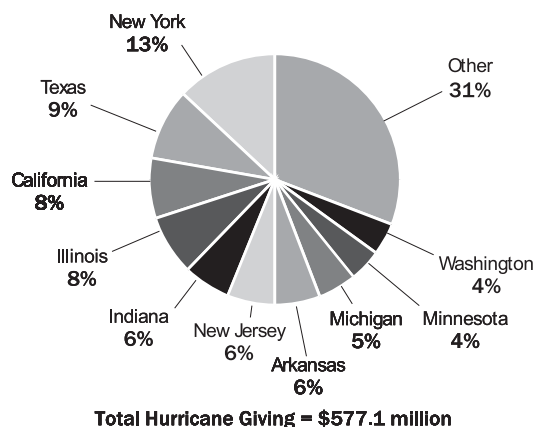
*Includes cash donations and amounts pledged to match employee gifts; excludes in-kind donations.

FIGURE 13. Gulf Coast Hurricanes Response: Foundation vs. Corporate Funding by Range of Giving



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

FIGURE 14. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Donor State



Total Hurricane Giving = \$577.1 million

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

TABLE 6. Gulf Coast Hurricanes Response: Top 15 States by Foundation and Corporate Funding

| State | No. of Donors | % | Amount | % |
|--------------------|---------------|--------------|----------------------|--------------|
| 1. New York | 54 | 12.4 | \$75,826,717 | 13.1 |
| 2. Texas | 22 | 5.1 | 52,197,902 | 9.0 |
| 3. California | 54 | 12.4 | 46,152,513 | 8.0 |
| 4. Illinois | 36 | 8.3 | 44,125,428 | 7.6 |
| 5. Indiana | 7 | 1.6 | 35,289,400 | 6.1 |
| 6. New Jersey | 21 | 4.8 | 34,954,662 | 6.1 |
| 7. Arkansas | 3 | 0.7 | 33,500,000 | 5.8 |
| 8. Michigan | 23 | 5.3 | 29,220,188 | 5.1 |
| 9. Minnesota | 16 | 3.7 | 24,427,000 | 4.2 |
| 10. Washington | 13 | 3.0 | 23,203,532 | 4.0 |
| 11. Georgia | 12 | 2.8 | 22,210,000 | 3.8 |
| 12. Ohio | 28 | 6.4 | 20,924,244 | 3.6 |
| 13. Virginia | 9 | 2.1 | 16,785,500 | 2.9 |
| 14. North Carolina | 10 | 2.3 | 13,991,634 | 2.4 |
| 15. Florida | 12 | 2.8 | 11,020,000 | 1.9 |
| Subtotal | 320 | 73.6 | \$483,828,720 | 83.8 |
| All Other States | 115 | 26.4 | 93,272,725 | 16.2 |
| TOTAL | 435 | 100.0 | \$577,101,445 | 100.0 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

but it varied widely by donor type. Among the principal donor types in the Foundation Center's Gulf Coast response database, the median giving amount ranged from \$161,375 for community foundations, to \$250,000 for independent and family foundations, to \$670,000 for corporate foundations alone and \$741,500 for corporations overall, to \$1 million for public foundations.

- ◆ 188 donors (just over 43 percent) contributed \$1 million or more for relief and recovery efforts. Together they gave \$519.2 million, or 90 percent of total funding.
- ◆ \$1 million+ contributors included 132 corporations, 36 independent foundations, 16 public foundations, and four community foundations. Roughly 46 percent of corporations or corporate foundations gave \$1 million or more in Gulf Coast response funding, compared to about 36 percent for independent foundations.
- ◆ Thirty-three donors—over 7 percent—pledged \$5 million or more. Their contributions totaled more than half of institutional Gulf Coast giving. The proportion of funding provided by the largest contributors varied by donor type. For example, 19 corporations reported giving \$5 million or more, and they represented over two-fifths of corporate giving. By comparison, only 12 independent foundations gave \$5 million or more, yet they provided more than three-quarters of Gulf Coast response giving by independent foundations. This pattern is consistent with the pattern of institutional donor giving in the aftermath of the 9/11 terrorist attacks.⁷

Funder Location

- ◆ Corporations, foundations, and other institutional donors across the country have made pledges to support relief, recovery, and rebuilding in the aftermath of the Gulf Coast hurricanes. New York-based corporations and foundations contributed just over 13 percent of support (\$75.8 million), while donors in the top 15 states together provided about 84 percent of all contributions (Figure 14 and Table 6). Among leading donors based in New York were the Ford Foundation (\$20 million), Andrew W. Mellon Foundation (\$11.6 million), Citigroup Corporate Giving Program and Citigroup Foundation (\$7 million), and New York Community Trust (\$1.5 million).
- ◆ While New York donors led by overall share of giving, institutional donors based in the South and Midwest ranked as the top individual funders. Among corporations and corporate foundations, the Arkansas-based Wal-Mart Foundation ranked at the top with a \$17 million commitment, followed by the Ohio-based Federal Home Loan Bank of Cincinnati (\$15 million) and the Texas-based ExxonMobil Corporate Contributions Program (\$12.8 million) (Table 7). The Indiana-based Lilly Endowment ranked first among foundation donors, with \$30 million in commitments, followed by the Michigan-based W.K. Kellogg Foundation (\$23.8 million) (Table 8). Among community and other public foundations, the Illinois-based Robert R. McCormick Tribune Foundation ranked first (\$7.7 million), followed by Tennessee-based LifeWay Christian Resources of the Southern Baptist Convention (\$6 million) (Table 9).

Funder Size

The following analysis of Gulf Coast hurricane funder size is limited to independent foundations for which asset information is available in the Foundation Center's grantmaker database. While not all foundations maintain large endowments relative to their giving, asset size nevertheless provides one criterion for assessing giving capacity.

- ◆ Larger foundations represented the majority of Gulf Coast response foundation donors identified by the Foundation Center. Close to three-quarters of the 101 independent foundation Gulf Coast donors held at least \$50 million in assets in their latest fiscal year, while almost half held at least \$250 million (Table 10 and Figure 15).
- ◆ Large foundations provided the vast majority of Gulf Coast response funding. The 50 foundation donors holding at least \$250 million in assets accounted for close to 94 percent of all independent foundation giving in the aftermath of hurricanes Katrina and Rita. The 24 foundations with assets of \$1 billion or more provided 77 percent of all independent foundation Gulf Coast response giving (\$134.6 million).

TABLE 7. Gulf Coast Hurricanes Response: Top 25 Corporate Donors by Total Funding*

| Corporation/Corporate Foundation | State | Amount | No. of Gifts | Purpose of Funding |
|--|-------|--------------|--------------|--|
| 1. Wal-Mart Foundation | AR | \$17,000,000 | 3 | To support the American Red Cross, Bush-Clinton Katrina Fund, and Salvation Army |
| 2. Federal Home Loan Bank of Cincinnati | OH | 15,000,000 | 1 | To establish the Katrina Housing Assistance Fund |
| 3. Exxon Mobil Corporation Contributions Program | TX | 13,000,000 | 36 | To support the American Red Cross and various relief and recovery organizations |
| 4. Freddie Mac Corporate Giving Program/Freddie Mac Foundation | VA | 10,625,000 | 6 | To support various relief and recovery organizations |
| 5. BP Amoco Corporation Contributions Program/BP Foundation | IL | 10,280,000 | 7 | To support the American Red Cross, the Houston Katrina/Rita Relief Fund, Texas Disaster Relief Fund, and various relief and recovery organizations |
| 6. United Health Foundation | MN | 10,000,000 | 1 | To support various relief and recovery organizations |
| 7. Chevron Corporation Contributions Program ¹ | CA | 9,000,000 | 3 | To support the American Red Cross, an education program, and various relief and recovery organizations |
| 8. ConocoPhillips Corporate Giving Program | TX | 7,025,000 | 11 | To support various relief and recovery organizations |
| 9. Citigroup Corporate Giving Program/Citigroup Foundation | NY | 7,000,000 | 5 | To support the American Red Cross, Habitat for Humanity, and the National Urban League |
| 10. GE Foundation | CT | 7,000,000 | 2 | To support the American Red Cross |
| 11. Coca-Cola Company Contributions Program | GA | 5,300,000 | 6 | To support the Coca-Cola System Hurricane Katrina Employee Relief Fund and various relief and recovery organizations |
| 12. Lowe's Companies Corporate Giving Program | NC | 5,181,634 | 2 | To support the American Red Cross and Habitat for Humanity |
| 13. BellSouth Foundation | GA | 5,000,000 | 1 | To support various relief and recovery organizations in providing online virtual courses |
| 14. Verizon Wireless Corporate Giving Program | NJ | 5,000,000 | 1 | To support the American Red Cross |
| 15. Johnson & Johnson Corporate Giving Program | NJ | 5,000,000 | 7 | To support the American Red Cross and various relief and recovery organizations |
| 16. McDonald's Corporation Contributions Program | IL | 5,000,000 | 1 | To support various relief and recovery organizations |
| 17. Thrivent Financial for Lutherans Foundation | WI | 5,000,000 | 1 | To support various relief and recovery organizations |
| 18. Ameriquest Capital Corporation | CA | 5,000,000 | 2 | To support the American Red Cross in accommodating Katrina refugees who have arrived in Texas and HomeAid America |
| 19. Federal Home Loan Bank of Dallas | TX | 5,000,000 | 1 | To establish the Disaster Relief Grant Program to address the housing and community investment needs of communities in Louisiana and Mississippi devastated by Hurricane Katrina |
| 20. Microsoft Corporation Community Affairs | WA | 4,000,000 | 4 | To support various relief and recovery organizations |
| 21. State Farm Mutual Automobile Insurance Company Contributions Program | IL | 3,635,911 | 2 | To support the American Red Cross |
| 22. AT&T Foundation | TX | 3,525,672 | 3 | To support the American Red Cross and various relief and recovery organizations |
| 23. Bank of America Charitable Foundation | NC | 3,325,000 | 11 | To support various relief and recovery organizations |
| 24. Fannie Mae Foundation | DC | 3,235,444 | 34 | To support the American Red Cross and various relief and recovery organizations |
| 25. Siemens Corporation Contributions Program | NY | 3,200,000 | 1 | To support the American Red Cross |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

*Includes cash donations and amounts pledged to match employee gifts; excludes in-kind donations.

¹On June 21, 2006, Chevron announced an additional \$18 million commitment supporting public school education in 23 Louisiana and Mississippi school districts affected by hurricanes Katrina and Rita.

TABLE 8. Gulf Coast Hurricanes Response: Top 25 Independent and Operating Foundations by Total Funding*

| Foundation | State | Foundation Type ¹ | Amount | No. of Gifts | Purpose of Funding |
|--|-------|------------------------------|--------------|--------------|---|
| 1. Lilly Endowment | IN | IN | \$30,000,000 | 3 | To support the American Red Cross, Salvation Army, and United Way of America |
| 2. W. K. Kellogg Foundation ¹ | MI | IN | 23,800,000 | 26 | To rebuild healthcare centers in Louisiana and support various relief and recovery organizations |
| 3. Ford Foundation ² | NY | IN | 20,000,000 | 50 | To assist current grantees and other key organizations in the Gulf Coast states in resuming operations and meeting the needs of their communities; and to support economic and community development, leadership development, and the expansion and strengthening of the philanthropic sector in the region |
| 4. Walton Family Foundation | AR | IN | 15,000,000 | 4 | To support the Salvation Army, America's Second Harvest, Bush-Clinton Katrina Fund, and Foundation for the Mid South |
| 5. Andrew W. Mellon Foundation | NY | IN | 11,552,000 | 19 | To support affected higher educational institutions and academic libraries in the region, as well as selected arts organizations |
| 6. Bill & Melinda Gates Foundation | WA | IN | 11,107,992 | 7 | To fund the Mississippi Department of Education to assist displaced students, the Baton Rouge Area Foundation to support the development of a high-performing network of public schools, and various relief and recovery organizations |
| 7. Robert Wood Johnson Foundation | NJ | IN | 10,413,245 | 29 | To support various relief and recovery organizations |
| 8. Rockefeller Foundation | NY | IN | 6,525,000 | 8 | To support a rebuilding plan for New Orleans and various relief and recovery organizations |
| 9. Conrad N. Hilton Foundation | NV | IN | 6,000,000 | 4 | To support various relief and recovery organizations |
| 10. H. N. & Frances C. Berger Foundation | CA | IN | 5,000,000 | 1 | To support the Bush-Clinton Katrina Fund |
| 11. Bush Foundation | MN | IN | 5,000,000 | 3 | To support Dillard University, Xavier University of Louisiana, and Tougaloo College |
| 12. Michael and Susan Dell Foundation | TX | IN | 5,000,000 | 11 | To support various relief and recovery organizations |
| 13. Meadows Foundation | TX | IN | 4,127,330 | 39 | To support various relief and recovery organizations |
| 14. Kresge Foundation | MI | IN | 4,050,000 | 4 | To support the American Red Cross, Dillard University, Xavier University of Louisiana, and the Michigan Association of United Ways |
| 15. Charles Stewart Mott Foundation | MI | IN | 3,290,000 | 13 | To support various relief and recovery organizations |
| 16. Lumina Foundation for Education | IN | IN | 3,000,000 | 2 | To support the American Association of Community Colleges in assisting part- and full-time community and technical college students affected by Hurricane Katrina and Scholarship America |
| 17. J. Paul Getty Trust | CA | OP | 2,100,000 | 2 | To support the Getty Foundation for New Orleans and the National Trust for Historic Preservation |
| 18. Starr Foundation | NY | IN | 2,000,000 | 2 | To support America's Second Harvest and the International Rescue Committee |
| 19. Open Society Institute | NY | OP | 1,890,000 | 15 | To support various relief and recovery organizations |
| 20. David and Lucile Packard Foundation | CA | IN | 1,760,000 | 8 | To support various relief and recovery organizations |
| 21. Washington Group Foundation | ID | OP | 1,200,000 | 1 | To support the American Red Cross |
| 22. Alfred P. Sloan Foundation | NY | IN | 1,145,000 | 2 | To support the Franklin W. Olin College of Engineering to provide distance learning opportunities for displaced students and the George Mason University Foundation to develop a digital memory bank for residents of the Gulf Coast |
| 23. Annenberg Foundation | PA | IN | 1,100,000 | 2 | To support the American Red Cross and the San Diego Humane Society and SPCA |
| 24. Jessie Ball duPont Fund | FL | IN | 1,020,000 | 3 | To support various relief and recovery organizations |
| 25. Paul G. Allen Family Foundation | WA | IN | 1,000,000 | 6 | To support various relief and recovery organizations |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

*Includes independent and family foundations (IN) and operating foundations (OP); excludes company-sponsored foundations.

¹On July 27, 2006, Kellogg announced an additional \$12.5 million commitment supporting rebuilding efforts and aid for long-term problems in the area.

²Figures for amount and number of gifts represent commitments made by the Ford Foundation through September 30, 2006. Because these figures were not available as of June 2, 2006, their full value is not reflected in the aggregate fiscal data presented in this report.

TABLE 9. Gulf Coast Hurricanes Response: Top Ten Community and Other Public Foundations by Total Funding

| Donor Name | State | Donor Type ¹ | Amount | No. of Gifts | Purpose of Funding |
|---|-------|-------------------------|-------------|--------------|---|
| 1. Robert R. McCormick Tribune Foundation | IL | PC | \$7,690,000 | 38 | To support various relief and recovery organizations |
| 2. LifeWay Christian Resources of the Southern Baptist Convention | TN | PC | 6,030,000 | 4 | To support various relief organizations, including the Baptist state conventions of Louisiana, Mississippi, and Alabama |
| 3. Howard Hughes Medical Institute | MD | PC | 4,100,000 | 2 | To support Xavier University of Louisiana and the American Red Cross |
| 4. Baton Rouge Area Foundation | LA | CM | 3,794,560 | 56 | For grants made through the Foundation's Displaced Residents Fund |
| 5. MusiCares Foundation | CA | PC | 3,100,000 | 1 | To establish the MusiCares Hurricane Relief Fund to aid musicians affected by Hurricane Katrina |
| 6. Major League Baseball Players Alumni Association | CO | PC | 2,000,000 | 2 | To support the American Red Cross and Habitat for Humanity |
| 7. Home Depot Foundation | GA | PC | 1,560,000 | 5 | To support Enterprise Community Partners, Enterprise Corporation of the Delta, LIISC, and the City of Pass Christian Recovery Program |
| 8. New York Community Trust | NY | CM | 1,501,560 | 173 | To support various relief and recovery organizations |
| 9. Peninsula Community Foundation | CA | CM | 1,181,050 | 98 | To support various relief and recovery organizations |
| 10. Columbus Foundation and Affiliated Organizations | OH | CM | 1,031,451 | 3 | To support the American Red Cross and various relief and recovery organizations |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

¹CM = Community Foundation; PC = Public Charity/Other.

THE RECIPIENTS OF SUPPORT

Following is an analysis of commitments from institutional donors to nearly 710 recipient groups, including emergency relief and other service providers; relief funds created by relief agencies, corporations, and foundations; local nonprofits directly affected by the disaster; and organizations working on issues related to recovery and rebuilding.

Leading Recipients

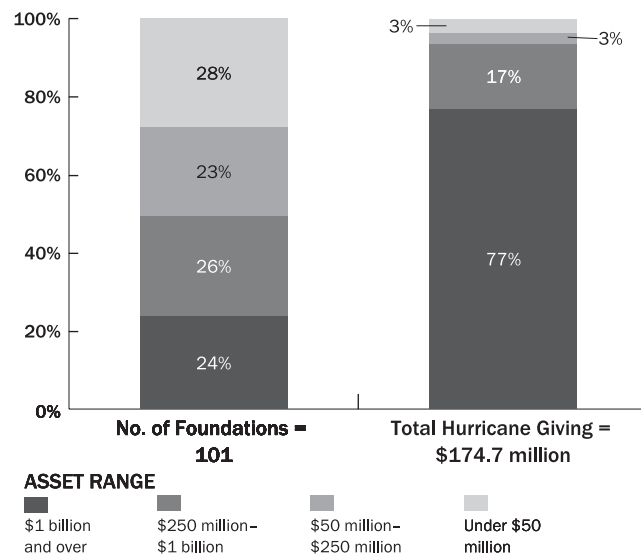
- ◆ The national headquarters of the American Red Cross (ARC) ranked as by far the largest named recipient of contributions from foundation and corporate donors in response to hurricanes Katrina and Rita. ARC received \$188.4 million, or 32.7 percent of designated support (Figure 16 and Table 11). By the time it completed fundraising, ARC had raised the \$2.1 billion from individual and institutional donors that it needed to respond to the 2005 Gulf Coast hurricanes. The vast majority of this support (73.4 percent) provided emergency financial assistance to hurricane victims, followed by smaller shares for purposes such as food and shelter (10.8 percent), additional Red Cross support (1.6 percent)—e.g., reconnecting families separated by the hurricanes—and physical and mental health services (0.3 percent).⁸
- ◆ Twelve of the top 20 recipients of institutional donors will either exclusively or primarily support hurricane relief and recovery through regranteeing of the dollars they have raised to affected individuals or other organizations. Intermediaries range from funders based in the affected region (Baton Rouge Area Foundation, Foundation for the Mid South), to existing national entities (ARC, Salvation Army, United Way of America), to entities created in direct response to the disasters (Bush-Clinton Katrina Fund, Katrina Housing Assistance Fund).
- ◆ Approximately one-sixth (17.2 percent) of institutional giving (\$99.5 million) could not be assigned to a recipient because donors either had not yet reported a particular recipient (\$95.4 million, or 16.5 percent) or broken down amounts pledged to various named recipients (\$4.1 million, or 0.7 percent). However, this unassigned support together represented just 83 contributions, or 4.7 percent of the number of gifts.
- ◆ Corporations and foundations showed differing priorities in the allocation of their giving in response to the Gulf Coast hurricanes. For example, corporate donors provided a far larger share of their giving to the American Red Cross (43.8 percent), compared to independent foundations (14 percent) (Figures 17 and 18). By comparison, corporate donors were far less likely to have designated the recipients of their giving. Although, this higher share of unassigned giving reflects in part the volume of corporate funds pledged to match employee gifts.

TABLE 10. Gulf Coast Hurricanes Response: Independent Foundation Funding by Asset Range

| Asset Range | No. of Donors | % | Amount | % |
|----------------------------|---------------|--------------|----------------------|--------------|
| \$1 billion and over | 24 | 23.8 | \$134,551,811 | 77.0 |
| \$250 million–\$1 billion | 26 | 25.7 | 29,065,690 | 16.6 |
| \$50 million–\$250 million | 23 | 22.8 | 5,148,982 | 2.9 |
| Under \$50 million | 28 | 27.7 | 5,901,075 | 3.4 |
| TOTAL | 101 | 100.0 | \$174,667,558 | 100.0 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Gulf Coast hurricanes response figures based on giving announced through June 2, 2006. Asset figures based on latest fiscal year reported (2004 for most foundations).

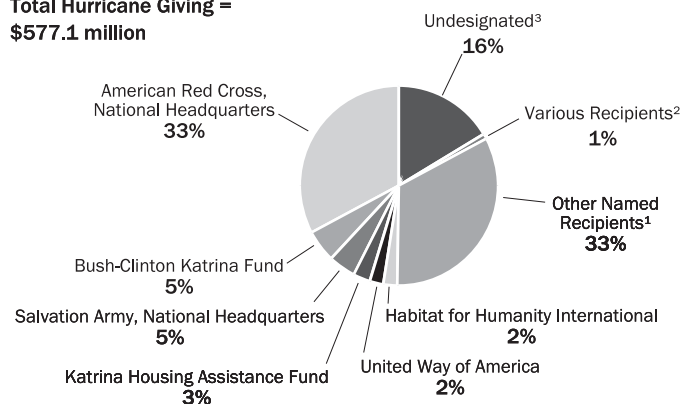
FIGURE 15. Gulf Coast Hurricanes Response: Independent Foundation Funding by Asset Range



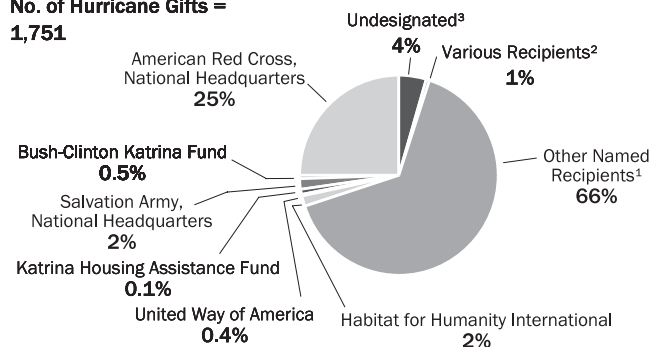
Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Gulf Coast hurricanes response figures based on giving announced through June 2, 2006. Asset figures based on latest fiscal year reported (2004 for most foundations).

FIGURE 16. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Recipient*

Total Hurricane Giving = \$577.1 million



No. of Hurricane Gifts = 1,751



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

*Due to rounding, percentages may not total 100. Shows individual organizations that received at least 2 percent of funding.

¹ Named recipients accounting for less than 2 percent of funding.

² Various recipients named but amount not reported by recipient.

³ No recipient named at time of pledge.

Recipient Location

- ◆ Foundations and corporations have supported organizations working on the Gulf Coast response in 39 states and the District of Columbia. Recipients based in the District of Columbia garnered \$199.1 million, or 34.5 percent of all Gulf Coast response funding (Figure 19). However, nearly all of this funding supported the American Red Cross, which redistributed these funds in the affected region.
- ◆ Louisiana recipients ranked a distant second based on the share of Gulf Coast response dollars received (\$51.5 million, or 8.9 percent), and Mississippi recipients ranked seventh (\$21.3 million, or 3.7 percent). Nonetheless, the vast majority of institutional giving in response to hurricanes Katrina and Rita was intended for the benefit of affected individuals in these states and Alabama. Moreover, as the focus on Gulf Coast response funding shifts from providing immediate disaster relief through national organizations to rebuilding the infrastructure of these states, the shares of Gulf Coast response funding recorded for recipients located in Louisiana, Mississippi, and Alabama will undoubtedly rise.
- ◆ Other states ranking among the top recipients by giving in response to hurricanes Katrina and Rita included Virginia (home to the national headquarters of the Salvation Army and the United Way), New York (the headquarters location for the Bush-Clinton Katrina Fund), Georgia (the headquarters of the Southern Education Foundation and CDC Foundation, among other organizations), and Texas (the temporary home for many Gulf Coast evacuees).

Recipient Type

- ◆ Over half of the dollars given by institutional donors in response to the Gulf Coast hurricanes and over half of the gifts supported human service agencies (including regranteeing agencies), such as the American Red Cross, America's Second Harvest, and Catholic Charities USA (Figure 20). Other organizational types accounting for at least 2 percent of funding or number of gifts included educational institutions (Dillard University, Mississippi Department of Education), philanthropy organizations (Baton Rouge Area Foundation, Foundation for the Mid South), federated funds (United Way of America), health organizations (Planned Parenthood of America, Louisiana Rural Health Services Corporation), community improvement organizations (Enterprise Corporation of the Delta, Local Initiatives Support Corporation), international organizations working on the domestic response (International Rescue Committee), religious organizations (Archdiocese of New Orleans), and environmental and wildlife organizations (Audubon Nature Institute, American Society for the Prevention of Cruelty to Animals).
- ◆ Approximately one-sixth of Gulf Coast response funding—but less than 5 percent of the number of gifts—could not be specified based on recipient type. This reflected commitments that had not yet been specified by donors, as well as giving for multiple recipients—including corporate employee matching gifts.

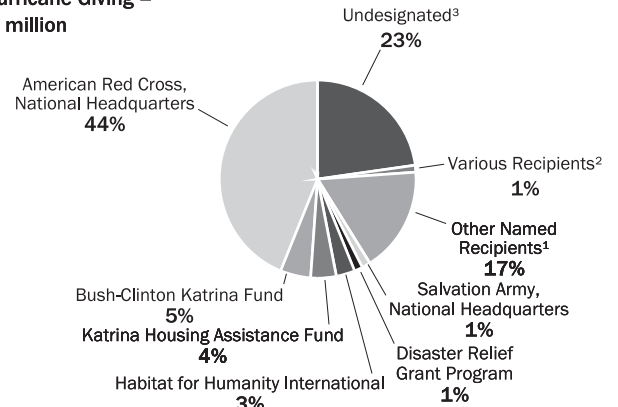
Purpose of Giving

Separate from the type of organization receiving support, the Foundation Center has tracked the intended purpose of institutional giving in response to the Gulf Coast hurricanes. While the vast majority of contributions were intended to provide a broad range of human services in the immediate wake of the disaster, some donors were more specific in targeting their support to one or a few areas, such as education, health, or the arts. This giving often reflects the general programmatic focuses of these funders. The following analysis provides a first look at the giving priorities of institutional donors that have announced commitments in response to hurricanes Katrina and Rita through the start of June 2006.

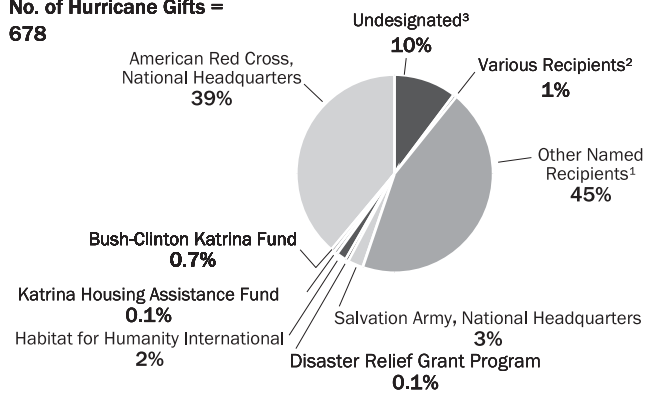
- ◆ As noted above, the vast majority of giving in the aftermath of the Gulf Coast hurricanes was intended to provide much-needed relief in the immediate wake of the disaster. Over 59 percent of funding and 64 percent of the number of gifts either indicated support for general relief and recovery efforts or specified a range of human services to be supported. As the focus of donors shifts from immediate relief and recovery to rebuilding, it is likely that the share of Gulf Coast response funding targeting general human services will decrease (Table 12 and Figure 21).
- ◆ Providing for the rebuilding of the decimated housing stock in the areas hit by hurricanes Katrina and Rita and housing displaced persons in other regions is a major focus for a number of Gulf Coast response donors. Overall, support for housing captured over 7 percent of funding and 4 percent of the number of contributions. The Katrina Housing Assistance Fund ranked as the largest recipient of institutional giving to rebuild housing in the region, with a single \$15 million contribution from the Federal Home Loan Bank of Cincinnati to provide housing for persons displaced to the FHLBank districts of Kentucky, Ohio, and Tennessee. Habitat for Humanity

FIGURE 17. Gulf Coast Hurricanes Response: Corporate Funding by Recipient*

Total Hurricane Giving = \$358.1 million



No. of Hurricane Gifts = 678



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

*Shows individual organizations that received at least 1 percent of funding.

¹Named recipients accounting for at less than 1 percent of funding.

²Various recipients named but amount not reported by recipient.

TABLE 11. Gulf Coast Hurricanes Response: Top 20 Designated Recipients of Foundation and Corporate Funding

| Recipient/Recipient Fund | State | Amount ¹ | % of Total Funding | No. of Gifts | Sources of Funding | |
|--|-------|---------------------|--------------------|--------------|------------------------------------|--|
| | | | | | Corporations/Corporate Foundations | Independent, Community, and Public Foundations |
| 1. American Red Cross, National Headquarters | DC | \$188,447,648 | 32.7 | 442 | 83.2 | 16.8 |
| 2. Bush-Clinton Katrina Fund | NY | 31,070,000 | 5.4 | 8 | 58.1 | 41.9 |
| 3. Salvation Army, National Headquarters | VA | 25,956,018 | 4.5 | 33 | 18.4 | 81.6 |
| 4. Katrina Housing Assistance Fund | OH | 15,000,000 | 2.6 | 1 | 100.0 | 0.0 |
| 5. United Way of America | VA | 13,328,897 | 2.3 | 7 | 17.4 | 82.6 |
| 6. Habitat for Humanity International | GA | 12,687,786 | 2.2 | 27 | 87.6 | 12.4 |
| 7. Baton Rouge Area Foundation | LA | 9,513,959 | 1.6 | 53 | 16.3 | 83.7 |
| 8. Xavier University of Louisiana | LA | 8,950,000 | 1.6 | 7 | 0.0 | 100.0 |
| 9. America's Second Harvest | IL | 7,132,649 | 1.2 | 28 | 18.7 | 81.3 |
| 10. Dillard University | LA | 6,125,000 | 1.1 | 8 | 0.0 | 100.0 |
| 11. Mississippi Department of Education | MS | 5,000,000 | 0.9 | 1 | 0.0 | 100.0 |
| 12. Federal Home Loan Bank of Dallas Disaster Relief Grant Program | TX | 5,000,000 | 0.9 | 1 | 100.0 | 0.0 |
| 13. Foundation for the Mid South | MS | 4,326,000 | 0.7 | 12 | 24.3 | 75.7 |
| 14. Southern Education Foundation | GA | 4,275,000 | 0.7 | 4 | 0.0 | 100.0 |
| 15. CDC Foundation | GA | 3,000,000 | 0.5 | 2 | 66.7 | 33.3 |
| 16. Texas Disaster Relief Fund | TX | 3,000,000 | 0.5 | 3 | 100.0 | 0.0 |
| 17. Tulane University | LA | 2,916,441 | 0.5 | 6 | 5.1 | 94.9 |
| 18. Enterprise Corporation of the Delta | MS | 2,503,711 | 0.4 | 9 | 3.1 | 96.9 |
| 19. HomeAid America | CA | 2,500,000 | 0.4 | 1 | 100.0 | 0.0 |
| 20. Louisiana Disaster Recovery Foundation | LA | 2,357,500 | 0.4 | 7 | 53.0 | 47.0 |

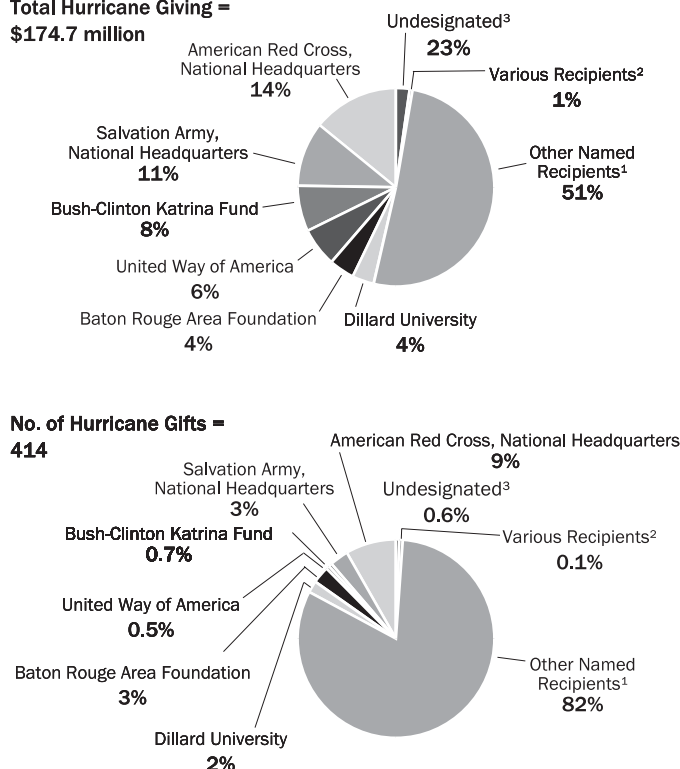
Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

¹Excludes undesignated pledges and unspecified amounts donated to named recipients.

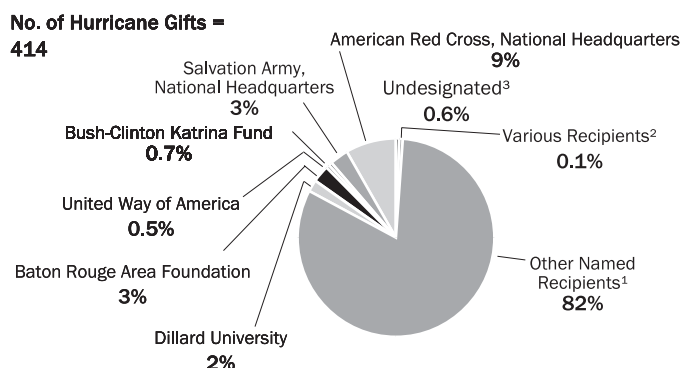
²The Baton Rouge Area Foundation is also represented as a donor. As of February 2006, the foundation had received contributions totaling \$39.3 million. Of this total, it had already provided \$12.8 million in grants.

FIGURE 18. Gulf Coast Hurricanes Response: Foundation Funding by Recipient*

Total Hurricane Giving = \$174.7 million



No. of Hurricane Gifts = 414



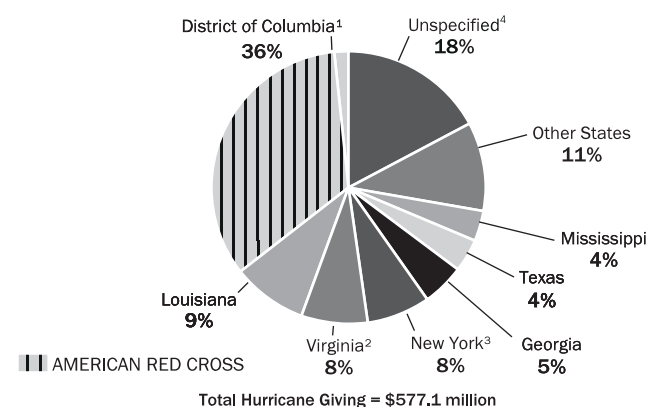
Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

*Shows individual organizations that received at least 3 percent of funding.

¹Named recipients accounting for at less than 3 percent of funding.

²Various recipients named but amount not reported by recipient.

FIGURE 19. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Recipient Location



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

¹In the Gulf Coast hurricanes response data, all gifts to the national American Red Cross (ARC) are accounted for in the District of Columbia, where the ARC is headquartered.

²All gifts to the national headquarters of the Salvation Army and the United Way are accounted for in Virginia, where these organizations are headquartered.

³Most giving supported the Bush-Clinton Katrina Relief Fund, which is headquartered in New York.

⁴Includes grants to various organizations for unspecified amounts and undesignated pledges.

International ranked second with 27 contributions totaling \$12.7 million. Nonetheless, other organizations received substantial commitments for rebuilding housing in the affected region, such as California-based HomeAid America (\$2.5 million from Amerquest Capital Corporation).

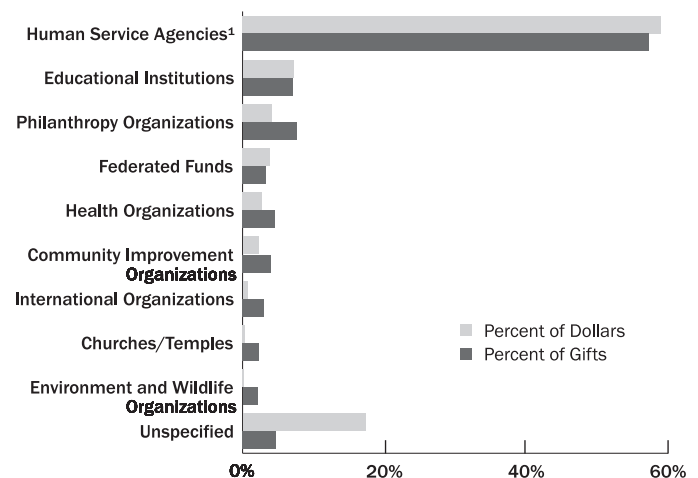
- ◆ Among the pledges made in the aftermath of hurricanes Katrina and Rita for purposes beyond the immediate response to the disaster, the second largest share of funding (6.6 percent) provided support for education. Within education, the biggest share of funding targeted higher education, led by the Andrew W. Mellon Foundation's \$2.8 million contribution to the Southern Education Foundation for regranting to private Historically Black Colleges and Universities in the region affected by Hurricane Katrina to address the immediate needs of guest students from the Gulf States, as well as their own student populations. Elementary and secondary education benefited from most of the remaining support, led by the Bill & Melinda Gates Foundation's \$5 million contribution to the Mississippi Department of Education to provide academic intervention to displaced students and \$3.1 million grant to the Baton Rouge Area Foundation to support the development of an autonomous network of high-performing public schools and implement a systemic K–12 literacy intervention for students in East Baton Rouge parish affected by Hurricane Katrina.

- ◆ Among the many contributions providing support for Gulf Coast relief and recovery, close to 6 percent of gifts (although a smaller roughly 3 percent of dollars) focused primarily on the health of affected peoples. Examples of these gifts included the W.K. Kellogg Foundation's \$1.1 million contribution to the Louisiana Assembly on School-Based Health Care to provide school-based physical and mental health services for evacuated New Orleans children and adolescents who have been newly enrolled in other Louisiana schools, and the Robert Wood Johnson Foundation's \$1 million contribution to the National Foundation for the Centers for Disease Control and Prevention for emergency service, equipment, and supply funding for state and local public health agencies affected by Hurricane Katrina. Finally, while a number of contributions included support for both physical and mental health, just 0.4 percent of health dollars and 1.4 percent of the number of gifts exclusively addressed the mental health needs of residents of the affected areas. The Robert R. McCormick Tribune Foundation provided the largest of these contributions: \$400,000 to the Mississippi Counseling Association for professional counseling services for individuals and families. Given the magnitude of mental health needs recently identified in the region, support for mental health initiatives can be expected to grow.⁹

- ◆ Economic and community development captured a modest 2.2 percent of Gulf Coast response funding and 4.2 percent of gifts up to the start of June 2006. However, as the rebuilding effort continues over the next decade, this share will undoubtedly rise. Among the economic and community development organizations receiving the largest shares of funding to date were the Enterprise Corporation of the Delta, Local Initiatives Support Corporation, and the Southern Mutual Help Association.

- ◆ Demonstrating the broad interests of institutional donors in the recovery and rebuilding effort, arts and culture, civil rights and public affairs, and the environment and animals all garnered roughly 2 percent of the number of Gulf Coast response contributions. Among the largest arts-related awards were a \$2 million commitment from the J. Paul Getty Trust to the Getty Foundation Fund for New Orleans to assist visual arts organizations and a \$403,000 commitment from the Andrew W. Mellon Foundation to the University of Delaware Program on Arts Conservation to provide sustained recovery and conservation assistance to cultural institutions on the Mississippi Gulf Coast. Examples of support for civil rights and public affairs included the W.K. Kellogg Foundation's \$1.2 million commitment to the Ms. Foundation for Women to ensure that priorities of low-income women, women of color, and their families are central to the relief, recovery, and rebuilding process and the Open Society Institute's \$200,000 commitment to the National Immigration Law Center to ensure that immigrant victims are not excluded from assistance or subjected to harsher treatment. Among the largest gifts related to the environment and animals was a \$500,000 contribution from the David and Lucile Packard Foundation to the Audubon Nature Institute for recovery efforts at the New Orleans Zoo and Aquarium and a \$150,000 contribution from the Ford Foundation to Rockefeller Philanthropy Advisors for the Gulf Coast Ecological Health and Community Renewal Fund to engage, empower, and benefit displaced residents in sustainable and just rebuilding of the region.
- ◆ Based on the purpose of their giving, foundation and corporate donors showed markedly different priorities in Gulf Coast response funding. Both funder types allocated their largest shares of support for human services, although this share was notably higher for corporate donors (62.7 percent versus 56 percent) (Figure 22). Corporate donors also placed a much greater priority on housing and shelter, with nearly 10 percent of their giving supporting this area. By comparison, independent and family foundations directed almost one-fifth of their funding for education, followed by economic and community development and health. Housing accounted for just 2 percent of their giving. Overall, eight areas received at least 1 percent of foundation giving in response to the Gulf Coast hurricanes, compared to just three for corporations. Still, nearly one-quarter of corporate giving could not be coded for a purpose. As more detail on these commitments becomes available, the number of areas receiving a measurable share of corporate support may increase.

FIGURE 20. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Selected Recipient Types*



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

*Shows recipient types that received at least 2 percent of funding or gifts.

¹Includes the American Red Cross and other disaster relief organizations, as well as organizations spanning the fields of employment, food, nutrition, and agriculture, housing, recreation, youth development, and human services—general.

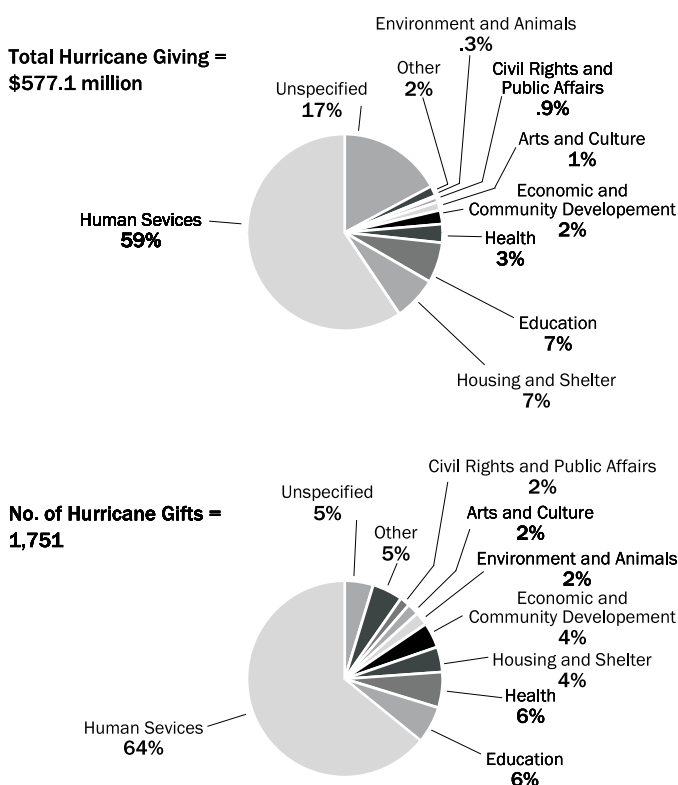
TABLE 12. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Subject

| Subject | Amount | % | No. of Gifts | % |
|---|------------------|--------------|--------------|--------------|
| Human Services | \$342,757 | 59.4 | 1,125 | 64.2 |
| Housing and Shelter | 42,108 | 7.3 | 73 | 4.2 |
| Education | 37,862 | 6.6 | 106 | 6.1 |
| Elementary and Secondary | 13,240 | 2.3 | 53 | 3.0 |
| Higher Education | 23,201 | 4.0 | 36 | 2.1 |
| Other Education | 1,421 | 0.3 | 17 | 1.0 |
| Health | 18,249 | 3.2 | 99 | 5.7 |
| General and Rehabilitative | 14,462 | 2.5 | 62 | 3.5 |
| Mental Health | 2,414 | 0.4 | 25 | 1.4 |
| Other | 1,373 | 0.3 | 12 | 0.8 |
| Economic and Community Development | 12,707 | 2.2 | 73 | 4.2 |
| Arts and Culture | 7,256 | 1.3 | 31 | 1.8 |
| Civil Rights and Public Affairs | 5,143 | 0.9 | 32 | 1.8 |
| Environment and Animals | 1,990 | 0.3 | 41 | 2.3 |
| Other | 47,351 | 1.6 | 194 | 5.0 |
| Unspecified | 99,540 | 17.2 | 83 | 4.7 |
| TOTAL | \$577,101 | 100.0 | 1,751 | 100.0 |

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006. All dollar figures expressed in thousands.

CONCLUSION

**FIGURE 21. Gulf Coast Hurricanes Response:
Foundation and Corporate Funding by
Major Subject**



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

Consistent with the precedent established after the 9/11 terrorist attacks, numerous foundations and corporations once again reached far beyond their typical funding guidelines to respond to a national tragedy. The destruction wrought by hurricanes Katrina and Rita reminded the country of the physical vulnerability of Gulf Coast residents, while also revealing the ongoing devastation caused by widespread poverty and social inequities in the region. In response to the numerous images of stranded citizens, seemingly abandoned by authorities at all levels, institutional donors rushed in with support for the national and local nonprofit organizations that often appeared to be the only source of relief for those helpless individuals—especially in and around New Orleans.

For many corporations and foundations, their giving in the wake of the Gulf Coast hurricanes began and ended with the provision of funding for immediate relief. Other institutional donors—more often foundations—began to map out strategies for recovery and rebuilding in a way that ideally will ensure greater equity and fairness for the region's people. In many of these cases, foundations and corporations have focused on areas of funding that reflect their overall programmatic interests, from educational reform, to health care access, to low-income housing development. Given the breadth of the disaster, support in all of these areas, and many others, will be needed.

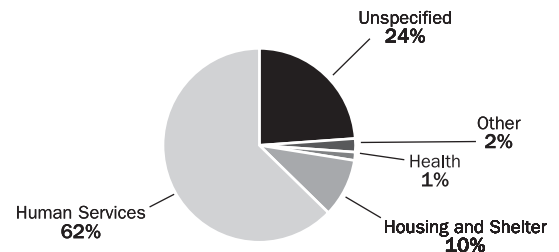
Most experts expect the process of rebuilding the region to take many years. Yet the Foundation Center's survey of the largest U.S. foundations indicated that well over 90 percent of the grantmakers that made commitments in response to the Gulf Coast hurricanes had completed their giving within the first year after the disaster. Some of these commitments designated support for long-term recovery and rebuilding, but the majority supported immediate relief efforts. Nonetheless, a number of institutional donors have committed themselves to helping with the long-term rebuilding of the Gulf Coast region. Other relief donors may choose to reengage with the region, and additional donors that did not immediately respond to the disaster may choose to become active in supporting rebuilding efforts. Over the next year, the Foundation Center will continue to track the foundation and corporate response to the Gulf Coast hurricanes, with a particular focus on how these long-term donors contribute to the rebuilding of the region.

Endnotes

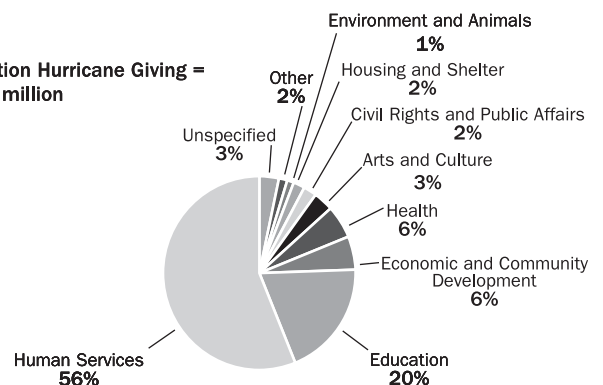
1. The findings on the use of contributions budgets as a source of hurricane response funding are similar to those from the Foundation Center's survey on 9/11-related contributions (*Assessing the Post-911 Funding Environment: Grantmakers' Perspectives*, 2002), which found that roughly 57 percent of grantmakers drew from their grants budgets. However, findings from that survey also showed that a much higher proportion of grantmakers drew on discretionary and reserve funds (32 percent) to pay for their 9/11 grants, while a smaller share drew on employee matching gift programs (13 percent) and donor-advised funds (8 percent). Differences in survey sampling may account for some of the variations in results.
2. The findings on the impact of hurricane response funding on overall funding precisely mirror findings from the 9/11 response survey (see above), in which just 15.8 percent of donors said that they reduced their support for other programs as a result of contributing to 9/11-related relief and recovery. Also, similar to the hurricane response results, the impact of disaster support on overall funding was greater for corporate foundations and less pronounced for community foundations.
3. See Giving USA Foundation, *Giving USA*, ed. by M. Brown, Glenview, IL: Giving USA Foundation, 2006. Their estimate of total private Gulf Coast hurricane response funding includes in-kind giving. Foundation Center figures on actual foundation and corporate contributions exclude in-kind giving.
4. Ibid.
5. See Renz, L. and L. Marino, *Giving in the Aftermath of September 11: Final Update on the Foundation and Corporate Response*, New York: Foundation Center, 2004.
6. See Giving USA Foundation, 2006.
7. See, Renz and Marino, 2004.
8. See American Red Cross, "Hurricanes Katrina, Rita, and Wilma: The Unprecedented American Red Cross Response," www.redcross.org/sponsors/dr/hurrstewreport_05.html, Internet accessed on June 20, 2006.
9. See Saulny, Susan, "A Legacy of the Storm: Depression and Suicide," *The New York Times*, June 21, 2006.

FIGURE 22. Gulf Coast Hurricanes Response: Foundation vs. Corporate Funding by Major Subject*

Corporate Hurricane Giving = \$358.1 million



Foundation Hurricane Giving = \$174.7 million



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2006. Figures based on giving announced through June 2, 2006.

*Shows subject areas that received at least 1 percent of funding or gifts.

