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AUGUST 2007

GIVING IN THE AFTERMATH OF THE GULF COAST HURRICANES

UPDATE ON THE FOUNDATION AND
CORPORATE RESPONSE



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ABOUT THE FOUNDATION CENTER

Established in 1956, and today supported by more than 600 foundations, the Foundation Center is the nation's leading authority on 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—a robust, accessible knowledge bank for the sector. It also operates research, education, and training programs designed to advance philanthropy at every level. The Center's web site receives more than 47,000 visits each day, and thousands of people gain access to free resources in its five regional library/learning centers and its national network of more than 340 Cooperating Collections. For more information, please visit foundationcenter.org or call (212) 620-4230.

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Download *Giving in the Aftermath of the Gulf Coast Hurricanes* at foundationcenter.org/gainknowledge/research/specialtrends.

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INTRODUCTION

Providing support in response to a disaster presents unique challenges and opportunities for institutional donors. Beyond the basic logistical difficulties of directing cash giving or in-kind contributions to areas where lives have been lost and infrastructure destroyed, very few foundations and corporations include disaster-response giving as part of their core mission. The atypical nature of this funding, and the variability in the types of disasters being addressed, means that few institutional donors can engage in this type of grantmaking with the same confidence and expertise that they approach their more typical areas of giving.

The scale of the damage caused by hurricanes Katrina and Rita and the failure of the New Orleans levee system in 2005 magnified the challenges faced by institutional disaster-response donors. But it also created opportunities. Beyond the extraordinary response of foundations and corporations to the immediate needs of the Gulf Coast region—especially in light of a widely-criticized government response—some institutional donors have remained engaged in the region and begun to contribute to its re-creation as a more fair and equitable place. This experience has provided important lessons for all foundations and corporations that may choose to respond to future disasters.

This report presents the most comprehensive record available of the resources that institutional donors have provided in response to the Gulf Coast hurricanes and captures the experience and insights of several leading funders. It offers two distinct views of giving. The first part of the report presents findings from mid-2007 interviews with ten leading independent foundation Gulf Coast response funders to identify the challenges they faced, the role of collaboration in their grantmaking, their assessment of outcomes to date, their lessons learned, the extent to which they remain involved in recovery and rebuilding efforts, and their perspective on the impact of foundations overall in the region. The second part, which is based on giving commitments tracked by the

Foundation Center through June 2007 in our Gulf Coast response database, updates our examination of the scope, purposes, and recipients of hurricane response giving by foundations, corporations, and other institutional donors.

This effort follows the model established by the Foundation Center in tracking the institutional response to the September 11, 2001, terrorist attacks. Through this multi-year undertaking, 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 different types of donors. Understanding the varied ways that institutional donors respond to major disasters is an important step toward fostering dialogue within the field about effective practices.

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EXECUTIVE SUMMARY

In the two years since hurricanes Katrina and Rita ravaged the Gulf Coast, American citizens, corporations, foundations, and other institutions have responded with an outpouring of charitable giving that has significantly augmented the governmental response to the disaster. Collectively, according to *Giving USA*, the private sector had contributed an estimated \$6.5 billion to the relief effort through June 2007, of which institutional donors had provided more than \$900 million in documented cash donations alone. That figure represents about 14 percent of all private Gulf Coast giving. Including in-kind donations from corporations, total institutional giving in response to the disaster amounts to over \$1 billion.

The institutional response to the Gulf Coast disaster demonstrated remarkable flexibility on the part of organizations not used to operating in a real-time fashion to address rapidly evolving needs. The vast majority of foundations that responded to the Gulf Coast hurricanes went outside of their usual grantmaking guidelines to provide exceptional support for the areas affected by the disaster and had not expected to continue to allocate funding for recovery and rebuilding activities outside of their programmatic and/or geographic focus areas. But as awareness grew of the inadequacy of the institutional infrastructure in the region to take on the massive rebuilding effort needed, many foundations found themselves actively engaged in relief and recovery efforts beyond what they had originally anticipated. What began as a relief and recovery effort for many funders morphed over time into an initiative to build a more robust nonprofit and civic infrastructure that did not exist in the region prior to the disaster.

While it is not possible to provide a complete record of the institutional response over the past two years, the information compiled in this report (based on the reported giving and commitments of more than 850 institutional donors) is the most comprehensive available and captures virtually all major institutional disaster-related gifts through June 2007. It shows that:

Corporate giving accounted for the majority of institutional giving. Cash contributions by corporate giving programs and corporate foundations amounted to \$519 million, or 57 percent of all documented cash donations by institutional donors.

Corporate giving focused more on immediate relief, while foundations focused more on recovery and rebuilding. Corporate giving focused more on general relief efforts and the provision of human services, while independent foundations were more likely to provide funds for education, health, and economic and community development, suggesting a greater focus on recovery and rebuilding activities.

The South rallied to take care of its own. Grantmakers in just five Southern states (Texas, Georgia, Arkansas, Virginia, and Louisiana) collectively accounted for over one-fifth (21.6 percent) of the institutional response to the disaster.

Most giving went to intermediary organizations outside of Louisiana and Mississippi. Most (83 percent) of the Gulf Coast response giving by foundations and corporations targeted intermediary organizations headquartered *outside* the Gulf Coast region, led by the Washington DC-based American Red Cross, which received 22 percent of all institutional Gulf Coast response-related giving.

A few large foundations dominated foundation giving. Ten foundations each made disaster-related commitments of \$10 million or more, representing more than half (55 percent) of all documented foundation contributions. Four foundations—Bill & Melinda Gates Foundation (WA), W.K. Kellogg Foundation (MI), Lilly Endowment (IN), and Ford Foundation (NY)—each contributed more than \$28 million.

Corporate donations were more evenly distributed across the largest corporate donors. The ten largest corporate donors, each of whom contributed \$9.8 million or more, accounted for nearly 32 percent of all documented cash donations by corporate giving programs and corporate foundations. Three corporate contributors—Chevron Corporation Contributions Program (CA), Starkey Laboratories Corporate Giving Program (MN), and Exxon Mobil Corporation Contributions Program/ExxonMobil Foundation (TX)—each gave \$24 million or more.

More than 200 institutional donors (about one in four) contributed \$1 million or more for relief and recovery efforts. Altogether, 219 institutional donors gave a total of nearly \$800 million, or 88 percent of all documented cash contributions.

KEY FINDINGS

GRANTMAKERS ASSESS THEIR EXPERIENCE

To gain insight into the experience of foundations in responding to the Gulf Coast hurricanes, in mid-2007 the Foundation Center interviewed representatives of ten of the top 25 independent foundations based on overall giving for relief, recovery, and rebuilding activities. The questions focused on six major themes: challenges faced, the role of collaboration, assessing outcomes, lessons learned, ongoing involvement, and the impact of foundations. The remarks of these funders provide thoughtful perspective on the challenges and impact of disaster-response grantmaking.

Locating and communicating with regional leaders in the immediate aftermath of the disaster represented the principal initial challenge identified by Gulf Coast funders. Grantmakers noted that some organizations in the Gulf Coast region set up alternative means of contact quickly, while others remained out of contact for months. Among challenges faced in ongoing recovery and rebuilding activities, interviewees cited factors such as the generally less developed nonprofit infrastructure throughout the region and often divisive governmental and community politics, mainly in Louisiana. The challenge of determining which organizations to support and which sources to rely upon for information and insights was especially acute for grantmakers that had not been active in the region before.

Foundations have engaged in a wide variety of collaborations as part of their Gulf Coast response. According to interviewees, one of the chief ways that Gulf Coast response funders have collaborated has been to coordinate giving for shared priorities with other grantmakers. Foundation collaborations with regional and national intermediaries have served a critical role in helping to build what funders hope will be a stronger governmental and nonprofit infrastructure in the region than existed before the disaster. Interviewees also reported engaging in collaborations with community foundations and other grantmaking public charities based in the Gulf Coast region, as well as outside of the region, to get information, identify funders, and connect groups involved in recovery and rebuilding activities. Collaborating with government entities represented another important means of promoting the recovery of the region.

Most foundations reported successes in achieving the goals of their Gulf Coast response funding, although several remarked on the distance remaining between ultimate goals and current reality. Foundations that focused their giving on immediate relief efforts appeared most likely to feel that their goals had been met, while those engaged in longer-term recovery and rebuilding

activities felt that those efforts would require a lot more time—generally much longer than they had initially expected. Nonetheless, those funders were for the most part optimistic about the prospects for making advances in the affected region.

Lessons learned by Gulf Coast response funders focused on topics such as determining a plan of action, how flexible to make the foundation's support, and how to allocate staff resources. Several interviewed funders specifically referenced the essential need for a strategic “plan of action” when responding to disasters, rather than just jumping in, to ensure that giving provides the maximum benefits. Funders that already had a disaster-response plan in place reported being able to respond more quickly. Whether foundations’ disaster-response giving moved into new areas of grantmaking or retained a focus on their traditional areas of expertise, taking a “staged approach” helped to make the process more manageable. Several foundations also emphasized the importance of being flexible in their approaches, from approving grants quickly, outside of typical grant cycles, to allowing nonprofits in the affected region to use funds from pre-disaster grants to address their immediate needs. Among other lessons learned were to have staff gain first-hand experience with conditions on the ground, have trusted partners and other sources of information in place in the affected region, and be willing to work with governments, as foundations do not have the resources needed to sustain recovery and rebuilding efforts in the long term.

The majority of the funders interviewed remain engaged in recovery and rebuilding efforts in the Gulf Coast region nearly two years after the start of the disaster. Seven of the ten interviewed funders indicated that they had open grants in response to the hurricanes, and nearly all of these foundations anticipated making additional commitments. An awareness of the degree to which institutions did not exist in the region (particularly Louisiana) to take on the massive rebuilding effort needed—the creation of better educational, health, and social service systems, and the development of a strong, coordinated civil society sector—appeared to be an important lure for some foundations to remain actively engaged beyond the initial relief efforts.

Six of the ten grantmakers reported either having provided more funds for the Gulf Coast response than they had expected at the outset or not placing a cap on giving. Among multiple factors leading to higher levels of giving were limited knowledge at the outset of the disaster as to the overall damage and rebuilding effort required and a desire to ensure that grants are used

effectively and have a lasting impact. Even among those interviewed foundations that had established a cap for their Gulf Coast response funding, their support often exceeded the amount of giving provided in response to prior disasters.

Nearly all funders expressed a favorable view of the foundation community's response to the Gulf Coast hurricanes, although some offered criticisms and challenges. Interviewees complimented their peers for rapidly engaging in relief and recovery efforts, despite the chaos in the region, learning from their experiences about how to fund more effectively going forward, and providing support for advocacy to ensure that all people in the region are represented as plans for recovery and rebuilding are developed and implemented. Among those offering a more tempered assessment of foundation performance, concerns primarily focused on whether grantmakers had engaged in supporting sufficiently fundamental, system-wide changes in the region. In contrast, a couple of interviewees recommended a less active role for funders, suggesting that foundations should be careful not to dictate to the organizations and leaders working on relief, recovery, and rebuilding efforts.

DONORS AND RECIPIENTS

The findings summarized below are based on giving 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 from August 2005 up to June 2007. The number of donors and amounts committed will undoubtedly increase as more information becomes available on giving to date and institutional donors make new commitments in the region.

Institutional donors committed over \$1 billion in cash and in-kind support in response to the Gulf Coast hurricanes.

The Foundation Center has identified 871 corporations, foundations, and other institutional donors that together committed \$906.3 million in cash giving for relief, recovery, and rebuilding efforts. When corporate in-kind gifts tracked by the Center are also included, this figure rises to well over \$1 billion. Institutional donors have also employed a number of other forms of non-monetary support for recovery and rebuilding efforts, such as providing technical assistance, convening stakeholders, and sharing expertise and staff.

Corporations, foundations, and other institutional donors accounted for 14 percent of private Gulf Coast response giving. The \$906.3 million in cash donations tracked by the Foundation Center represented roughly one-seventh of an estimated \$6.5 billion in total private giving in response to the hurricanes, as reported by *Giving USA*. This proportion was less than the typical annual share of overall U.S. private giving accounted for by foundations and corporations, although future commitments by these donors could affect this share.

Corporations provided a larger share of Gulf Coast support than foundations, although disaster-related commitments for both represented a small fraction of their overall giving. Corporate donors pledged \$519 million, or about 57 percent of overall institutional giving, in response to hurricanes Katrina and Rita.

(This share would be higher if corporate in-kind commitments were included.) By comparison, independent and operating foundations, community foundations, and other public foundations and associations pledged \$387.4 million, or nearly 43 percent of institutional funding. Although substantial, corporate commitments tracked through June 2007 would represent a modest 4 percent of estimated total corporate giving for 2005; for independent and community foundations, the share would be less than 1 percent. This suggests that foundations and, to a somewhat lesser extent, corporations overall have remained focused on their traditional areas of giving.

The vast majority of institutional donors committed less than \$1 million to their Gulf Coast response; most allocated far less. Three-quarters (74.9 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 \$140,300, but it varied widely by donor type. Forty-seven donors—roughly 5 percent—pledged \$5 million or more. Collectively, their contributions accounted for more than half of institutional giving in response to the Gulf Coast hurricanes. The Bill & Melinda Gates Foundation led among institutional funders overall (\$37.2 million), while the Chevron Corporation Contributions Program ranked first among corporate donors (\$26 million).

Institutional donors across the country made pledges in response to the Gulf Coast hurricanes, led by New York; five Southern states ranked among the top 15 by total funding. New York-based corporations and foundations, which include many national donors, contributed the largest share of support (13.7 percent), while donors in the top 15 states together provided about 85 percent of all contributions. The top 15 included five Southern states, and collectively they accounted for over one-fifth (21.6 percent) of the institutional response. Among the leading donors located in the South were the Texas-based Exxon Mobil Corporation Contributions Program and ExxonMobil Foundation, which together committed \$24 million and ranked third among corporate donors, and the Arkansas-based Walton Family Foundation, which gave \$15 million and ranked sixth among foundation donors.

The national headquarters of the American Red Cross (ARC) ranked as by far the largest named recipient of contributions from institutional donors. Of the 1,661 recipient groups receiving designated support from institutional donors, the ARC received nearly \$200 million, or 22 percent. However, corporate donors provided a far larger share of their giving to the ARC (31 percent), compared to independent foundations (10 percent).

Religiously affiliated organizations benefited from over one-fifth of institutional donors' Gulf Coast response contributions. While a modest 3.5 percent of all gifts and 1 percent of all dollars provided by corporations and foundations specifically funded churches, temples, and other religious institutions, religiously affiliated organizations benefited from over one-in-five contributions and one-in-nine Gulf Coast response dollars. Recipients ranged from the Salvation Army, to Habitat for Humanity International, to Interfaith Caring Ministries.

Most Gulf Coast response giving by foundations and corporations targeted intermediaries headquartered outside the Gulf Coast region. In response to the aftermath of hurricanes Katrina and

Rita, institutional donors supported organizations in 46 states and the District of Columbia, with the majority (over 83 percent) based outside of the Gulf Coast region. Recipients based in the District of Columbia garnered the largest share of support: \$218.5 million, or 24.1 percent of all Gulf Coast response funding. However, nearly all of this support targeted the ARC, which redistributed these funds in the affected region. In fact, eleven of the top 20 recipients of institutional donors will either exclusively or primarily support hurricane relief and recovery by redistributing the dollars they have raised to affected individuals or other organizations. Intermediaries ranged from 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), to funders based in the affected region (Baton Rouge Area Foundation, Foundation for the Mid South).

The largest share of Gulf Coast response funding went for human services, especially among corporate funders. Just over 40 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. Corporate funders gave proportionately more for human services, as well as for housing, than did independent foundations. By comparison, independent foundations directed larger shares of their Gulf Coast response giving for education, health, and economic and community development, among other areas, possibly reflecting a greater focus on recovery and rebuilding activities.

The vast majority of Gulf Coast response giving was not targeted to specific population groups. Only about 30 percent of Gulf Coast response giving and about 33 percent of the number of gifts could be coded as having specifically targeted such groups. The economically disadvantaged accounted for the largest share of targeted support (22 percent), followed by ethnic or racial minorities (8 percent), and children and youth (5 percent). Less than 1 percent of funding each was specifically directed to benefit women and girls and the disabled. The lack of specification for the majority of the Gulf Coast response funding may reflect donors' expectations that their contributions would reach those in greatest need, regardless of race, ethnicity, gender, or other characteristics.

Gulf Coast Hurricanes Response

GRANTMAKERS ASSESS THEIR EXPERIENCE

Only a handful of foundations include disaster-response funding among their grantmaking priorities. Nonetheless, some funders may go beyond their grantmaking guidelines to provide support in response to a disaster that touches their home community. A larger pool may be moved to provide support by a disaster of unprecedented type or scale, such as the 9/11 terrorist attacks or the South Asian tsunami.

The overwhelming destruction wrought by hurricanes Katrina and Rita, the failure of the levee system in New Orleans, and the widely criticized government response all served to engage foundations across the country in relief, recovery, and rebuilding efforts. Beyond the racial, economic, and political fissures laid bare by the disaster, the sheer physical toll on Louisiana, Mississippi, and Alabama created an imperative for foundations to become involved. Over 750,000 people were displaced by Katrina alone, with close to 300,000 homes destroyed, and an estimated \$38.8 billion in property damage.¹ With experts suggesting that the Gulf Coast recovery and rebuilding efforts will take a decade or more to complete, that imperative will remain strong for many funders.

Since Hurricane Katrina struck the Gulf Coast region in late August 2005, the Foundation Center has tracked approximately 870 foundation and corporate donors that have committed over \$900 million for relief, recovery, and rebuilding efforts. Among these are more than 400 independent foundations with commitments totaling close to \$300 million. (See “Gulf Coast Hurricanes Response: Donors and Recipients” for an analysis of this giving.)

Given the scale of the disaster, it remains too early to draw definitive conclusions about the impact of foundation giving on relief, recovery, and rebuilding efforts in the Gulf Coast. Yet the experiences of foundations in the first two years following the disaster can provide insight into how foundations may respond more effectively to future disasters and might want to adjust their current funding strategies in the region.

To gain insight into the experience of foundations in responding to the Gulf Coast hurricanes, in mid-2007 the Foundation Center interviewed representatives from ten of the top 25 independent foundations based on overall giving for relief, recovery, and rebuilding activities. (Participants are listed on page 12.) The questions focused on six major themes presented below:

1. challenges faced
2. the role of collaboration
3. assessing outcomes
4. lessons learned
5. ongoing involvement
6. the impact of foundations

Funders were allowed to provide their comments with or without attribution to allow for the greatest possible candor. While their remarks do not constitute a comprehensive picture of the work of independent foundations in responding to this or other disasters, they do provide a thoughtful perspective on the challenges and impact of disaster-related grantmaking.

CHALLENGES FACED

Foundations may spend months or even years planning a move into a new funding area. Programmatic goals, grantmaking strategies, possible partners, and multiple other factors must be assessed before the first funds are committed. In contrast, grantmaking in the aftermath of a disaster often compels an immediate response. Even among foundations that see their principal role coming after the initial relief efforts have taken place, a need for swift movement can be imperative. The challenges in doing this work effectively are obvious.

The ten independent foundations interviewed for this report identified a variety of challenges in responding to the aftermath of the Gulf Coast hurricanes, from the destruction of the communications infrastructure in many parts of the affected region, to the fractious political environment (mainly in Louisiana), to knowing when to take action.

Given the massive dislocation caused by the Gulf Coast hurricanes, the principal challenge identified by several grantmakers was trying to locate and communicate with leaders in the region immediately following the storms. According to Linetta Gilbert of the Ford Foundation, “A substantial challenge I can say that we faced, and we faced it mostly with the civic leadership and the more established leaders, was trying to find them immediately after the storm because most of them didn’t have Internet addresses. People didn’t have mail delivery for quite some time, so the Internet really became our network, along with texting when the telephone lines became available. That’s how we stayed in touch with people. We’re a global foundation, but I have to say that we did as much as we could to be available and find people and hear from them and try to get help to them.” P. Russell Hardin (in his role as head of the Lettie Pate Whitehead Foundation, a scholarship foundation) concurred, “The principal challenge for us was the difficulty of communicating in the region.” In trying to reach the schools in the region that the foundation had traditionally supported, “some of the schools moved quickly to set up communication centers in Houston or other communities where they managed to congregate. For others, it was literally a matter of months before we could communicate.”

“The principal challenge . . . was the difficulty of communicating in the region.”

Regional associations of grantmakers were one important source of information for grantmakers. As Hardin noted, “The Southeastern Council of Foundations was probably the best resource we had. They managed to get in touch with our colleagues, who had found safety in other places, and reported back to us on what was going on with their particular organizations. They were really a clearinghouse for us.” Erlin Ibreck of the Open Society Institute remarked on the critical role served by the New York Regional Association of Grantmakers, which convened a taskforce of New York area funders interested in assisting with recovery and rebuilding efforts and developed a donors’ guide, among other activities. She remarked, “It’s very helpful that there are arenas like this for funders to talk about the work they’re doing. It’s also a hopeful sign that they continue to exist.”

Beyond the challenges faced by foundations in providing support for initial relief activities, grantmakers identified a host of additional impediments to their efforts to support the recovery and rebuilding of the region. Principal among these challenges were the generally less developed nonprofit infrastructure throughout the region and often divisive governmental and community politics, primarily in Louisiana. As one funder noted, “We realized that it wasn’t going to be a matter of reading some reports and relying on a number of strong, local community development organizations, because they just weren’t there.” While there are excellent nonprofits in every sector, “many are weak, and there’s very little organized philanthropy.” Moreover, as Linetta Gilbert commented, “We’ve had to come to grips with the fact that this region of the country has living standards that are on the level of developing nations, not other developed nations.”

Given this context, the challenge of determining which organizations to support and which sources to rely upon for information and insights was especially acute for grantmakers that had not been active in the region before. As one funder noted, “It was really hard to figure out who were the right people to talk to. Because of the politics and the history of fractionalized groups in the region, it wasn’t enough to have one trusted source on each subject. You really needed two or three on each subject to make sure you were getting the full

story.” Dr. John Lumpkin of the Robert Wood Johnson Foundation expressed a similar sentiment, stating, “The political situation in Louisiana challenges us in implementing programs that won’t get caught up in political infighting.”

Erlin Ibreck of the Open Society Institute concurred on the challenge of having limited connections to an area in determining how to engage: “When there’s such devastation concentrated in a particular region of the country, not being on the ground can be a disadvantage to a funder.” The Rockefeller Foundation addressed this challenge by locating a program officer in New Orleans. According to Carey Shea, “Because we are now physically in New Orleans, we just have a much better window on what’s going on.”

The pre-disaster economic and political climate in Louisiana, combined with the mass dislocation caused by the storms, has presented the additional challenge of ensuring that the perspectives of all current and displaced residents of the region are represented in plans for recovery and rebuilding. As Gilbert noted, “You have to be sure that the community has a voice. We’ve had to fight to emphasize this to be sure that communities were rebuilt and not just tourist areas. We’ve been determined from the foundation side that we would get people from the region, who were in the diaspora either before the storm or because of the storm, to be a part of that process.”

“We’ve had to come to grips with the fact that this region of the country has living standards that are on the level of developing nations, not other developed nations.”

A final challenge identified in funder interviews had implications beyond their Gulf Coast response—how to determine the ideal point at which their foundation should become involved in responding to a disaster. Josh Jarrett of the Bill & Melinda Gates Foundation asked, “At what point do you have enough confidence to act? If you haven’t worked in the region before, if you don’t have people on the ground, it is difficult to apply your typical standards of due diligence.” Yet even among foundations with extensive experience in responding to disasters, the right time to step in is not always

GULF COAST RESPONSE INTERVIEW PARTICIPANTS

Chris DeCardy
David and Lucile
Packard Foundation

P. Russell Hardin
Robert W. Woodruff
Foundation

Josh Jarrett
Bill & Melinda Gates
Foundation

Clay Robbins
Lilly Endowment

Maureen H. Smyth
Charles Stewart Mott
Foundation

Linetta Gilbert
Ford Foundation

Erlin Ibreck
Open Society Institute

Dr. John Lumpkin
Robert Wood Johnson
Foundation

Carey Shea
Rockefeller Foundation

Naccaman Williams
Walton Family
Foundation

apparent. Hardin noted, “There is the initial instinct to help but uncertainty about the best way to help. That’s part of responding to any disaster.” The Robert W. Woodruff Foundation benefited from their experience with funding in response to the 9/11 terrorist attacks when, “we didn’t respond immediately, and I think we’re glad we didn’t.” When it became apparent that an overwhelming public response was benefiting a limited number of families, “we were pleased that we hadn’t overreacted at the outset.” Nonetheless, as Jarrett concluded, “You’ve got to recalibrate real time to account for the urgency of need but also recognize expediency results in a higher risk threshold.” Of course, he added, you also have to determine “how to get people internally to recognize this tradeoff, as well.”

“At what point do you have enough confidence to act? If you haven’t worked in the region before, . . . it is difficult to apply your typical standards of due diligence.”

Not surprisingly, grantmakers reporting the fewest challenges tended to be those that had an ongoing relationship with large, national organizations experienced in responding to disasters² or those that were already active grantmakers in the region. Among foundations making use of national organizations, Clay Robbins of the Lilly Endowment noted, “We have a long-standing relationship with the three organizations that we funded. Often when there’s a major disaster like that, the foundation provides support through these organizations.” Naccaman Williams of the Walton Family Foundation reported a similar experience. “We really didn’t have much of a challenge in getting information. We had worked with some of the groups in the past, and they were able to give us a good assessment of what they were doing.”

The Robert Wood Johnson Foundation, which had recently established a process for evaluating how they would respond to potential disasters, similarly provided immediate support to three national organizations as part of their initial disaster response, but then also reached out to their grantees in the area. According to Dr. Lumpkin, “When Katrina hit, we recognized immediately that we were going to do a variety of things.” Beyond providing support to the national organizations, “we reached out to all of our national program offices and had them contact any grantees in the area to see if they needed immediate assistance.” Because of their connections to organizations in the region, the foundation faced fewer challenges in determining how they might engage in longer-term recovery activities. As Lumpkin noted, “I think that ‘easy going’ isn’t the right term, but we felt fairly comfortable. By November we had in place people we had worked with or had recommendations for in Alabama, Mississippi, and Louisiana. We had contacts on the ground to feed us information about the ongoing situation and recovery activities and where we might be able to get involved.”

Having prior connections to the region also benefited the Ford Foundation as it sought to respond to the devastation brought by the hurricanes. According to Linetta Gilbert, “We have a long

history of working in the American South and knew a great deal about the region, particularly the states that were affected.” Many of the organizations that the foundation had supported, especially the community-based nonprofits, were especially helpful as “they were the ones who could talk to us immediately about needs and capabilities because they’re hands-on people.” Yet there were some larger groups that were also instrumental in responding rapidly to the crisis. Gilbert specifically referenced the Enterprise Corporation of the Delta, which “was able to swing into action as soon as we could get money to them—and even before. We told them to use whatever resources they had from us prior to the hurricanes to do what they needed to do to get their credit unions up and functioning.”

THE ROLE OF COLLABORATION

The nation’s largest foundations make grants totaling several billion dollars each year. However, the range of issues that these grantmakers attempt to address—from supporting a vibrant arts community, to improving global health, to providing a solid education for all young people—dwarf these resources. Grantmakers must seek out ways to leverage their funds to ensure that their giving has an impact. Among the principal ways for foundations to achieve this goal is to collaborate, through partnering with other funders, intermediary organizations and other nonprofits, the business community, or local, state, and national governments. The value of coordinating efforts with other entities appears to be especially high in the area of disaster-response funding.

A 2001 report on grantmaking in the wake of disasters recommended as a best practice that funders “coordinate your disaster grants with others.”³ Beyond looking for opportunities to work with their peers, many of the grantmakers interviewed for this study reported engaging in various types of collaborations. In their response to the aftermath of hurricanes Katrina and Rita, foundations described collaborations with community foundations and other public foundations, major relief organizations, and quasi-governmental agencies, and even spoke about helping to establish new intermediary organizations and finding funders for those entities.

One of the chief ways that funders have engaged in collaborations in the Gulf Coast has been to coordinate funding for shared priorities. Maureen H. Smyth of the Charles Stewart Mott Foundation noted, “Shortly after the hurricane, our foundation and several other large foundations traveled to New Orleans to meet with leaders there, and we all collectively provided early support to the Louisiana Disaster Recovery Foundation to assist with relief and rebuilding. We also partnered with a number of foundations to support community organizing groups in New Orleans. Our program officers are in frequent communication with their peers, and we fund many of our grantees along with other foundations.” The Ford Foundation also reported frequent collaborations with other foundations. According to Linetta Gilbert, “We never fund anyone 100 percent ourselves. We have continued to work with other big foundations to support community organizing efforts by local nonprofits and build up the nonprofit infrastructure.” Carey Shea of the Rockefeller Foundation concurred, “Almost everything that we have done in the region has been in partnership with someone else.”

Grantmakers also reported collaborations with community foundations and other grantmaking public charities based in the Gulf Coast region, as well as outside the region, to get information, identify funders, and connect groups involved in recovery and rebuilding activities. Shea remarked, “We’ve been working very closely with the Louisiana Disaster Recovery Foundation, which has partnered with the Community Foundation in Louisiana, the Greater New Orleans Foundation, the Community Foundation of Southern Alabama, the Foundation for the Mid South, and the Gulf Port Community Foundation as one of the key elements to the recovery.” Gilbert described her foundations’ extensive engagement with the Bush-Clinton Katrina Fund. “We were able to provide them with information and made a grant to Public/Private Ventures, which is the entity that actually disbursed and monitored grants for the Bush-Clinton Fund for faith-based work,” she said. “We made the operating support grant so that they would have enough administrative funds to hire staff to get those checks out in a timely way. We also connected the staff of Public/Private Ventures with local people on the ground who are faith-based and who could help provide information and connections.”

“We never fund anyone 100 percent ourselves. We have continued to work with other big foundations to . . . build up the nonprofit infrastructure.”

Collaborating with government entities represented another important means of promoting the recovery of the Gulf Coast region. Among many undertakings, the Rockefeller Foundation worked with local government officials and community members to develop the Unified New Orleans Plan, and the Bill & Melinda Gates Foundation and other grantmakers have supported the Louisiana Loan Fund. According to the Gates Foundation’s Josh Jarrett, “The fund is basically a land acquisition and pre-development loan fund for affordable housing. It is a partnership with the state, with community development block grant money, program-related investments from several foundations, and conventional bank lenders.”

National and local intermediary organizations, such as community foundations and major disaster relief organizations, can be vital partners in helping foundations respond to a disaster, whether or not a funder knows the region well. While intermediaries could be characterized as conduits for executing the giving decisions of foundations, the reality of their role—especially in the Gulf Coast response—appears to be much more as active collaborators with foundations. According to Chris DeCardy of the David and Lucile Packard Foundation, “We wanted to move as quickly as possible and recognized that we didn’t have expertise on the ground. So, one of our goals was to help intermediaries that had it. Two of those intermediaries were the Foundation for the Mid South and the Community Foundation of South Alabama. We didn’t put restrictions on those dollars so the funds could be used as they saw fit for immediate or longer-term recovery.”

The Robert Wood Johnson partnered with the Louisiana Public Health Institute, an organization it had helped to establish prior to the hurricanes, to address health-related issues in the region. According to Dr. John Lumpkin, “The Institute played a very central role in convening different partners. The organization was created to connect the broader public health community, which branched between the government public health agencies, as well as business and consumers, and other, broader communities. Fortuitously, because of that central coordinating role, the Institute was able to convene both public and private forces to address many of the health-related problems that people had in the region.”

Foundation collaborations with intermediaries have served a critical role in helping to build a stronger governmental and nonprofit infrastructure in the region than existed before the disaster. According to Jarrett, “Our foundation made a grant to the Foundation for the Mid South to provide support for the Office of Recovery Management (ORM), which is a City of New Orleans function that’s tasked with managing the recovery. The Rockefeller and Ford foundations made similar grants to support the ORM. We helped build capacity within the government, but through a local intermediary who paid for ‘loan executives’ and different kinds of important activities that the city could not pay for.”

Based on their learnings from the South Asian tsunami disaster, the Ford Foundation has brought specific requirements to their collaborations with intermediaries designed to build the capacity and leadership of the region’s nonprofit sector. These have also helped to move the intermediaries in new directions. Gilbert noted, “We want to make grants that leave in place capacity in the nonprofit, government, and business sectors that was not there before we came, and that will be there over the next generation. We support national or international intermediaries only if they are willing to work in partnership with groups on the ground and work in a collegial way—really trying to build up the ability of these groups and these communities to make a difference over the long term. In ten to fifteen years, we want to look back and say this region has a nonprofit sector that can stand up with any.”

Beyond collaborating with existing intermediary organizations, foundations also helped to create new intermediary organizations to meet the needs of recovery and rebuilding efforts in the Gulf Coast region. For example, the Ford Foundation helped to establish the Louisiana Disaster Recovery Foundation and the Louisiana Family Recovery Corps. As Gilbert explained, “We helped to set up the Louisiana Disaster Recovery Foundation, an entity that could intervene and work with the Red Cross, in order to get more help to families. Ford helped to bring in other donors to cover operating costs. That way all the money that has come from around the world—from people who have sent \$5, \$30, and \$3,000—can go directly to providing support for nonprofits that are working on policy change, and on relief and recovery.”

“We wanted to move as quickly as possible and recognized that we didn’t have expertise on the ground. So, one of our goals was to help intermediaries that had it.”

“In ten to fifteen years, we want to look back and say this region has a nonprofit sector that can stand up with any.”

We also met with representatives of the governor’s office, and she allowed us to help set up what is now called the Louisiana Family Recovery Corps, which really is the social service infrastructure that Louisiana never had.”

ASSESSING OUTCOMES

Attempting to measure the impact of grantmaking programs, even under the most controlled circumstances, can be difficult. In the context of destruction and dislocation that follows a major disaster, making a rigorous assessment may not be possible, or even appropriate. At the same time, how grantmakers perceive the outcomes of their funding, and the reasons for those perceptions, can provide useful insights for shaping current recovery and rebuilding efforts, as well as for influencing grantmakers’ responses to future disasters.

To determine whether foundations funding in the aftermath of the Gulf Coast hurricanes felt that they were accomplishing their goals, the Foundation Center asked the ten foundations interviewed for this study to describe their goals and indicate whether they felt those goals had been met. Most of the respondents reported successes, although several of these funders remarked on the distance that remained between the ultimate goals of their funding and the current reality on the ground. Interestingly, a couple of foundations said that having and assessing goals for grantmaking, while being applicable to other areas of their funding, did not apply to their disaster-response grantmaking.

Foundations that focused their giving in response to the Gulf Coast hurricanes on immediate relief efforts appeared most likely to feel that their goals had been met. For example, while the Walton Family Foundation provided support for longer-term recovery efforts through the Bush-Clinton Katrina Fund, Naccaman Williams noted, “Our primary goal was to provide immediate relief to those in the affected region and evacuees who were moving through the Delta region, and we believe that goal was met.” P. Russell Hardin of the Robert W. Woodruff Foundation expressed a similar sentiment when asked if the foundation’s goals had been achieved. “I think so. What we were trying to do was provide support for the front line relief agencies to offer emergency help.” Maureen H. Smyth of the Charles Stewart Mott Foundation felt that Mott’s goals for their immediate relief funding and support for recovery efforts were being met. Smyth noted, “We’ve supported long-term grantees in the region that are in a position to assist in the recovery effort—including community organizing, environmental work, education, and workforce development—and we’re pleased with the progress that those grantees have made.”

Accomplished goals were not limited to immediate relief efforts or specific areas of funding. The Rockefeller Foundation, which supported the creation of the Unified New

Orleans Plan and the development of funder collaboratives by the Greater New Orleans Foundation, among other efforts, also reported some success. According to Carey Shea, “In just one year’s time we helped the city to launch, run, and conclude a planning effort and get it through a city approval process and to the state. That has been completed and, I would say, successfully.” Other work has also gone well and, “every few weeks we’re seeing one of our projects or one of our goals come to fruition.”

Although the foundations interviewed for this report were generally optimistic about the prospects for making advances in the affected region, they remained realistic about the length of time required to achieve their goals. Dr. John Lumpkin of the Robert Wood Johnson Foundation summed up the sentiments of several grantmakers when he stated, “I think that we’ve made some progress. But the recovery in this region is going to take dramatically longer than many of us would have thought or had hoped two years ago.” In working with grantees in the region, Linetta Gilbert of the Ford Foundation remarked, “We are just so proud of how they have reframed their work—how they are interfacing with government and business and working with community members inside their groups. The organizations are not just speaking for themselves but on behalf of the community. I think we’re on our way. We’ve just begun.” A critical element of the Ford Foundation’s assessment of its success in the region will be the development of new leaders. Gilbert continued, “You can’t build any kind of sector, and certainly not a cohesive society, without looking at leadership. We are really trying to do things that support leadership in business, the nonprofit sector, and government.” The timeframe for achieving this type of goal, she indicated, will be much longer.

“Our primary goal was to provide immediate relief to those in the affected region and evacuees . . . , and we believe that goal was met.”

A couple of foundations responding to the destruction wrought by the Gulf Coast hurricanes did not come into the region with set goals in mind. Josh Jarrett of the Bill & Melinda Gates Foundation noted that the foundation did not begin with “one or a few *über* goals for their entire engagement” in the region and would assess the results to date in different ways. Of the foundation’s efforts to restore affected libraries as quickly as possible, Jarrett remarked that, “In this case, I think we would say, ‘so far, so good.’” In terms of rebuilding the New Orleans public schools better than they were before the disaster, “It’s just too early to tell.” In the area of housing development, an area in which the foundation became involved based strictly on the needs of the Gulf Coast region, Jarrett was less positive about the current status. “I think that housing production has been slower than any of us would have hoped,” he noted. “We would say that the foundation supports the system for developing new housing, but it may take more time for us to achieve our ultimate goal.”

“We’ve made some progress. But the recovery in this region is going to take dramatically longer than many of us would have thought or had hoped two years ago.”

Erlin Ibreck of the Open Society Institute described a similar strategy in undertaking Gulf Coast response funding. She noted, “Our approach was to draw on the foundation’s strengths to leverage resources and expertise to support initiatives that are consistent with our overall mission and priorities.”

The challenge of making grants in response to a disaster—an atypical undertaking for all but a handful of U.S. foundations—and assessing outcomes and the different standards that are applied was perhaps best captured by Chris DeCardy of the David and Lucile Packard Foundation. He began by remarking that one of the foundation’s guiding principals was to “recognize that this was not the type of grantmaking where we had existing expertise or were planning to build expertise. The goal was to work with and rely on others who had deeper understanding and knowledge to determine where our assistance could be of the greatest benefit and to support their efforts.” However, DeCardy added, “I don’t want to suggest that these efforts haven’t been successful, it’s just that we have not set ourselves up to make that kind of assessment. The organizations we’ve supported have clearly had an impact on helping recovery efforts in the region. But we didn’t set this up with a monitoring or an evaluation plan, as we might do with some of our other programs.”

LESSONS LEARNED

Under ideal circumstances, some grantmakers will incorporate formal evaluation efforts and a thorough review of “lessons learned” into their program designs. This process provides critical knowledge for devising new program strategies and identifying course adjustments in ongoing initiatives. By comparison, the unpredictability of disasters, the atypical nature of the giving, and the rapid response generally required makes establishing a formal evaluation plan unrealistic for most grantmakers.

Nevertheless, because of the need to maximize the potential impact of every dollar spent in a situation where needs greatly outstrip available resources, grantmakers have been thinking a great deal about their role as part of the Gulf Coast disaster response. They are taking stock of which strategies have worked well for their foundations, imagining ways they might respond differently to future disasters, and considering how they might adjust their current strategies in the Gulf Coast region to better address existing and emerging needs.

The Foundation Center asked respondents to describe the lessons they had learned from their involvement in responding to the Gulf Coast disaster that would help them respond more effectively to future disasters. Notably, in the context of their remarks, several funders referenced lessons they had learned from earlier disaster-response grantmaking, which helped to guide their engagement in the Gulf Coast response. One of the interviewed foundations had even supported a study of the philanthropic response to the 9/11 terrorist attacks.⁴ Yet, regardless of prior experience and grantmaking goals, the lessons learned by foundations in the first two years of the Gulf Coast response tend to focus on *process-related aspects* of responding to a disaster, such as determining a plan of

NYRAG REPORT ON BEST PRACTICES

In fall 2007, the New York Regional Association of Grantmakers (NYRAG) will publish a report on grantmaking “best practices” in disaster recovery and rebuilding. The purpose of this report is to share knowledge about the collective philanthropic responses to natural disasters and to glean recommended practices that donors can apply to future disasters—be they natural or man-made.

Using NYRAG members as a “microcosm” of the philanthropic community, NYRAG undertook a survey of all of its members, and conducted in-person and telephone interviews in New York, Louisiana, Mississippi, Alabama, and Washington, DC, with 75 past and current members of the *NYRAG Gulf Coast Recovery Task Force*; community foundations from the hurricane-affected areas; nonprofit organizations from Mississippi, Louisiana, and Alabama; members of the wider philanthropic community participating in innovative partnerships in the Gulf Coast Region; and affinity groups from across the country. In addition to this research, a review was undertaken of existing publications and reports regarding the philanthropic response to hurricanes Katrina and Rita, and to other national disasters.

Using data from the above interviews, surveys, and reports, NYRAG is developing a comprehensive report on the best practices and lessons learned in response to disaster-related grantmaking. The report will consist of four sections: a description of NYRAG’s response to hurricanes Katrina and Rita, which will focus upon NYRAG’s decision to respond to the hurricanes through a collective effort, the challenges faced by this collective effort, how these challenges were successfully addressed, and lessons learned; an analysis of hurricanes Katrina and Rita-related grantmaking practices by NYRAG members, which will present data on how NYRAG members distributed their grantmaking resources; “Snapshots” of the best examples of innovative grantmaking and collective responses to hurricanes Katrina and Rita, which will highlight positive opportunities for grantmaking and encourage ongoing philanthropic involvement in the Gulf Coast; and a discussion of future opportunities and challenges in long-term grantmaking that will promote Gulf Coast recovery, transformation, and revitalization.

action and trusted sources of information, choosing a grantmaking approach (e.g., whether to go beyond the foundation's area of expertise), how flexible to make the foundation's support, and how to allocate staff resources.

Several interviewed funders specifically referenced the essential need for a "plan of action" when responding to disasters. As P Russell Hardin of the Robert W. Woodruff Foundation noted, "We learned a lesson after 9/11 that no matter how great the instinct to give, we try to discern and evaluate what the need is, give intelligently, and resist the urge to give until we have developed a good plan and made an educated assessment of the need and the capacity of those responding." Josh Jarrett of the Bill & Melinda Gates Foundation echoed this sentiment: "We need to think about the key bottlenecks and the key enablers at a couple of different levels before becoming involved."

"We learned a lesson after 9/11 that no matter how great the instinct to give, we try to . . . resist the urge . . . until we have developed a good plan."

Having a basic plan of action before the Gulf Coast hurricanes struck enabled some funders to respond much more quickly. For example, the Robert Wood Johnson Foundation undertook a strategic planning process in the prior year focused on potential disasters and developed a "decision grid" that took into account the severity of the event and its distance from the foundation's headquarters in New Jersey. According to Dr. John Lumpkin, when Katrina hit, the foundation quickly determined its level of engagement, and "we probably made some of the fastest grants we ever have in the history of our foundation." For grantmakers with less experience in disaster-response funding, grantmaking in the Gulf Coast region has resulted in similar lessons. Naccaman Williams of the Walton Family Foundation remarked, "We are now better prepared to respond quickly in times of immediate need, including gathering information, reviewing requests, and approving funding."

For foundations with a long tradition of responding to disasters, having trusted partners and other sources of information in the affected region was critical to their effectiveness. According to Lumpkin, "The importance of having an independent set of eyes on the ground was really invaluable, especially in Louisiana. This involves having someone on contract we know we can trust who can give us an unbiased view of the situation." He added, "This is not something that necessarily has to be done by an individual foundation but could be a shared resource." Linetta Gilbert of the Ford Foundation described a similar experience noting, "We were blessed that we had relationships with groups already in place who were used to doing without a lot of big hardware and who knew how to organize themselves quickly to deal with a challenge." In general, the foundation found small, community-based nonprofits to be the most effective early responders.

Gilbert also emphasized the importance of having foundation staff gain first-hand experience with conditions on the ground. If given the opportunity to revisit the Ford Foundation's initial response, she remarked, "More of us who were going to be responsible for making grants should have gone to the affected areas to just try on the clothing of the region, instead of having people calling us to tell us what was happening. We need to understand the angst of these families who are waiting to be told whether or not they can return and hear firsthand from government officials. Then we could go back three or four months later and get a sense of the progress being made and identify additional ways to intervene."

Even among foundations working with major disaster relief organizations, having confidence in the information provided is critical. As Clay Robbins of the Lilly Endowment emphasized, "It is very important for our foundation to have good, trusting, and open relationships with the top leadership of disaster relief organizations. When we hear of a disaster we know that they are not going to take advantage of us. When they say, 'Yes, we need you,' then we have a sense that they really do."

As foundations attempted to access information on the devastation brought by the Gulf Coast hurricanes, they also needed to determine how they would respond. According to Maureen H. Smyth of the Charles Stewart Mott Foundation, the foundation initially provided assistance to their grantees in the region but has now moved to supporting recovery efforts related to its core mission. Smyth explained, "We've stuck to those areas we know. Given how widespread the damage was in the region, foundations can focus on those areas of need in which they have experience—whether it's education, work force development, the environment, community organizing, or housing. We recognized we could not do everything. There's more than enough to be done."

The Bill & Melinda Gates Foundation began by funding efforts related to its areas of grantmaking focus but moved into a new area based on the needs of the region. As Josh Jarrett commented, "We focused initially on libraries and schools. We already had relationships with national players and we knew how to assess an organization and evaluate its needs." Experience in these areas "gave us more confidence to move into areas that we did not know as well. For instance, we knew very little about housing development outside of work we do in Washington State. Stepping out of our expertise base in education and libraries runs counter to the lesson of focusing on what you know. Given how much uncertainty there is in the region, to try and learn a new sector, develop new relationships, and put it in a new geographic context is an inherently risky endeavor."

Whether foundations moved into new areas of grantmaking or retained a focus on their traditional areas of expertise, taking a "staged approach" helped to make the process more manageable. Lumpkin remarked, "Looking at the disaster in terms of three stages—first immediate relief, then early

"More of us who were going to be responsible for making grants should have gone to the affected areas . . . instead of having people calling us to tell us what was happening."

recovery, and then long-term recovery—enabled us to not try to bite off too much. We could segment our activities and our thinking and move from one mode to another.”

Even when foundations focus their disaster response on their traditional areas of expertise, the process can nonetheless entail a substantial reallocation of internal resources. This challenge led some funders to recommend assigning dedicated staff to focus on disaster funding. “In retrospect, it might have been wise to have hired somebody to work consistently on these issues,” Erlin Ibreck of the Open Society Institute noted. “There’s an opportunity cost when staff have to turn their attention from their current work to take on something else. On the other hand, I feel that the foundation benefited from being able to draw on the varied expertise of our staff.”

“Foundations can focus on those areas of need in which they have experience—whether it’s education, work force development, the environment, community organizing, or housing. We [cannot] do everything.”

Foundations’ financial and staff resources are important components of meeting the needs of disaster-affected areas, but the work of organizations and individuals on the ground truly determines how quickly a community can recover. Several foundations emphasized the importance of being flexible in their approaches, recognizing that standard foundation practices and tools may not be most effective in the context of a disaster. Gilbert pointed to her foundation’s flexibility in allowing organizations in the region to redirect grant dollars awarded prior to the hurricanes: “Rather than waiting for us to get a check out, we said, ‘Whatever grants you have, you can re-purpose them.’ Then we went back and said, ‘What do you need in addition to that?’” Chris DeCardy of the David and Lucile Packard Foundation reflected on the foundation’s surprise after being asked to make a substantial program-related investment (PRI) to a nationally recognized aquarium. “There was a fair amount of uncertainty and risk in committing to a large PRI under these circumstances,” he said. “But, considering how well it has turned out, this will encourage us to think about using PRIs for disaster recovery efforts going forward.”

Many of the grantmakers interviewed also emphasized the critical importance of working with government, which has often been challenging given the roundly criticized federal response to the Gulf Coast hurricanes and the pre-existing divisions between state and local governments—particularly in Louisiana. As one funder remarked, “Our biggest lesson has been that, in a time of disaster, in an under-resourced area, philanthropy can find itself in a position where it has to do what government should be doing.” Nonetheless, “it’s important to realize that even though philanthropy is taking on government functions, it doesn’t replace government. True partnership and true coordination between philanthropy and

government can really make for much more effective and smooth-going work.”

Other foundations echoed the sentiment that government must be involved and accountable for fulfilling its basic functions. As Ibreck pointed out, “On their own, foundations are not going to be able to fix everything. You need government to handle its responsibilities. You need their resources. There seems to be an expectation that the private sector has to step up and shoulder the major burden of the rebuilding. But every sector has to play its part and work in a complementary fashion.”

Unlike the 9/11 terrorist attacks, the Gulf Coast hurricanes disproportionately impacted communities of color and the economically disadvantaged. Although only a portion of overall disaster-response giving could be explicitly identified as benefiting these populations, some funders made this a specific focus. According to Gilbert, “We acknowledged early the racial overtones and undercurrents of this disaster. And when the recovery started, it was clear that there was not enough focus on bringing African Americans back as leaders in the community. So, in every grant we’ve made, we’ve paid attention to this issue to keep it on the table and make sure that grantees are dealing with it in a concrete way.” The foundation has also encouraged its grantees to build connections among African Americans, Latinos, and Asian Americans in the region, to keep them from “becoming pawns in the larger development game.”

Beyond improving their ability to respond to future disasters in other parts of the country or world, lessons learned by foundations involved in the Gulf Coast response have direct applicability to their home communities. As Hardin noted, “An estimated 40,000 refugees, mostly homeless families, came to Atlanta. We learned that our community was not organized and did not have any experience in responding to a disaster on this scale.” But with support from the foundation and under the leadership of the United Way of Atlanta, “We have now gained some experience that will be useful when we have another impact of this type in Atlanta.”

“On their own, foundations are not going to be able to fix everything. You need government to handle its responsibilities.”

Hurricanes Katrina and Rita also provided a wake-up call to foundations that are located in high-risk areas. Chris DeCardy of the Packard Foundation noted, “We are in a geographic area that is quite prone to disasters. That has sparked us to be interested in partnering and working with Northern California Grantmakers and groups of foundations out here to understand what role we would play and what we could do if disaster struck our region. If our own operations were severely interrupted, what would we do to be able to get a lot of support out as quickly as possible.”

Finally, among the ten disaster-response grantmakers interviewed for this study, none said they had set aside funds

specifically to respond to future disasters. Most reported no need to do this given the existence of flexible resources that could be tapped. The Lilly Endowment's Clay Robbins noted, "We do not formally set aside a specific amount but we do keep funds available for unexpected contingencies that come up throughout a given period of time." Josh Jarrett of the Gates Foundation concurred: "We won't set aside extra funds, but we will calibrate when and if we should get involved." An additional factor discouraging foundations from putting away funds to respond to future disasters was highlighted by the Robert Wood Johnson Foundation's Dr. Lumpkin, who remarked, "When you have payout requirements, it's hard to just set money aside."

ONGOING INVOLVEMENT

Each disaster presents unique long-term challenges. The physical destruction of the 9/11 terrorist attacks was limited to a small geographic area, and commercial and governmental interests were responsible for taking the lead in rebuilding. As for the economic and psychological damage that was wrought, the less obvious nature of these types of injuries perhaps made them less compelling for funders to address long-term. In contrast, the scale of the physical destruction left in the aftermath of the Gulf Coast hurricanes, the lack of obvious progress in rebuilding (especially in New Orleans), the challenging political environment, and the lack of a well-developed nonprofit and philanthropic sector together suggest the need for long-term involvement of private sources of support in the region.

Yet, early on, it did not appear that most foundations would be heavily involved in long-term recovery and rebuilding efforts. According to the Foundation Center's January 2006 survey of the largest U.S. private and community foundations,⁵ more than 400 made Gulf Coast response grants, and nearly 80 percent expected to fulfill their commitments within the first five months following the storms; 94 percent expected to fulfill their commitments by the first anniversary of Hurricane Katrina; and only 3 percent expected to remain involved in funding after the second anniversary of the initial storm.

Certainly, the vast majority of foundations that responded to the Gulf Coast hurricanes went outside of their grantmaking guidelines to provide exceptional support and would not be expected to continue to allocate funding for recovery and rebuilding activities outside of their programmatic and/or geographic focus areas. Nonetheless, as awareness grew of the degree to which institutions did not exist in the region (particularly Louisiana) to take on the massive rebuilding effort needed—the creation of better educational, health, and social service systems, and the development of a strong, coordinated civil society sector—there appeared to be a much stronger lure for foundations to remain actively engaged.

To get a sense of whether foundations have remained engaged in Gulf Coast recovery and rebuilding efforts beyond what they initially anticipated, the Foundation Center asked the interviewed funders whether they currently had open grants, how much longer they expected to remain engaged in the region, and whether the actual amount of their commitment to date had exceeded the amount they expected to provide at the outset of the disaster.

Seven of the ten funders interviewed indicated that they had open grants in response to the Gulf Coast hurricanes nearly two years after the start of the disaster. Nearly all of these funders anticipated making additional commitments. Dr. John Lumpkin of the Robert Wood Johnson Foundation remarked, "We have some grants that will be going out for at least another year or two and wouldn't preclude doing additional grants. Our general approach to these kinds of events recognizes that donations by individuals and other forms of charity tend to dry up within a year or so. While we made some immediate relief grants, our window of impact tends to be a year or so later. We look at the steps that are left to be taken—those that charity is not going to be able to cover."

Linetta Gilbert of the Ford Foundation placed the need for a sustained grantmaker commitment to the region within the broader context of its history. She stated, "It's a long-term challenge. In many cases, we're trying to undo at least 350 years of racial discrimination." In terms of Ford's continuing involvement in the region, "We're putting a request before our board to permit us to stay for another five years and we realize that it's probably going to take at least ten years from the time of the storm to make some headway on rebuilding and transforming those communities. Most of the investments are helping to build a civic infrastructure, a civil society, which really was underdeveloped in all three states. So, we're helping to build a nonprofit sector that is strong enough to participate in the very tough issues of rebuilding—from encouraging civic engagement to helping to shape policy that will guide sustainable change."

"It's a long-term challenge. In many cases, we're trying to undo at least 350 years of racial discrimination."

Carey Shea of the Rockefeller Foundation expressed a similar view, specifically related to the issue of housing development. "We've been involved for two years and will probably be involved for about two-to-three more," she said. While Rockefeller's initial commitments primarily supported immediate relief and the process that resulted in the development of a recovery plan for the entire Parish of New Orleans, its giving now mainly focuses on housing development. "New Orleans has never been a big producer of affordable housing and lacked many of the essential components, like good intermediaries, strong nonprofits, an engaged city planning department, engaged city and state housing agencies, access to land, and a clear sense of purpose," Shea noted. "So, we're making some grants now to develop a housing infrastructure for the city."

Support for long-term recovery was not limited to foundations that currently have open grants. In fact, two of the three interviewed foundations that have completed their Gulf Coast response giving made at least one grant for longer-term recovery efforts.

Perhaps not surprisingly given the scale of the challenges faced in responding to the disaster and helping to rebuild the Gulf Coast region, six of the ten foundations reported either having provided more funds for the response than they had expected at the outset or not placing a cap on giving. As Gilbert remarked, “We far exceeded our initial commitment, because there was so much less to work with in this region. The extent of the damage and the extent of the rebuilding were not clear to us. Most people had no idea how little investment had been made by some of these states in policy, and people, and institutions. And perhaps even if it had been clear, the foundation may not have committed the kind of money that was needed upfront without having a good sense of what would work and where.”

A desire to ensure that grants are used effectively and have a lasting impact provides a strong motivation for these grantmakers. As Shea said, “I think that by the time we leave here, we will have done five, six, or seven times as much in grantmaking as we originally expected. The opportunities to do effective work are just so compelling, and the foundation doesn’t want to walk away from them.”

Ensuring effectiveness in this context would require more than providing a few large grants to a handful of big organizations, according to Josh Jarrett of the Bill & Melinda Gates Foundation, and that recognition has contributed to his foundation’s continued involvement. “There’s such an interrelated system of challenges and opportunities in the region that any one grant to any one grantee will have a minimum effect. And you recognize what it takes to be effective, which is a lot more comprehensive, thoughtful, system-wide approach. You also see that ten \$500,000 grants played smartly will have 100 times the effect of one \$5 million grant. The scale of the problem is huge, but the scale of the solutions is much smaller.” Also important has been the involvement of staff on the ground working to understand the issues. “You get entrenched in a lot of the issues,” noted Jarrett, “and the combination of engagement and effectiveness has, I think, increased our commitment in terms of people time, the duration of giving, and the amount.”

“By the time we leave here, we will have done five, six, or seven times as much in grantmaking as we originally expected.”

Several foundations indicated that, from the outset, they had not placed a cap on the amount they expected to give for relief, recovery, and rebuilding efforts in response to the hurricanes. When asked if the Robert Wood Johnson Foundation’s commitment had exceeded initial expectations, Lumpkin responded, “‘Expected’ is kind of a strange word. We knew that this was a disaster of unprecedented proportions. While our initial allocation of funding was in the range of \$10 million, we pretty much expected that that was not going to be the end of it.” Maureen H. Smyth of the Charles Stewart Mott Foundation concurred, “We didn’t have a specific spending target at the beginning and still make grants in the region. I think that we will continue to do that, because the needs are still there.”

“Our response, by an order of magnitude, was greater than anything we’ve done in disaster relief before.”

Erlin Ibreck of the Open Society Institute approached the question of expected funding amounts from a slightly different angle. “Foundations often determine their strategies for the next three to five years. What happens with a crisis like this is that the foundation suddenly has to take stock and examine the ways the crisis impacts funding in the areas in which we’re active. While our staff has not been assigning specific dollar amounts from their budgets, I think there is a conscious, ongoing effort to identify funding opportunities in the region.”

Even among the foundations that had established a cap for Gulf Coast response giving, these amounts often exceeded giving in response to prior disasters. Noted P. Russell Hardin of the Robert W. Woodruff Foundation, “Our response, by an order of magnitude, was greater than anything we’ve done in disaster relief before.” In the case of natural disasters, the foundation also makes exceptions to geographic limitations on its giving. Nonetheless, foundations do face constraints. As Naccaman Williams of the Walton Family Foundation remarked, “This was an unprecedented disaster that warranted unprecedented support—both in terms of dollars and volunteers. We worked with Wal-Mart in this unique situation to quickly provide funding for the region.”

THE IMPACT OF FOUNDATIONS

Private giving—whether from individuals, corporations, or foundations—unquestionably has an “impact.” But the real question being asked in discussions of impact is whether the dollars spent generated a commensurate benefit, i.e., were they well spent. In the case of disaster-response funding, some of these benefits may be quite easy to document: individuals are given emergency shelter and services, houses and businesses in the affected areas are rebuilt, and lives are restored to order. But when a disaster reaches the scale of the one that hit the Gulf Coast region in 2005, and in a region so lacking in a cohesive political structure and a well-developed civil sector, demonstrating an impact poses challenges, especially when trying to support long-term recovery and rebuilding.

The importance of foundation giving to the Gulf Coast response was undoubtedly enhanced by the startlingly poor performance of the federal, state, and local governments—particularly in Louisiana. Funders interviewed for this report were direct in their criticisms: “Looking at the response of government agencies is a case study in what not to do”; “I believe that foundation and private support played a huge role because the government was slow in responding. Private relief agencies were more efficient than the government”; “The relief effort has been almost uniformly criticized, with most of that criticism directed at the federal government, local government leadership, and the Red Cross.”

In this context, the Foundation Center asked respondents to look beyond their individual foundations and provide an “armchair assessment” of the impact that foundation giving

has had on the recovery and rebuilding efforts in the region. Nearly all of the interviewed grantmakers expressed a favorable view, although some were hesitant to offer a detailed opinion, while others tempered their remarks with specific criticisms or challenges for grantmakers engaged in ongoing recovery and rebuilding efforts.

Among the many funders expressing a positive view of the role of foundations in the aftermath of the Gulf Coast hurricanes was Linetta Gilbert of the Ford Foundation: “I am so proud to be a part of philanthropy at this time. Foundations have taken risks and put money and technical expertise into a situation without knowing what would happen. They have really rallied to the cause. We as a field have more work to do, but I’m very happy that we didn’t stand on ceremony. Foundations just said, ‘Look, it is what it is, and let’s see what we can do.’”

“I am so proud to be a part of philanthropy at this time. Foundations have taken risks and put money and technical expertise into a situation without knowing what would happen.”

Maureen H. Smyth of the Charles Stewart Mott Foundation remarked, “With a disaster of this scale, foundations can’t rebuild all of the infrastructure and all the houses, fix the levees, and do all of the incredibly expensive work that needs to be done. But foundation funding can help to reinvigorate neighborhoods and help push education reform efforts. Certainly, we’ve been able to support citizen advocacy in the region that is critically important to allowing people to have a say in how their neighborhoods are rebuilt. So, foundations really have had a significant impact.”

Carey Shea of the Rockefeller Foundation provided additional reasons for a positive assessment of foundations that have responded to the disaster. “Along with the American people, foundations stepped up during the relief stage,” she noted. “As for the recovery, I think that foundations have gotten smarter about how they need to fund, at least in New Orleans. Many of the funders are used to working in a very different environment but are coming to understand the city and crafting more appropriate solutions that will have a much stronger chance of helping the recovery. I think philanthropy is getting more effective the longer we stay here.”

Josh Jarrett of the Bill & Melinda Gates Foundation provided a more tempered assessment of foundation performance in the region, saying, “I think the impact of foundations has been good, but maybe not good enough. A lot of individual lives are better off now for foundation involvement, but it remains to be seen how much we have changed the path and pace of recovery.” Nonetheless, Jarrett did point out some success

stories. For example, “The Unified New Orleans Plan was the single most important activity in the city’s rebuilding process in the last year. And that was encouraged, driven, and managed by the Rockefeller Foundation. But there is still such a need and opportunity at the systems level. What would you do differently if you wanted 10,000 units of affordable housing produced? The problems are on a different scale than we’re used to solving in other situations.”

Despite those concerns, Jarrett concluded, “I’m encouraged by the progress in the region, and I think that it’s partially due to the good work of foundations and philanthropy. It gives me confidence that we’re doing something right.” Specifically, in the case of housing development, Jarrett remarked, “It’s not about ‘Do we have enough developers?’ It’s the fact that we don’t have all of the assurances we need—we don’t have the labor, the material costs, a strong policy framework, and local players who have the experience in raising dollars. There are really more fundamental challenges holding back all development, rather than individual projects being held up.”

Linetta Gilbert concurred on the importance of foundations taking a systemic view of recovery and rebuilding efforts going forward: “I think that philanthropy could think more about reforming the whole system, because we are the ones who have the resources to do it. Some of us have stayed away from working with government. Well, we don’t have a choice now. We need to get strong local and state governmental leaders and communities thinking as a region.”

“I think that foundations have gotten smarter about how they need to fund.”

Finally, given the diversity of foundation strategies and perspectives, it is worth noting that some grantmakers would suggest a less active role for foundations in disaster-response efforts. As P Russell Hardin of the Robert W. Woodruff Foundation remarked, “We provide financial resources. We’re not the ones providing the aid, and we’re certainly not the ones providing the leadership in another region of the country.” Clay Robbins of the Lilly Endowment expressed concern about overly directive funders. “I think that foundation support was quite helpful to the efforts,” he noted. “But there were some in the foundation community that tried to get in and dictate, and that’s not helpful. The people on the ground and the organizations that make it their lives to do this work should be respected, and that’s been our approach.” Robbins did qualify his comment, adding, “You don’t want to be blind to issues of incompetence or something that’s not working the way that you expect, but we try not to substitute judgment for the people who are really the experts.”

Endnotes

1. Figures for the number of people displaced and homes destroyed were taken from the Louisiana Recovery Authority, "Addressing the Challenges of Recovery & Rebuilding from Hurricanes Katrina & Rita: Overview of comparative damage from Hurricanes Katrina & Rita," December 19, 2005—sources for these figures include FEMA, the Louisiana Housing Task Force, the National Association of Home Builders; American Red Cross, and the Insurance Information Institute. Figure for property damage from the Economics and Statistics Administration, U.S. Department of Commerce, "Gulf Coast Recovery: 7 Months after the Hurricanes," April 17, 2006.
2. According to the Foundation Center's January 2006 survey of over 400 of the largest U.S. private and community foundations, close to 68 percent of their giving in response to hurricanes Katrina and Rita provided support for existing disaster relief organizations. See Renz, L. and S. Lawrence, *Giving in the Aftermath of the Gulf Coast Hurricanes: Report on the Foundation and Corporate Response*, New York: Foundation Center, August 2006.
3. See European Foundation Centre and the Council on Foundations, "Disaster Grantmaking: A Practical Guide for Foundations and Corporations," 2001, cited in Martin, S. *et al.*, *Philanthropic Grantmaking for Disaster Management: Trend Analysis and Recommended Improvements*, Institute for the Study of International Migration, Walsh School of Foreign Service, Georgetown University, December 2006.
4. See Martin, S., 2006. This project was funded by the Bill & Melinda Gates Foundation.
5. See Renz, L. and S. Lawrence, 2006.

Gulf Coast Hurricanes Response

DONORS AND RECIPIENTS

The first part of this report examined perceptions of the ongoing Gulf Coast response based on interviews with ten leading independent foundations that provided support for disaster relief and recovery efforts. The following analysis focuses on the actual Gulf Coast-related commitments announced from August 2005 up to June 2007 by institutional donors—corporations and corporate foundations, independent and family foundations, community foundations and other public foundations, and various business and professional associations. Following the model established in tracking the institutional response to the September 11, 2001, terrorist attacks, this analysis examines 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 2007, the Foundation Center had identified 871 corporations, foundations, and other institutional donors that had together committed \$906.3 million for relief and recovery efforts in the aftermath of Gulf Coast hurricanes Katrina and Rita (Table 1).¹ When corporate in-kind gifts are included, total institutional Gulf Coast response giving rises to well over \$1 billion.
- ◆ Giving by institutional donors represented 14 percent of an estimated \$6.5 billion in total private giving in response to the hurricanes (Figure 1).² This proportion was less than the typical annual share of overall U.S. private giving accounted for by foundations and corporations.³ However, the figure for institutional donors excludes in-kind giving, which is included in the estimate of the total private response (see “Corporate In-Kind Giving”). Some foundations and corporations will also continue to make commitments in response to hurricanes Katrina and Rita, which could affect the proportion of overall private giving. In addition, institutional donors—primarily foundations—have employed a number of other forms of non-monetary support for recovery and rebuilding efforts, such as providing technical assistance, convening stakeholders, and sharing expertise and staff.

- ◆ Corporations, foundations, and other institutional donors reported a total of 4,905 commitments as of June 2007. Over the past two years, the number of unique commitments continued to increase as donors fulfilled their undesignated pledges, more funders provided complete reporting of the amounts given to named recipients, and other donors made new commitments to recovery and rebuilding efforts.

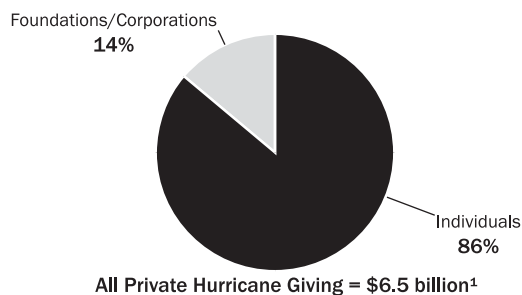
TABLE 1. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Donor Type

Donor Type	No. of Donors	%	Amount	%	Number ¹	%
Corporations/Corporate Foundations	349	40.1	\$518,969,695	57.3	2,001	40.8
Independent and Family Foundations	411	47.2	296,460,550	32.7	1,303	26.6
Community Foundations	69	7.9	25,708,017	2.8	1,317	26.9
Other Public Foundations	42	4.8	65,210,495	7.2	284	5.8
TOTAL	871	100.0	\$906,348,757	100.0	4,905	100.0

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007. 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 1. Gulf Coast Hurricanes Response: Foundation and Corporate Funding as a Share of All Private Giving



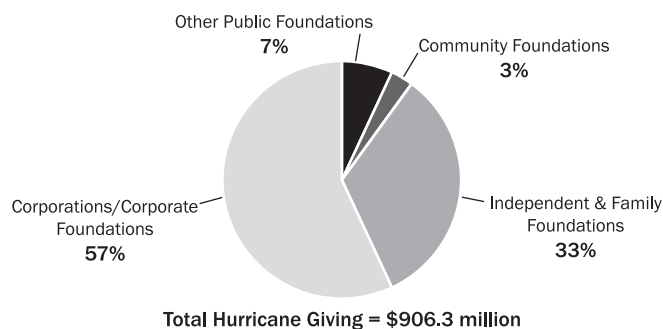
Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Foundation and corporate figures based on giving announced through June 1, 2007.

¹Estimate for hurricane response giving prepared by the Center on Philanthropy at Indiana University for publication in *Giving USA Foundation, Giving USA*, ed. by M. Brown, Glenview, IL: Giving USA Foundation, 2007. Estimate of total private Gulf Coast hurricane response funding, including in-kind giving. According to the Foundation Center, \$906.3 million of this total was provided by corporations and foundations. This figure excludes in-kind giving.

Funder Type

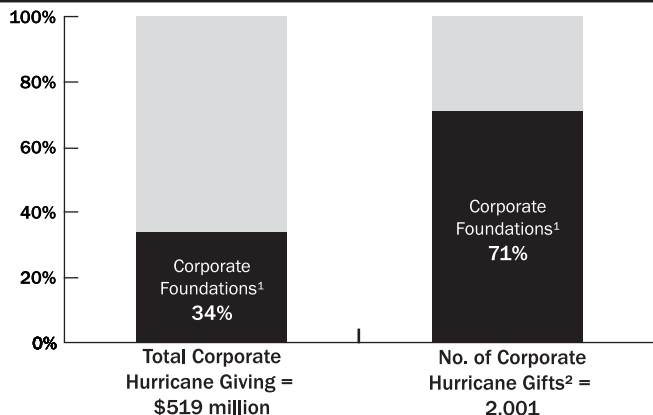
- ◆ 349 corporate donors pledged \$519 million, or 57.3 percent of overall institutional giving made in response to hurricanes Katrina and Rita (Figure 2). This figure included cash donations and \$44.7 million in employee matching gifts. In fact, several major corporations eliminated their caps on corporate 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 157 corporate foundations. They contributed \$176.8 million, or 34 percent of all corporate Gulf Coast response giving (Figure 3). This share roughly matches the 33 percent of overall corporate giving accounted for by corporate foundations in 2006. This finding differs from corporate giving patterns in response to the September 11, 2001, tragedy, when corporations drew much more heavily on their foundations for disaster-response funding.⁴

FIGURE 2. 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 2007. Figures based on giving announced through June 1, 2007.

FIGURE 3. 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 2007. Figures based on giving announced through June 1, 2007.

¹Includes 157 corporate foundations.

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

- ◆ Corporate commitments made in response to the Gulf Coast hurricanes represented only a small proportion of their overall giving. For example, the \$519 million in corporate commitments tracked through June 2007 would represent approximately 4 percent of the \$12.7 billion in overall corporate giving estimated for 2006.⁵
- ◆ 522 independent and operating foundations, community foundations, and other public foundations and associations pledged \$387.4 million, or almost 43 percent of institutional funding in response to the hurricanes. Independent foundations alone provided \$296.5 million, while community foundations gave \$25.7 million, and other public foundations contributed \$65.2 million.
- ◆ Similar to corporations, foundations' Gulf Coast response support accounted for a small share of their overall funding. For example, the \$322.2 million in independent, operating, and community foundation commitments tracked through June 2007 would represent less than 1 percent of the \$36.5 billion in overall 2006 giving estimated for these funders by the Foundation Center. This suggests that foundations—to an even greater extent than corporations—have by and large remained focused on their traditional areas of giving.
- ◆ Corporations and corporate foundations reported 2,001 gifts (excluding in-kind gifts), or roughly 41 percent of all institutional gifts reported. Despite accounting for only 7.9 percent of donors, community foundations virtually tied with independent foundations for the second largest

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 Foundation Center also conducted surveys of all known institutional Gulf Coast hurricane donors in early 2006 and 2007 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 not comprehensive. Some corporate donors that announced pledges in the wake of the hurricanes have not publicly reported their specific contributions. Foundations that responded to the disaster may not have provided sufficient detail in their IRS Forms 990-PF or other public reporting to allow the Foundation Center to code them as Gulf Coast-related. In addition, some foundations and corporations will make new commitments to recovery and rebuilding efforts in the region over the next several years. While exceptional data collection efforts will end with the publication of this report, the Foundation Center will continue to collect new information on the Gulf Coast response-related grants of the country's largest foundations as part of its annual examination of broad trends in foundation giving.

share of number of gifts (26.9 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 \$100 from an Ohio-based foundation to the \$37.2 million pledged by the Washington State-based Bill & Melinda Gates Foundation. Among corporations, giving ranged from \$1,000 to the \$26 million pledged by Chevron Corporation through its corporate contributions program.
- ◆ Three-quarters (74.9 percent) of all institutional donors gave less than \$1 million for Gulf Coast relief and recovery (Table 2 and Figure 4). The median amount—the mid-point for all donors ranked by giving—was \$140,300, 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 \$58,000 for independent and family foundations, to \$64,400 for community foundations, to \$360,000 for corporate foundations, to \$446,100 for public foundations, to \$525,000 for corporations overall.
- ◆ 219 donors (just over 25 percent) contributed \$1 million or more for relief and recovery efforts. Together they gave \$798.4 million, or 88.1 percent of total funding.
- ◆ \$1 million+ contributors included 141 corporations, 53 independent foundations, 19 public foundations, and six community foundations. Roughly 40 percent of corporations or corporate foundations gave \$1 million or more in Gulf Coast response funding, compared to about 12 percent for independent foundations.

CORPORATE IN-KIND GIVING

Corporate and corporate foundation cash giving in response to the Gulf Coast hurricanes totaled \$519 million through the beginning of June 2007. While substantial, this figure captured only part of their response to the disaster. The Foundation Center has tracked 126 corporations that provided an additional \$242.2 million¹ in in-kind commitments for relief and recovery. Examples of in-kind contributions reported to date include the Johnson & Johnson Family of Companies’ \$4.3 million in medical supplies; Levi Strauss & Co.’s \$3 million in new clothing; Starbucks Coffee Company’s 30,000 pounds of coffee and 235,000 bottles of water; and Citigroup Inc.’s donation of an employee call center.

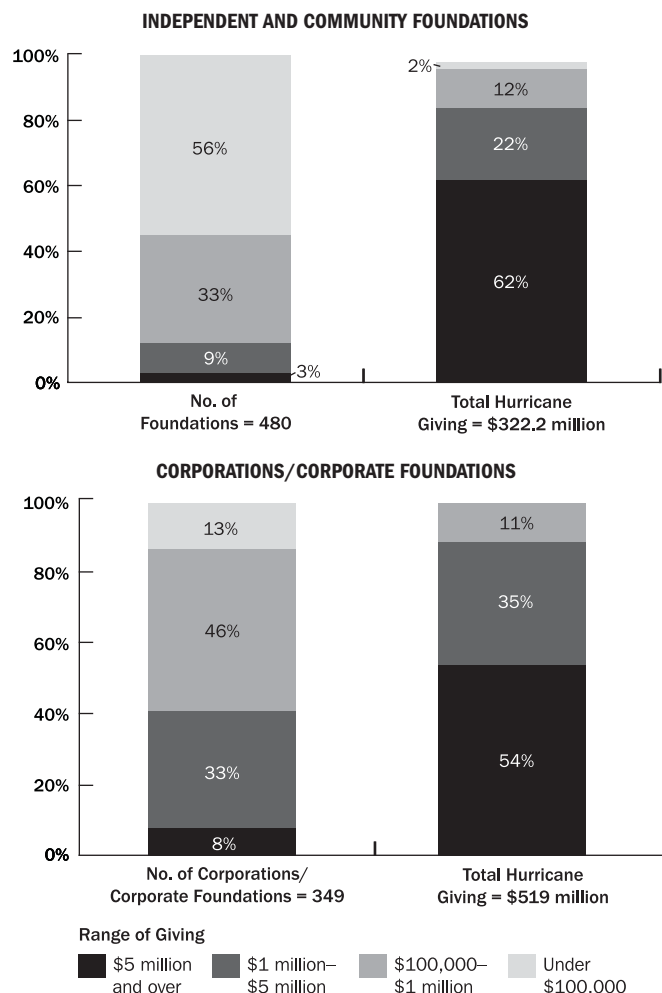
1. Figure based on value of products and services reported by the corporations. The Foundation Center has identified additional corporations that indicate having provided in-kind contributions without noting the value of those contributions.

TABLE 2. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Range of Giving

Range of Hurricane Giving	No. of Donors	%	Amount	%
\$10 million and over	18	2.1	\$337,625,783	37.3
\$5 million–\$10 million	29	3.3	183,069,020	20.2
\$2 million–\$5 million	49	5.6	136,181,805	15.0
\$1 million–\$2 million	123	14.1	141,493,589	15.6
\$500,000–\$1 million	83	9.5	51,418,692	5.7
\$250,000–\$500,000	78	9.0	24,421,403	2.7
\$100,000–\$250,000	168	19.3	22,356,092	2.5
\$50,000–\$100,000	96	11.0	5,818,776	0.6
Less than \$50,000	227	26.1	3,963,597	0.4
TOTAL	871	100.0	\$906,348,757	100.0

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007. Includes cash donations and amounts pledged to match employee gifts; excludes in-kind donations.

FIGURE 4. Gulf Coast Hurricanes Response: Foundation vs. Corporate Funding by Range of Giving



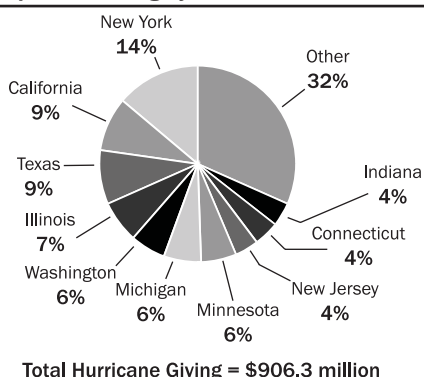
Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007.

- ◆ Forty-seven donors—over 5 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, 28 corporations reported giving \$5 million or more, and they represented over half of corporate giving. By comparison, only 13 independent foundations gave \$5 million or more but they provided more than three-fifths 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.⁶

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 close to 14 percent of support (\$123.9 million), while donors in the top 15 states together provided about 85 percent of all contributions (Figure 5 and Table 3). Among leading donors based in New York were the Ford Foundation (\$28.4 million), Andrew W. Mellon Foundation (\$12.5 million), Rockefeller Foundation (\$12.5 million), and Pfizer Corporate Giving Program (\$7.8 million).
- ◆ While New York donors led by overall share of giving, many of the top individual funders were based in the West and Midwest. Among corporations and corporate foundations, the California-based Chevron Corporation Contributions Program ranked at the top with a \$26 million commitment, followed by the Minnesota-based Starkey Laboratories Corporate Giving Program (\$25 million) and the Texas-based ExxonMobil Foundation and Exxon Mobil Corporate Contributions Program (\$24 million) (Table 4). The Washington State-based Gates Foundation ranked first among foundation donors, with \$37.2 million in commitments, followed by the Michigan-based W.K. Kellogg Foundation (\$36.3 million) (Table 5). Among community and other public foundations, Connecticut-based AmeriCares ranked first (\$12 million), followed by the Illinois-based Robert R. McCormick Tribune Foundation (\$10.5 million) (Table 6).

FIGURE 5. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Donor State



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007.

- ◆ The top 15 states included five Southern states, and collectively they accounted for over one-fifth (21.6 percent) of the institutional response. Among the leading donors located in the South were the Texas-based Exxon Mobil Corporation Contributions Program and ExxonMobil Foundation, which together committed \$24 million and ranked third among corporate donors, and the Arkansas-based Walton Family foundation, which gave \$15 million and ranked sixth among foundation donors.

Funder Size

The following analysis of Gulf Coast hurricane giving by 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-fifths of the 411 independent foundation Gulf Coast donors held at least \$50 million in assets in their latest fiscal year, while close to one-quarter held at least \$250 million (Table 7 and Figure 6).
- ◆ Large foundations provided the vast majority of Gulf Coast response funding. The 99 foundation donors holding at least \$250 million in assets accounted for over 85 percent of all independent foundation giving in the aftermath of hurricanes Katrina and Rita. The 33 foundations with assets of \$1 billion or more provided 71.8 percent of all independent foundation Gulf Coast response giving (\$212.9 million).

TABLE 3. Gulf Coast Hurricanes Response: Top 15 States by Foundation and Corporate Funding

State	No. of Donors	%	Amount	%
1. New York	120	13.8	\$123,881,959	13.7
2. California	102	11.7	80,579,999	8.9
3. Texas	58	6.7	80,298,362	8.9
4. Illinois	52	6.0	59,435,655	6.6
5. Washington	21	2.4	56,245,037	6.2
6. Michigan	37	4.2	54,012,283	6.0
7. Minnesota	30	3.4	50,630,463	5.6
8. New Jersey	33	3.8	40,111,264	4.4
9. Connecticut	30	3.4	37,197,458	4.1
10. Indiana	13	1.5	36,869,400	4.1
11. Georgia	27	3.1	35,175,453	3.9
12. Arkansas	5	0.6	35,136,971	3.9
13. Ohio	58	6.7	33,972,796	3.7
14. Virginia	16	1.8	22,894,555	2.5
15. Louisiana	17	2.0	22,338,634	2.5
Subtotal	619	71.1	\$768,780,289	84.8
All Other States	252	28.9	137,568,468	15.2
TOTAL	871	100.0	\$906,348,757	100.0

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007.

THE RECIPIENTS OF SUPPORT

Following is an analysis of commitments from institutional donors to nearly 1,661 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 \$199.1 million, or 22 percent of total institutional support (Figure 7 and Table 8). 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).⁷

- ◆ Eleven 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).

TABLE 4. Gulf Coast Hurricanes Response: Top Corporate Donors by Total Funding

Corporation/Corporate Foundation	State	Amount	No. of Gifts	Purpose of Funding
1. Chevron Corporation Contributions Program	CA	\$26,000,000	23	To support the American Red Cross and various relief and recovery organizations
2. Starkey Laboratories Corporate Giving Program	MN	25,000,000	1	To support various relief and recovery organizations
3. Exxon Mobil Corporation Contributions Program/ ExxonMobil Foundation	TX	23,962,151	40	To support the Texas Disaster Relief Fund, Southeast Texas Emergency Relief Fund for Hurricane Rita Recovery, and various relief and recovery organizations
4. Wal-Mart Foundation	AR	18,000,000	4	To support the American Red Cross, Bush-Clinton Katrina Fund, Texas Disaster Relief Fund, and Salvation Army
5. Federal Home Loan Bank of Cincinnati	OH	15,000,000	1	To support the Katrina Housing Assistance Fund
6. GE Foundation	CT	13,000,000	2	To support the American Red Cross and various relief and recovery organizations
7. Shell Oil Company Contributions Program	TX	12,212,000	28	To support Louisiana State University and A & M College, American Red Cross, and various relief and recovery organizations
8. Freddie Mac Corporate Giving Program/ Freddie Mac Foundation	VA	10,600,000	12	To support various relief and recovery organizations
9. United Health Foundation	MN	10,000,000	1	To support various relief and recovery organizations
10. Lowe's Companies Corporate Giving Program/ Lowe's Charitable and Educational Foundation	NC	9,763,134	4	To support the American Red Cross and the Habitat for Humanity
11. P & G Corporate Giving Program	OH	9,550,000	5	To support various relief and recovery organizations
12. Microsoft Corporation Community Affairs	WA	9,000,000	5	To support various relief and recovery organizations
13. BP Amoco Corporation Contributions Program/ BP Foundation	IL	8,798,000	20	To support the American Red Cross, the Houston Katrina/Rita Relief Fund, Texas Disaster Relief Fund, and various relief and recovery organizations
14. Pfizer Corporate Giving Program	NY	7,750,000	3	To support various relief and recovery organizations
15. Coca-Cola Company Contributions Program/ Coca-Cola Foundation	GA	7,502,030	10	To support the Coca-Cola System Hurricane Katrina Employee Relief Fund and various relief and recovery organizations
16. ConocoPhillips Corporate Giving Program	TX	7,025,000	11	To support various relief and recovery organizations
17. Citigroup Corporate Giving Program/ Citi Foundation	NY	7,015,000	6	To support the American Red Cross, Habitat for Humanity, and the National Urban League
18. Abbott Laboratories Corporate Giving Program	IL	6,500,000	2	To support various relief and recovery organizations
19. AT&T Foundation	TX	6,135,672	9	To support the American Red Cross and various relief and recovery organizations
20. Johnson & Johnson Corporate Giving Program/ Johnson & Johnson Family of Companies Contribution Fund	NJ	6,010,000	4	To support MAP International and various relief and recovery organizations
21. Caterpillar Corporate Giving Program	IL	6,000,000	2	To support various relief and recovery organizations
22. Sprint Nextel Corporation Contributions Program	VA	5,380,000	3	To support various relief and recovery organizations
23. Prudential Insurance Company of America Corporate Giving Program/Prudential Foundation	NJ	5,215,000	4	To support various relief and recovery organizations
24. 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
25. BellSouth Foundation	GA	5,000,000	3	To support various relief and recovery organizations
26. Federal Home Loan Bank of Dallas Corporate Giving Program	TX	5,000,000	1	To support the Disaster Relief Grant Program to address the housing and community investment needs of communities in Louisiana and Mississippi devastated by Hurricane Katrina
27. McDonald's Corporation Contributions Program	IL	5,000,000	1	To support various relief and recovery organizations
28. Starbucks Corporation Contributions Program/ Starbucks Foundation	WA	5,000,000	17	To support the American Red Cross and various relief and recovery organizations
29. Thrivent Financial for Lutherans Foundation	MN	5,000,000	1	To support Habitat for Humanity to rebuild homes in the Gulf Coast region devastated by Hurricane Katrina
30. Verizon Wireless Corporate Giving Program	NJ	5,000,000	1	To support the American Red Cross

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007. Includes cash donations and amounts pledged to match employee gifts; excludes in-kind donations.

TABLE 5. Gulf Coast Hurricanes Response: Top Independent and Operating Foundations by Total Funding

Foundation	State	Foundation Type ¹	Amount	No. of Gifts	Purpose of Funding
1. Bill & Melinda Gates Foundation	WA	IN	\$37,193,667	13	To support the Southeastern Library Network for Louisiana and Mississippi public libraries damaged or destroyed by Hurricanes Katrina and Rita, Oxfam America to help Gulf Coast organizations advocate for affordable housing and workers' rights, and various relief and recovery organizations
2. W. K. Kellogg Foundation	MI	IN	36,300,000	28	To support the Louisiana Public Health Institute for school-age children and their families affected by the devastation of Hurricane Katrina and various relief and recovery organizations
3. Lilly Endowment	IN	IN	30,000,000	3	To support the American Red Cross, Salvation Army, and United Way of America
4. Ford Foundation ²	NY	IN	28,352,500	89	To support various relief and recovery organizations
5. Robert Wood Johnson Foundation	NJ	IN	17,972,571	50	To support relief and recovery efforts, with a focus on health care services
6. 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
7. Andrew W. Mellon Foundation	NY	IN	12,533,000	23	To support affected higher educational institutions and academic libraries in the region, as well as selected arts organizations
8. Rockefeller Foundation	NY	IN	12,516,385	18	To support the Greater New Orleans Foundation toward developing a comprehensive, long-term community recovery plan with a focus on equity for Orleans Parish, and various relief and recovery organizations
9. Conrad N. Hilton Foundation	NV	IN	6,002,000	5	To support the Salvation Army, Baton Rouge Area Foundation, and various relief and recovery organizations
10. Robert W. Woodruff Foundation	GA	IN	6,000,000	3	To support the American Red Cross and Salvation Army of Atlanta, and United Way of Metropolitan Atlanta
11. Michael and Susan Dell Foundation	TX	IN	5,153,400	14	To support various relief and recovery organizations
12. Charles Stewart Mott Foundation	MI	IN	5,087,000	23	To support relief and recovery efforts, with a focus on workforce development, education, community organizing, and the environment
13. H. N. & Frances C. Berger Foundation	CA	IN	5,000,000	1	To support the Bush-Clinton Katrina Fund
14. Bush Foundation	MN	IN	5,000,000	3	To support Dillard University, Xavier University of Louisiana, and Tougaloo College
15. Meadows Foundation	TX	IN	4,062,330	38	To support various relief and recovery organizations
16. 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
17. Lumina Foundation for Education	IN	IN	3,238,800	4	To support the American Association of Community Colleges, Scholarship America, and various relief and recovery organizations
18. Open Society Institute ³	NY	OP	2,487,841	24	To support relief and recovery programs benefiting low- to moderate-income families, displaced residents, immigrants, and other vulnerable populations
19. John S. and James L. Knight Foundation	FL	IN	2,200,000	6	To support various relief and recovery organizations
20. 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
21. Starr Foundation	NY	IN	2,000,000	2	To support America's Second Harvest and the International Rescue Committee
22. David and Lucile Packard Foundation	CA	IN	1,804,000	9	To support various relief and recovery organizations
23. Zemurray Foundation	LA	IN	1,741,000	8	To support various relief and recovery organizations
24. Alfred P. Sloan Foundation	NY	IN	1,733,958	5	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
25. J. Bulow Campbell Foundation	GA	IN	1,700,000	3	To support the United Way and the Atlanta Community Food Bank

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007.

¹Includes independent and family foundations (IN) and operating foundations (OP); excludes company-sponsored foundations.

²The foundation expects to make additional Gulf Coast-related grants totaling approximately \$6 million by the close of its current fiscal year on 9/30/07.

³The foundation has provided additional support for Katrina Media Fellows.

TABLE 6. Gulf Coast Hurricanes Response: Top Community and Other Public Foundations by Total Funding

Donor Name	State	Donor Type ¹	Amount	No. of Gifts	Purpose of Funding
1. AmeriCares	CT	PC	\$12,000,000	43	To support various relief and recovery organizations
2. McCormick Tribune Foundation	IL	PC	10,475,125	63	To support various relief and recovery organizations
3. Knights of Columbus Charities	CT	PC	9,250,000	8	To support the Archdiocese of New Orleans, Diocese of Biloxi, Diocese of Lake Charles, and various relief and recovery organizations to help rebuild the Catholic infrastructure
4. Baton Rouge Area Foundation	LA	CM	6,162,743	87	To support various relief and recovery organizations
5. LifeWay Christian Resources of the Southern Baptist Convention	TN	PC	6,030,000	4	To support various relief and recovery organizations
6. Howard Hughes Medical Institute	MD	PC	4,100,000	3	To support Xavier University of Louisiana's displaced science faculty and help re-equip science buildings
7. Foundation for the Mid South	MS	CM	3,203,437	159	To support various relief and recovery organizations
8. Home Depot Foundation	GA	PC	3,160,000	16	To support various relief and recovery organizations
9. MusiCares Foundation	CA	PC	3,100,000	2	To support the MusiCares Hurricane Relief Fund and various relief and recovery organizations
10. Major League Baseball Players Alumni Association	CO	PC	2,000,000	2	To support the American Red Cross and Habitat for Humanity
11. New York Community Trust	NY	CM	1,898,560	186	To support various relief and recovery organizations
12. Columbus Foundation and Affiliated Organizations	OH	CM	1,484,451	18	To support various relief and recovery organizations
13. Avon Foundation	NY	PC	1,284,014	8	To support various relief and recovery organizations
14. Peninsula Community Foundation	CA	CM	1,181,050	98	To support various relief and recovery organizations
15. Community Foundation for the National Capital Region	DC	CM	1,000,000	1	To support the Laura Bush Foundation for America's Libraries to help rebuild school libraries in the Gulf Coast area
16. Muscular Dystrophy Association	AZ	PC	1,000,000	1	To support the Salvation Army
17. Muslim American Society	VA	PC	1,000,000	1	To support Healing Hands International
18. National Football League Disaster Relief Fund	NY	PC	1,000,000	1	To support the American Red Cross
19. New York Yankees Foundation	NY	PC	1,000,000	1	To support the Salvation Army
20. NFL Charities	NY	PC	1,000,000	1	To support the American Red Cross
21. Oprah's Angel Network	IL	PC	1,000,000	1	To support America's Second Harvest to purchase and distribute food to Hurricane Katrina survivors in Louisiana, Mississippi, Alabama, Tennessee, and Texas
22. Pew Charitable Trusts	PA	PC	1,000,000	1	To support the American Red Cross
23. Rapides Foundation	LA	PC	1,000,000	1	To support the United Way of Central Louisiana to assist and shelter Hurricane Katrina evacuees in Central Louisiana
24. Toys R Us Children's Fund	NJ	PC	1,000,000	1	To support various relief and recovery organizations
25. USA Funds Education Endowment	IN	PC	1,000,000	1	To support the American Red Cross

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007.

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

- ◆ Approximately one-quarter (24.6 percent) of institutional giving (\$222.6 million) could not be assigned to a recipient because donors either had not yet reported a particular recipient (\$208 million, or 22.9 percent) or broken down amounts pledged to various named recipients (\$14.6 million, or 1.6 percent). However, this unassigned support together represented just 123 contributions, or 2.5 percent of the number of gifts and commitments.
- ◆ Corporations and independent 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 (31.4 percent), compared to independent foundations (9.6 percent) (Figures 8 and 9). By comparison, corporate donors were far less likely to have designated the recipients of their giving. Because they are not required to identify the recipients of their direct giving, this information is otherwise unavailable. In addition, this higher share of unassigned giving reflects in part the volume of corporate funds pledged to match employee gifts.

Recipient Location

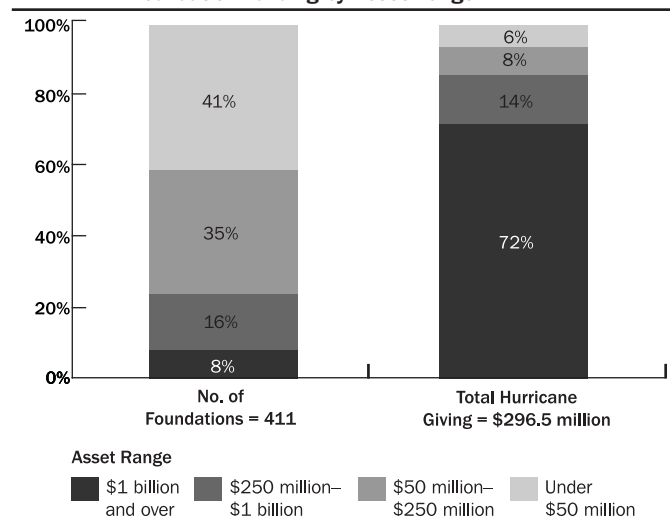
- ◆ Foundations and corporations have supported organizations working on the Gulf Coast response in 46 states and the District of Columbia, with the majority (over 83 percent) based outside of the Gulf Coast region. Recipients based in the District of Columbia garnered \$218.5 million, or 24.1 percent of all Gulf Coast response funding (Figure 10). However, nearly all of this funding supported the national headquarters of 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 (\$112.2 million, or 12.4 percent), and Mississippi recipients ranked sixth (\$41.5 million, or 4.6 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.
- ◆ Other states ranking among the top recipients by giving in response to hurricanes Katrina and Rita included Georgia (home to the headquarters of the Habitat for Humanity International), New York (the headquarters location for the Bush-Clinton Katrina Fund), Virginia (home to the national headquarters of the Salvation Army and the United Way), and Texas (the temporary, and possibly permanent, home for many Gulf Coast evacuees).

TABLE 7. Gulf Coast Hurricanes Response: Independent Foundation Funding by Asset Range

Asset Range	No. of Donors	%	Amount	%
\$1 billion and over	33	8.0	\$212,894,088	71.8
\$250 million–\$1 billion	66	16.1	42,042,200	14.2
\$50 million–\$250 million	144	5.0	24,890,612	8.4
Under \$50 million	168	40.9	16,633,650	5.6
TOTAL	411	100.0	\$296,460,550	100.0

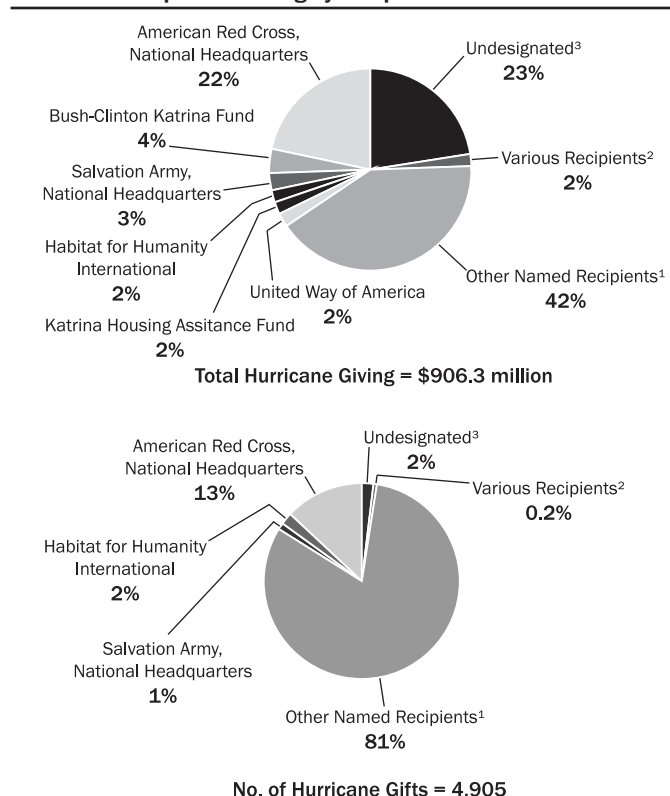
Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Gulf Coast hurricanes response figures based on giving announced through June 1, 2007. Asset figures based on latest fiscal year reported (2005 for most foundations).

FIGURE 6. Gulf Coast Hurricanes Response: Independent Foundation Funding by Asset Range



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Gulf Coast hurricanes response figures based on giving announced through June 1, 2007. Asset figures based on latest fiscal year reported (2005 for most foundations).

FIGURE 7. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Recipient



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007.

¹Named recipients accounting for less than 1.5 percent of funding or 1 percent of the number of gifts.

²Various recipients named but amount not reported by recipient.

³No recipient named at time of pledge.

Recipient Type

- ◆ Close to 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 regranting agencies), such as the American Red Cross, America's Second Harvest, and Catholic Charities USA (Figure 11). 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), environmental and wildlife organizations (Audubon Nature Institute, American Society for the Prevention of Cruelty to Animals), and religious organizations (Archdiocese of New Orleans). However, while 1 percent of dollars and 3.5 percent of gifts funded churches, temples, and other religious organizations, roughly one-in-nine dollars (\$99.8 million) and over one-in-five contributions (1,032) targeted religiously affiliated organizations. These organizations ranged from the Salvation Army, to Habitat for Humanity International, to Interfaith Caring Ministries.
- ◆ More than a quarter of Gulf Coast response funding—and approximately 8 percent of the number of gifts—could not be specified based on recipient type. This reflected commitments that had not yet been disbursed by donors or where the recipient name was not provided by the donor, 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 largest share of contributions was intended to provide a broad range of human services in the immediate wake of the disaster, many 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 look at the giving priorities of institutional donors that have announced commitments in response to hurricanes Katrina and Rita through the start of June 2007.

- ◆ As noted above, the largest share 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 40 percent of funding and 52.9 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. Nonetheless, as the focus of donors has shifted from immediate relief to recovery and rebuilding, general human services likely accounts for a smaller share of new giving (Table 9 and Figure 12).
- ◆ Among the pledges made in the aftermath of hurricanes Katrina and Rita for purposes beyond the immediate response to the disaster, the largest share of funding (10.3 percent) provided support for education. Within education, the biggest share of funding targeted elementary and secondary education, led by the Gates Foundation's \$5 million 2005 grant to the Mississippi Department of Education to provide academic intervention to displaced students and a follow-up \$3.4 million 2007 grant to continue the academic intervention, focusing on literacy and math within targeted Mississippi schools.

TABLE 8. Gulf Coast Hurricanes Response: Top 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	\$199,095,510	22.0	620	81.9	18.1
2. Bush-Clinton Katrina Fund	NY	31,811,665	3.5	19	56.7	43.3
3. Salvation Army National Headquarters	VA	26,278,567	2.9	47	19.0	81.0
4. Habitat for Humanity International	GA	16,558,171	1.8	90	76.0	24.0
5. Katrina Housing Assistance Fund	OH	15,000,000	1.7	1	100.0	0.0
6. United Way of America	VA	14,896,730	1.6	14	23.4	76.6
7. Southeastern Library Network	GA	13,089,205	1.4	3	0.0	100.0
8. Baton Rouge Area Foundation ²	LA	12,517,204	1.4	129	13.4	86.6
9. Xavier University of Louisiana	LA	10,395,000	1.1	14	4.3	95.7
10. Louisiana Public Health Institute	LA	8,796,641	1.0	1	0.0	100.0
11. Greater New Orleans Foundation	LA	7,977,515	0.9	39	13.3	86.7
12. Americas Second Harvest	IL	7,725,179	0.9	40	20.6	79.4
13. Oxfam America	MA	7,535,000	0.8	8	2.0	98.0
14. Foundation for the Mid South	MS	7,026,835	0.8	42	7.1	92.9
15. Dillard University	LA	7,025,000	0.8	13	1.1	98.9
16. Mississippi Department of Education	MS	5,862,425	0.6	2	14.7	85.3
17. Federal Home Loan Bank of Dallas Disaster Relief Grant Program	TX	5,000,000	0.6	1	100.0	0.0
18. Southern Education Foundation	GA	4,628,800	0.5	7	0.0	100.0
19. MAP International	GA	4,385,000	0.5	2	96.9	3.1
20. Louisiana State University and A & M College	LA	4,340,000	0.5	3	92.9	7.1

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007.

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

²The Baton Rouge Area Foundation is also represented as a donor. According to its 2006 annual report, the foundation raised Katrina and Rita-related relief contributions totaling more than \$44 million. Of this total, the Center has tracked \$6.2 million in grants to organizations. Grants to individuals are not represented in this total.

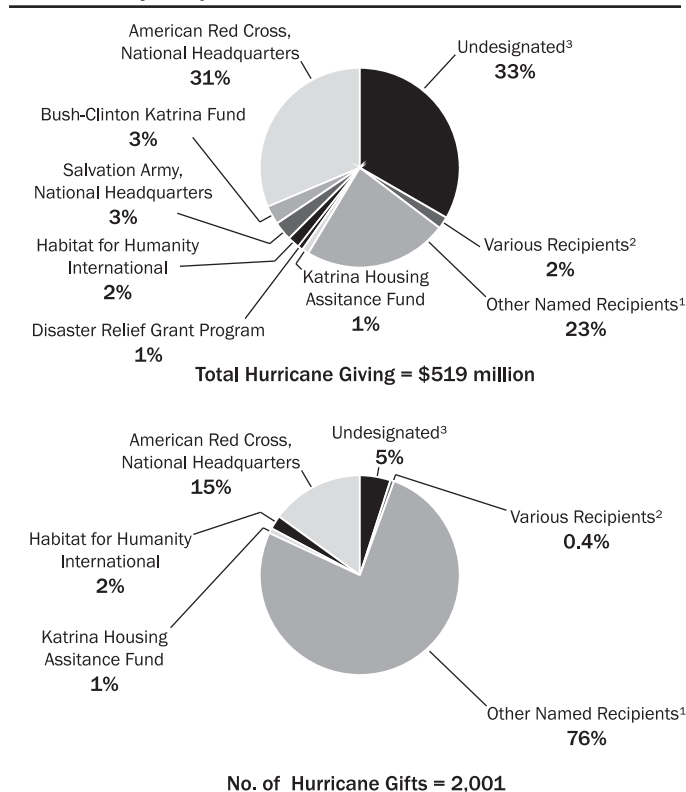
Higher education benefited from most of the remaining support, led by the Howard Hughes Medical Institute's \$3 million grant to Xavier University of Louisiana to support displaced science faculty.

- ◆ 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 was a major focus for a number of Gulf Coast response donors. Overall, support for housing captured about 6 percent of funding and 5.2 percent of the number of contributions. Habitat for Humanity International ranked as the largest recipient of institutional giving for housing, with 90 contributions totaling \$16.6 million to rebuild housing in the region. The Katrina Housing Assistance Fund ranked second with a single \$15 million contribution from the Federal Home Loan Bank of Cincinnati (FHLBC) to provide housing for persons displaced to the FHLBC districts of Kentucky, Ohio, and Tennessee.
- ◆ Among the many contributions providing support for Gulf Coast relief and recovery, close to 5 percent of gifts (although a smaller 4.3 percent of dollars) focused primarily on the health of affected peoples. Examples of this support included the W.K. Kellogg Foundation's \$8.8 million contribution to the Louisiana Public Health Institute to provide support to people affected by the devastation of Hurricane Katrina by supporting community-based access to physical and mental health

services for school-age children and their families in New Orleans; and the Johnson & Johnson Corporate Giving Program's \$4.3 million contribution to MAP International for medical supplies for relief efforts. Finally, while a number of contributions included support for both physical and mental health, just 0.5 percent of health dollars and 1.2 percent of the number of gifts exclusively addressed the mental health needs of residents of the affected areas. The Meadows Foundation provided the largest of these contributions: \$258,000 to Texas-based LifeNet Community Behavioral Healthcare to provide extra support associated with new state mental health treatment guidelines and for hiring additional staff to provide mental health services to evacuees from Hurricane Katrina.

- ◆ Economic and community development captured a modest 3 percent of Gulf Coast response funding and 4.2 percent of gifts up to the start of June 2007. Among the organizations receiving the largest shares of funding for economic and community development were the Southern Mutual Help Association, Enterprise Corporation of the Delta, and Hands On Network.
- ◆ Demonstrating the broad interests of institutional donors in the recovery and rebuilding effort, arts and culture and civil rights and public affairs each garnered roughly 2 percent of the number of Gulf Coast response

FIGURE 8. Gulf Coast Hurricanes Response: Corporate Funding by Recipient



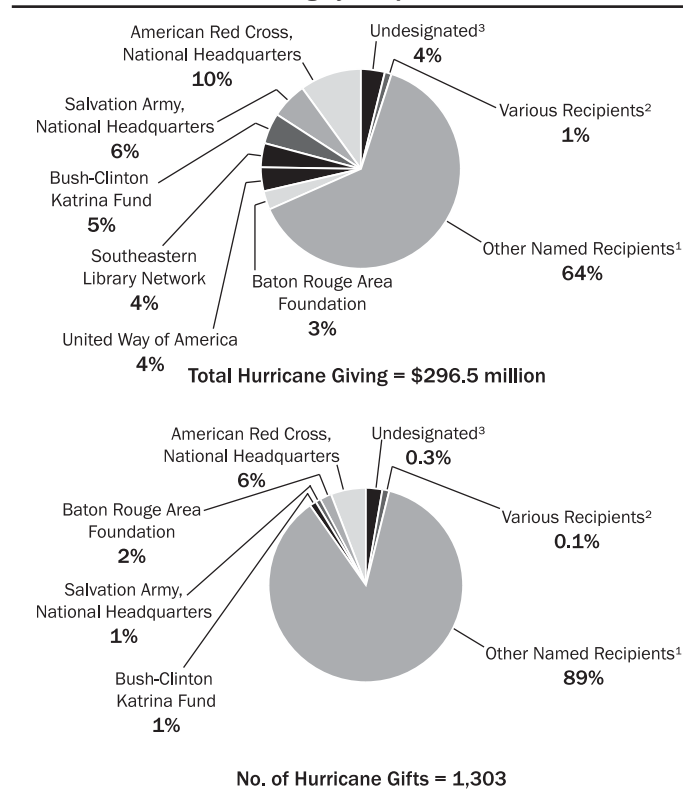
Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007. Shows individual organizations that received at least 1 percent of funding.

¹Named recipients accounting for less than 1 percent of funding or number of gifts.

²Various recipients named but amount not reported by recipient.

³No recipient named at time of pledge.

FIGURE 9. Gulf Coast Hurricanes Response: Independent Foundation Funding by Recipient



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007.

¹Named recipients accounting for less than 3 percent of funding or 1 percent of the number of gifts.

²Various recipients named but amount not reported by recipient.

³No recipient named at time of pledge.

contributions, while religion and the environment and animals each received approximately 1 percent. 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 \$500,000 commitment from the Doris Duke Charitable Foundation to Jazz at Lincoln Center to assist New Orleans-based musicians, nonprofit music enterprises, and other performing artists and performing arts organizations affected by Hurricane Katrina. 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 and Women's Funding Network 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 Ford Foundation's \$350,000 commitment to the National Coalition on Black Civic Participation to support the ReBuild Hope NOW Campaign to provide relief and recovery assistance to affected communities. For religion, two of the largest grants were awarded by the Knights of Columbus Charities: a \$2.4 million grant to the Archdiocese of New Orleans and a \$1.4 million commitment to the Diocese of Biloxi to

help rebuild the Catholic infrastructure damaged by Hurricane Katrina. Among the largest gifts related to the environment and animals were 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 \$250,000 commitment from the McKnight Foundation toward the Coalition to Restore Coastal Louisiana to promote restoration of the Mississippi River coastal delta.

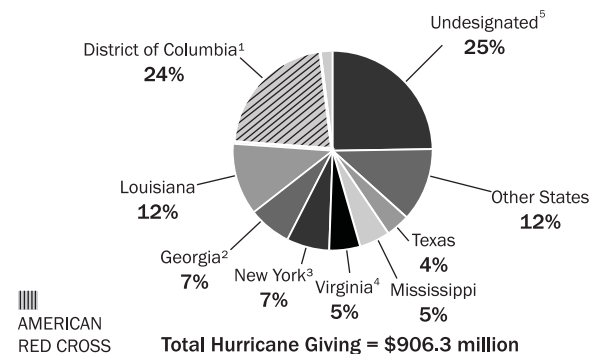
- ◆ Based on the purposes of their giving, foundation and corporate donors showed markedly different priorities in Gulf Coast response funding. Both funder types allocated their

PROGRAM-RELATED INVESTMENTS

Institutional donors' support for relief, recovery, and rebuilding efforts in the Gulf Coast region have primarily taken the form of cash and in-kind contributions. Yet some foundations have also employed loans and other forms of program-related investments (PRIs) to provide the resources needed to help rebuild the devastated region. The Foundation Center has identified six independent foundations that have provided PRIs as part of their response to hurricanes Katrina and Rita, with their commitments totaling just over \$12.5 million. The Chicago-based John D. and Catherine T. MacArthur Foundation reported the largest PRI commitment: four PRIs of \$1 million each for rebuilding affordable housing in the Gulf Coast region. The David and Lucile Packard Foundation ranked second with a \$3 million PRI to the Audubon Nature Institute to support relief and recovery efforts for the aquarium and zoo. Following the MacArthur and Packard foundations were the Ford Foundation¹ and the Bill & Melinda Gates Foundation, which each provided a \$2 million PRI to the Louisiana Loan Fund—a public/private partnership.² The PRIs were made to provide acquisition and predevelopment financing to support affordable housing development in areas of Louisiana impacted by the hurricanes. Other foundations reporting PRIs included the Rockefeller Foundation, Sundance Family Foundation, and C.I.O.S., which provided \$500,000 for a low-interest church loan program for hurricane disaster relief.

1. The Ford Foundation has indicated that it intends to make additional PRIs to assist with recovery and rebuilding efforts resulting from the Gulf Coast hurricanes.
2. The state of Louisiana made the initial \$17 million investment, and Enterprise Community Partners and LISC, in cooperation with Living Cities, has raised approximately \$30 million in private capital to match the state's contribution. See "New \$47 Million Loan Fund Launched to Aid Housing Recovery in Louisiana," press release dated 4/25/07.

FIGURE 10. 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 2007. Figures based on giving announced through June 1, 2007.

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.

²Most giving supported Habitat for Humanity International, which is headquartered in Georgia.

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

⁴All gifts to the national headquarters of the Salvation Army and the United Way are accounted for in Virginia, where these organizations are headquartered.

⁵Includes grants to various organizations for unspecified amounts and undesignated pledges.

TABLE 9. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Subject

Subject	Amount	%	No. of Gifts	%
Human Services	\$365,895	40.4	2,594	52.9
Education	92,990	10.3	288	5.9
Elementary and Secondary	38,817	4.3	143	2.9
Higher Education	33,401	3.7	92	1.9
Libraries	16,130	1.8	28	0.6
Other Education	4,642	0.5	25	0.5
Housing and Shelter	56,638	6.2	253	5.2
Health	38,964	4.3	232	4.7
General and Rehabilitative	32,004	3.5	150	3.1
Mental Health	4,835	0.5	58	1.2
Other Health	2,124	0.2	24	0.5
Economic and Community Development	27,593	3.0	205	4.2
Civil Rights and Public Affairs	15,929	1.8	92	1.9
Arts and Culture	15,176	1.7	134	2.7
Religion	9,407	1.0	160	3.3
Environment and Animals	6,482	0.7	243	5.0
Other	72,716	8.0	581	11.8
Undesignated	204,559	22.6	123	2.5
TOTAL	\$906,349	100.0	4,905	100.0

Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007. All dollar figures expressed in thousands.

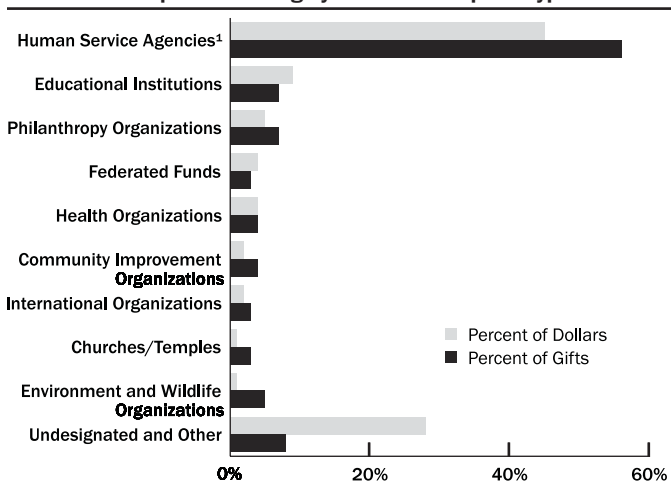
largest shares of support for human services, although this share was notably higher for corporate donors (42.7 percent versus 34.6 percent) (Figure 13). Corporate donors also placed a higher priority on housing and shelter, with 8 percent of their giving supporting this area. By comparison, independent and family foundations directed almost one-fifth of their funding for education, followed by health and economic and community development. Housing accounted for just 3.3 percent of their giving. Overall, nine areas received at least 1 percent of foundation giving in response to the Gulf Coast hurricanes, compared to just four for corporations. Still, over two-fifths of corporate giving could not be coded for a purpose. If more detail on these commitments becomes available, the number of areas receiving a measurable share of corporate support may increase.

Population Group Served

The Foundation Center's coding system allows for classifying grants as benefiting up to 21 specified population groups, from children and youth, to the economically disadvantaged, to ethnic or racial minorities. Gifts are coded for specific population groups whenever the intended beneficiary is noted in the description of the contribution or when the beneficiary is clear from the name and purpose of the recipient organization.

- ◆ The vast majority of corporate and foundation support provided in the aftermath of the Gulf Coast hurricanes did not explicitly target specific population groups. Just over 30 percent of Gulf Coast response giving and about 33 percent of the number of gifts could be coded as providing a benefit to a specific population group.⁸ This finding may reflect an expectation on the part of donors that their disaster response giving would reach those in greatest need—regardless of race, ethnicity, gender, or other characteristics.
- ◆ Independent and operating foundations were far more likely to target their giving to specific population groups

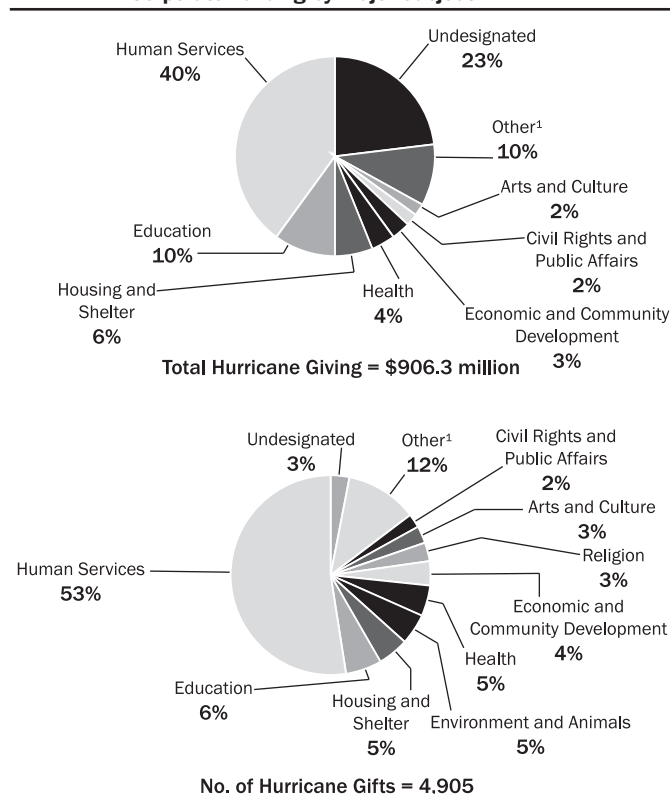
FIGURE 11. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Selected Recipient Types



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007. 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.

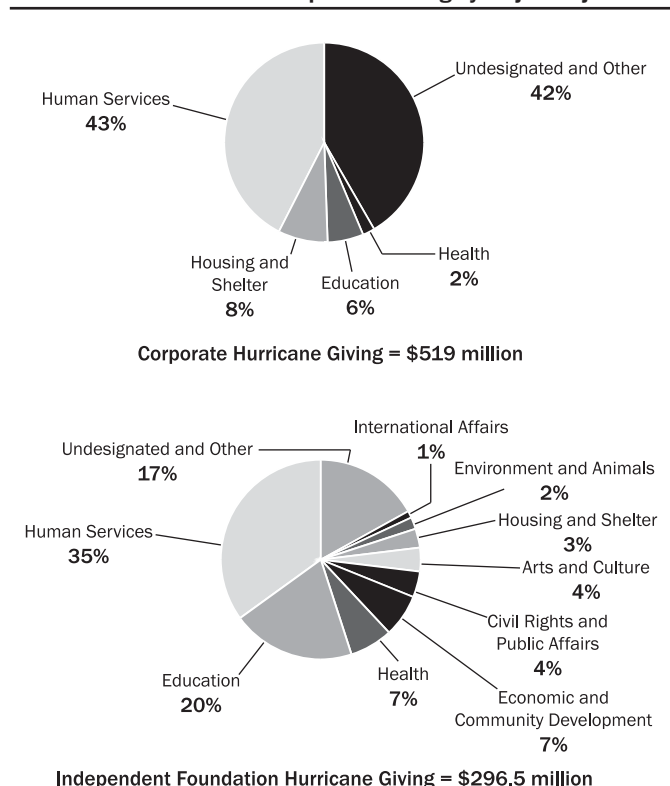
FIGURE 12. Gulf Coast Hurricanes Response: Foundation and Corporate Funding by Major Subject



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007.

¹Subject areas accounting for less than 2 percent of funding.

FIGURE 13. Gulf Coast Hurricanes Response: Independent Foundation vs. Corporate Funding by Major Subject



Source: The Foundation Center, *Giving in the Aftermath of the Gulf Coast Hurricanes*, August 2007. Figures based on giving announced through June 1, 2007. Shows subject areas that received at least 1 percent of funding or gifts.

than were corporate donors. More than two-fifths of the dollars and number of contributions provided by foundations for their Gulf Coast response could be coded for population group, compared to less than one-fifth of dollars and one-quarter of contributions from corporate giving programs and corporate foundations.⁹

- ◆ The economically disadvantaged benefited from the largest share of hurricane relief and recovery giving targeting specific population groups—roughly 22 percent of dollars and nearly one-quarter of gifts. This prominent share reflects in large part the principal missions of leading recipients of Gulf Coast response funding, such as the Salvation Army, Oxfam America, and Habitat for Humanity International, which all seek to serve the economically disadvantaged. Nonetheless, given the high levels of poverty found in the Gulf Coast region prior to the hurricanes, it is likely that a far larger share of giving in the aftermath of the storms has provided support for people who are economically disadvantaged. In addition, some grantmakers have specifically directed support to providing for greater economic opportunity and reducing inequity. For example, the Rockefeller Foundation awarded a \$3.5 million grant to the Greater New Orleans Foundation toward developing a comprehensive, long-term recovery plan for New Orleans Parish that includes more mixed-income communities and greater equity for citizenry than existed before the hurricanes.
- ◆ Among other population groups, 8 percent of funding (\$54.8 million) specifically targeted ethnic or racial minorities. For independent and operating foundations alone, the share rose to 15.5 percent of dollars. Much of the funding coded for ethnic or racial minorities provided support for historically black colleges in the affected region—especially Xavier University of Louisiana and Dillard University. In fact, of the 16 contributions of \$1 million or more coded for specific population groups, 11 supported the efforts of historically black colleges and their students to recover from the disaster.

- ◆ Finally, more than 5 percent of giving (\$37.1 million) was directed to children and youth, while less than 1 percent provided a specific benefit for women and girls (\$5.7 million) and the disabled (\$5.4 million). The largest contribution explicitly benefiting women and girls was a \$1.2 million grant from the W.K. Kellogg Foundation to the Ms. Foundation for Women,¹⁰ in partnership with the Women's Funding Network, to provide support to people affected by Hurricane Katrina by ensuring that the priorities of low-income women, women of color, and their families are central to the relief, recovery, and rebuilding process.

Endnotes

1. For the first edition of *Giving in the Aftermath of the Gulf Coast Hurricanes*, published in August 2006, the Foundation Center tracked 435 institutional donors with giving totaling \$577.1 million.
2. See Giving USA Foundation, *Giving USA*, ed. by M. Brown, Glenview, IL: Giving USA Foundation, 2007. 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.
3. *Ibid.*
4. 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.
5. See Giving USA Foundation, 2007.
6. See Renz and Marino, 2004.
7. See American Red Cross, "Hurricanes Katrina, Rita, and Wilma: The Unprecedented American Red Cross Response," redcross.org/sponsors/drf/hurrstewreport_05.html, Internet accessed on June 20, 2006.
8. Figures exclude contributions made to multiple named recipients or undesignated recipients.
9. By comparison, nearly 37 percent of overall foundation grant dollars in 2005 and close to half of grants could be coded as targeting specific beneficiaries. See Atienza, J., A. Austin, and R. Mukai, *Foundation Giving Trends: Update on Funding Priorities*, New York: Foundation Center (annual).
10. The Ms. Foundation for Women is also represented as a donor in this report.

CONCLUSION

As the second anniversary of Gulf Coast hurricanes Katrina and Rita approached, the Foundation Center had tracked more than \$900 million in disaster-response grantmaking by institutional donors—a total that reached well over \$1 billion with corporate in-kind giving taken into account. Foundations, corporations, and other institutional donors went far beyond their grantmaking guidelines to respond to the immediate needs of the affected region, and some have continued to provide support for recovery and rebuilding efforts.

The difficult on-the-ground conditions uncovered in the aftermath of the Gulf Coast hurricanes have provided continuous opportunities for lessons to be learned. The extensive poverty and inequity laid bare by the disaster, the absence of a well-developed nonprofit and philanthropic sector in the region, and the political divisions furrowing the region (especially in Louisiana) all represent challenges that call for greater and longer-term involvement than institutional donors may have expected at the outset.

Some of the lessons already learned from the experience of funders responding to the Gulf Coast hurricanes mirror learnings from other disasters. For example, foundation interviews conducted for this study suggest that institutional donors may have their most important role to play after initial relief efforts have taken place and the attention of individual donors has moved on to other topics—which mirrors the conclusion of some funders after 9/11. Other lessons may derive more directly from the experience of recovery and rebuilding efforts in the Gulf Coast region but appear to have broad applicability to future disasters, such as the critical importance of collaborating with other grantmakers, nonprofits, and government, business, and community leaders and of supporting the development of a strong nonprofit and philanthropic infrastructure. Still other lessons may be learned

by posing additional hard questions about giving to date. For example, while Foundation Center data shows that most of the hurricane response funding by institutional donors appeared to target the general population, at least one grantmaker affinity group has asked whether specific communities in the affected region benefited from this support.¹

The storms of 2005 ravaged the Gulf Coast region, contributed to the levee failures, and made clear to the world the extent of the poverty and racial and economic inequality in the region. The toll in terms of homes destroyed, families displaced, and lives lost is beyond calculation. Yet this tragedy also presents a tremendous opportunity, and one that might not have come about without the overwhelming devastation of the storms. In a region characterized by large communities of disempowered citizens and weak nonprofit and philanthropic institutions, some institutional donors—primarily foundations—are working to help create a new reality. They are supporting the development of a community with high-quality affordable housing for its residents, economic opportunity, leadership development, and a strong civil society that ensures that gains made now will continue into the future. While the willingness of many institutional donors to go beyond their grantmaking guidelines to give in response to this disaster may represent one important legacy of the Gulf Coast hurricanes, the ultimate legacy will arguably be their role in helping to create a more fair and equitable society in the Gulf Coast region.

1. See Gupta, P., and S. Ritoper, *Growing Opportunities: Will Funding Follow the Rise in Foundation Assets and Growth of AAPI Populations?*, San Francisco: Asian Americans/Pacific Islanders in Philanthropy, 2007. This recent report suggests that most foundation funding did not reach Asian immigrant communities in the affected region, because foundations did not target support to the small, community-based organizations that the Asian immigrant populations were familiar with and went to for assistance.



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