

Commonwealth

Giving in Pennsylvania: A Report on the State's Philanthropy

executive summary

The first comprehensive study of charitable giving in Pennsylvania shows a strong history of philanthropy and excellent opportunities to increase giving. Commissioned by three organizations across the state that support organized philanthropy — **Community Foundations for Pennsylvania** (Harrisburg), **Delaware Valley Grantmakers** (Philadelphia) and **Grantmakers of Western Pennsylvania** (Pittsburgh) — the study provides a baseline to measure progress and offers specific recommendations to increase philanthropic giving to improve the quality of life in the Commonwealth's communities.

The report, *Common Wealth: Giving in Pennsylvania*, quantifies and compares giving by charitable foundations of different types. It shows striking regional contrasts and ranks the categories in which grants were made. The report briefly touches on giving by individuals, which remains by far the single largest source of charitable dollars in both the Commonwealth and the nation. Due to underreporting, the report does not adequately reflect the significant contributions made by corporations through non-foundation giving programs, nor does it capture the recent dramatic increase in donor-advised fund giving through commercial financial institutions.

Unless otherwise noted, all figures are based on 1999 data.

where pennsylvania grants come from

PA Foundation Assets: By 1999, PA had the third-largest foundation asset base in the U.S. at \$28 billion, following only behind New York (\$82 billion) and California (\$66 billion).

PA Private Grant Dollars: PA's charitable grant dollars totaled \$1.3 billion that came from four main types of foundations: Private (90.7%), Corporate (3.9%), Operating (4.6%), and Community (0.8%).

PA's Largest Foundations

Pennsylvania's top foundations in terms of total grant dollars awarded are:

Private Foundations:

The Pew Charitable Trusts (SE)	\$211,053,071
The Annenberg Foundation (SE)	\$133,487,973
Richard King Mellon Foundation (SW)	\$87,310,739
The William Penn Foundation (SE)	\$62,045,928
Howard Heinz Endowment (SW)	\$37,450,991

Corporate Foundations:

Alcoa Foundation (SW)	\$17,945,924
The PNC Foundation (SE)	\$10,267,019
CIGNA Foundation (SE)	\$7,406,529
H. J. Heinz Company Foundation (SW)	\$6,690,018
USX Foundation, Inc. (SW)	\$6,193,476

Community Foundations:

Pittsburgh Foundation (SW)	\$17,564,046
The Philadelphia Foundation (SE)	\$6,673,407
Erie Community Foundation (NW)	\$6,400,000



COMMUNITY
FOUNDATIONS
FOR PENNSYLVANIA

Community Foundations
for Pennsylvania
121 State Street
Harrisburg, PA 17101-1025
717/233-0092

www.communityfoundations.org
Info@communityfoundations.org



Delaware Valley Grantmakers
230 South Broad Street, Suite 4C
Philadelphia, PA 19102
215/790-9700
www.dvg.org
Info@dvg.org



Grantmakers of
Western Pennsylvania
650 Smithfield Street, Suite 210
Pittsburgh, PA 15222
412/471-6488
www.gwpa.org
Info@gwpa.org

Trends in PA Foundation Giving: Between 1992 and 1999, when adjusted for inflation, grant dollars increased by PA's independent foundations (+53%) and community foundations (+104%), while PA's corporate foundation grants decreased (-15%).

- PA's total foundation giving during that period grew 44%, from \$748 million to \$1.284 billion.

New Foundation Growth: Fifteen (15) new grantmaking foundations with 1999 assets over \$20 million were established in PA during the 1990s, with 60% established in the Southeastern PA region.

- From 1992 to 1999, the number of foundations in the state increased 52%, from 1,979 to 3,005.

where pennsylvania grants go

Charitable Causes: Eighty-five percent (85%) of PA's total grant dollars went to five areas:

- Education (31%)
- Arts/Culture (16%)
- Public Benefit Charities (16%)
- Human Services (13%)
- Environment (11%)

The remaining 15% of PA's total grant dollars went to five other areas: Health (8%); Science/Technology (2%); Religion (2%); Social Science (2%); and International Affairs (1%).

Special Populations: The largest recipient group of PA grant dollars was Children/Youth (\$113 million), followed by Economically Disadvantaged (\$69 million) and Ethnic/Racial Minorities (\$33 million).

Geographic Regions: From 1992 to 1999, grants made to PA nonprofits charities grew in each region of the state except the Northeast, which experienced a 60% decline in inflation-adjusted dollars. Central PA had the biggest growth (232%) followed by Southwest (85%), Southeast (16%), and Northwest (13%).

individual giving

The Generosity Index: This national state ranking of individual charitable giving as a percentage of adjusted gross income places Pennsylvania 38th, well behind the neighboring states of New York (8th), Delaware (16th) and New Jersey (32nd).

Estate Bequests: While the percentage of Pennsylvanian's estates that included a charitable bequest in their will was higher than the U.S. average (23% in PA compared to 17% in the U.S.), the average percent of total estate assets bequeathed to charity in PA was lower (24% in PA versus 29% in the U.S.).

Federated Funds: Annual campaigns of United Ways and other federated funds raise money from individuals as well as corporations and their employees that they in turn allocate to affiliated nonprofit charities. In the 1990s, the total amount raised by PA United Way campaigns grew 21%, from \$157 million to \$190 million.

conclusions

This benchmark study shows that while philanthropy in Pennsylvania is strong, there is untapped potential to increase charitable giving. To grow philanthropy the report recommends eight steps, including: raising awareness of philanthropy through communication and media; passing supportive tax incentives and regulations; and marketing philanthropy to target groups like new wealth and maturing business owners.

For further information, please contact the philanthropic service organization in your area (see list on reverse).