

# SAN DIEGO UNION-TRIBUNE

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## Foundation money flow

San Diego-area foundations have less assets and distribute less in grants than foundations in other parts of the state. They are also on the low end when compared to similar regions.

### FOUNDATION ASSETS AND GRANTS IN THE STATE 2005 figures

Metro area	Total assets <i>in billions</i>	Total grants <i>in billions</i>	Grants per capita
Los Angeles	\$34.72	\$1.54	■ \$138
<b>San Diego</b>	<b>\$2.29</b>	<b>\$0.24</b>	■ <b>\$81</b>
San Francisco	\$31.30	\$1.95	■ \$1,157
California	\$83.76	\$4.40	■ \$122

### FOUNDATIONS IN METRO AREAS SIMILAR TO SAN DIEGO\*

Denver	\$6.14	\$0.34	■ \$150
Phoenix	\$3.18	\$0.16	■ \$42
Pittsburgh	\$10.01	\$0.52	■ \$197
Tampa	\$0.88	\$0.08	■ \$31

\* Chosen by SANDAG based on economic and demographic similarities

SOURCE: The Grantmaking Report: Foundation and Corporate Giving in the San Diego Region, USD

SHAFFER GRUBB / Union-Tribune


## Area foundations hold \$2.3 billion in assets

### Questions raised on distribution

By Jeff McDonald  
STAFF WRITER

San Diego County foundations hold assets totaling \$2.3 billion, far less than counterparts in Los Angeles and San Francisco, according to a University of San Diego study to be released today.

Not only that, 28 cents of every dollar from San Diego-area foundations is awarded

 **Online:** To read the full report, go to [uniontrib.com/more/documents](http://uniontrib.com/more/documents)

to nonprofits based outside the region, the study found, raising new questions about whether local donors and nonprofit leaders should do more to support neighborhood charities.

The findings are in "The Grantmaking Report: Foundation and Corporate Giving in the San Diego Region,"

SEE **Foundations, B4**

## ▶ FOUNDATIONS

CONTINUED FROM PAGE B1

### Groups allowed to grow assets for five years

from USD's Caster Family Center for Nonprofit Research.

The analysis is the first in-depth study of grant-making in the county, which is home to hundreds of community, family and corporate foundations that give away more than \$235 million a year to all kinds of causes.

Researchers hope the data will help philanthropists make better decisions when they decide how to invest their time and money.

In all, San Diego County foundations hold assets of \$2.29 billion, while grant makers in Los Angeles and San Francisco control portfolios of \$34 billion and \$31 billion, respectively.

"We're still building our philanthropic community," lead author Laura Deitrick said of the disparity. "Knowing we have limited assets, we have to do the best with what we have and be very strategic about the money that's granted."

San Diego foundations do tend to give away a significantly larger share of their portfolios, researchers found.

In 2005, the most recent year for which data was available, local grant makers awarded 10 percent of their holdings to var-

ious causes — double what the federal government requires foundations to distribute each year.

"That says we're doing a lot with a little," Deitrick said.

It is unclear how San Diego compares with other regions in the amount of foundation grants awarded outside the region.

Deitrick said the 28 percent of local grants leaving the San Diego area was about what she expected because the region tends to be populated by transplants, and because 2005 was a notable year for disaster-relief donations in light of the Indian Ocean tsunami, Hurricane Katrina and other events.

That deficit may be something of a wash, however. San Diego-area charities collected nearly half of their grant revenue — \$205 million — from out-of-town foundations, the study said.

Meanwhile, the number of foundations in San Diego County has exploded in recent years; about 500 local organizations now provide grants to nonprofits.

Those foundations saw their assets climb in value by 14 percent over the five years from 2001 to 2005, but the amount of grants they awarded over the same period dropped by 14 percent.

The trend is eye-popping, but Deitrick said those numbers are skewed because so many of the granting organizations were established in recent

years.

Foundations are permitted to grow their assets for five years before they must begin awarding grants, and nearly half of the San Diego-area agencies were established since 2000.

Two community foundations dominate grant-making in the county — the San Diego Foundation, with 2006 assets of \$484 million, and the Jewish Community Foundation, with \$224 million.

The San Diego Foundation awarded \$43 million in 2006, the study said. The Jewish Community Foundation handed out more than \$53 million over the same period — nearly 25 percent of its portfolio.

"The innate desire to create change is there," Charlene Seidle, vice president of the Jewish Community Foundation, said of donors. "But often they don't know how best to make that impact and that's where we come in."

Researchers surveyed the largest companies in San Diego about their giving practices and found that 75 percent contributed more than \$100,000 to charity in 2006. But just 22 percent donated \$1 million or more, and nearly 10 percent gave \$25,000 or less.

At least one philanthropist said San Diego companies and individuals need to donate more to charity to tackle the most pressing issues confronting the community.

Ruth Westreich, whose family foundation helped establish

### REPORT HIGHLIGHTS

- About 500 private foundations in the county were awarded \$237 million in grants in 2005.
- About 28 percent of grants made by San Diego-area foundations went out of town.
- San Diego-area nonprofits received more than \$205 million in grants from foundations based outside the region.
- Between 2001 and 2005, local foundation assets grew by 14 percent but grant awards decreased by 14 percent.

the USD research center, said nonprofit leaders must do a better job educating donors about how they can fight poverty and support other causes.

"We can't just depend on Qualcomm," she said. "There are many more people here if we can just get to them and ask them."

Nancy Jamison of San Diego Grantmakers, a coalition of foundations and grantors that co-produced the USD study, said the findings will help her design new programs and services for family foundations and other donors.

"We'll communicate differently. We'll reach out differently. We'll educate differently," Jamison said. "We will shift what we're doing as we go into next year."

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