

SUMMARY OF KEY FINDINGS



**DELAWARE VALLEY
GRANTMAKERS**
The Region's Forum for Philanthropy

2010 PHILANTHROPIC OUTLOOK SURVEY III

February 2010

Over the past year, DVG has conducted three philanthropic outlook surveys to assess how the economic downturn is impacting the actions and attitudes of DVG members.

The results of this most recent survey, conducted a little over one year since our first one in January 2009, reveal more improvement, though caution remains. As the economic recovery phases in, philanthropic resources remain constrained. Grantmakers are drawing important lessons from the experience which will influence their philanthropy going forward. These regional findings are consistent with a recent national survey of the nation's largest foundations conducted by The Chronicle of Philanthropy.

KEY FINDINGS

- Assets are beginning to recover value following the steep decline of the past year.
- Arts and Culture organizations were clearly identified as those hardest hit by the economic downturn.
- While many respondents felt the overall outlook for philanthropy in 2010 remained about the same, many also saw a "silver lining" from the downturn in the form of increased efficiency, focus and collaboration.

PROFILE OF RESPONDENTS

Of the 32 organizations that completed the survey, over half (62%) were private foundations, with the remainder almost evenly split between public foundations/charities and corporate foundations/giving programs.

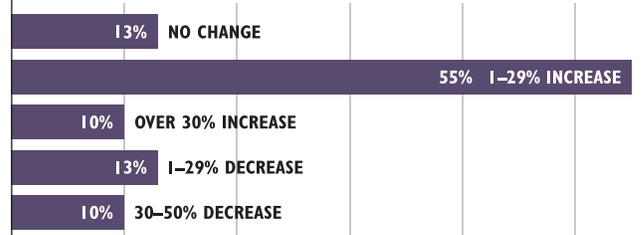
ASSETS

- A majority of 65% reported an overall increase in assets over this time last year.
- Nearly one-quarter (23%) reported a decrease, and 13% claimed assets were flat.

"We have asked all of our grantees to take a close look at their budgets and see where they can trim back without significantly impacting the project."

CHANGE IN ASSETS

Compared to the same time last year

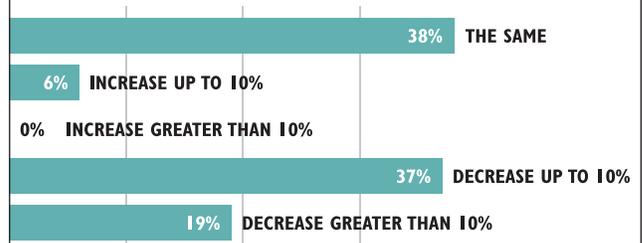


GRANT BUDGETS

- While slightly over 40% reported flat or slightly increased grant budgets over this time last year, over half (56%) said their grant budgets were smaller.
- Over 50% cited Economic/Market Conditions as the most influential factor in determining their 2010 grant budgets.
- The other top factors impacting grant budgets were Grantmaker's Strategic Priorities and Board/Leadership Decisions.

SIZE OF GRANT BUDGET

Compared to the same time last year



"Each grant we make is strategically "sized" to fit the need, not the ask."

GRANT NUMBER & SIZE

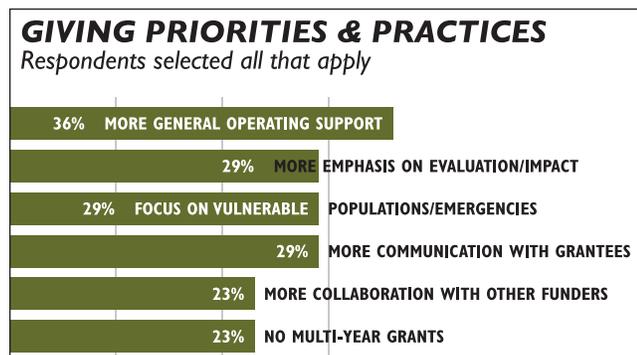
- About half reported that they planned to give about the same number of grants in 2010, with about one-third anticipating awarding a slightly fewer number.
- Over two-thirds said that the size of their grants would be the same or slightly smaller. Nearly 20% said that their grant size would be slightly larger (up to a 10% increase).

“We looked carefully at other resources available and tried to help those qualified organizations that were most in need.”

GIVING PRACTICES & PRIORITIES

Respondents told us that economic conditions compelled them to make changes in their giving practices and funding priorities.

- The single most common change was the decision to offer more general operating support.

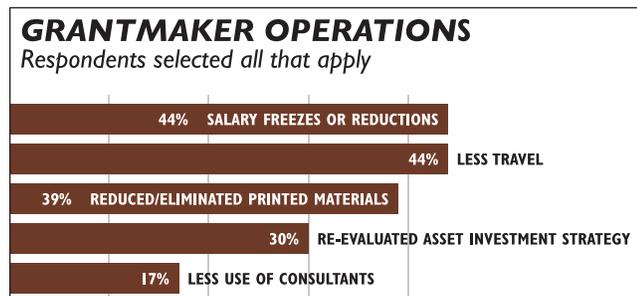


“We need to focus on those agencies, programs, and services that have been our priority to ensure that our previous investments are well founded.”

GRANTMAKER OPERATIONS

Members told us that they have instituted administrative cost-saving measures in their own organizations over the past year.

- The top two areas where grantmakers cut their own expenses were through Salary freezes/reductions and Less Travel.



IMPACT ON NONPROFITS

- Nearly three-quarters (73%) said that Arts & Culture organizations have been the most severely impacted by the economic downturn; Health and Human Services ranked a distant second at 13%.
- Funders reported that the top areas of impact they are seeing on the nonprofit organizations were Reduction in Staff and Work Hours (63%) and Cuts to Services or Programs (53%).
- On a positive note, over 40% of respondents also reported that nonprofits were becoming more focused and strategic and are collaborating with each other more as a result of economic conditions.

“We see more fundraising activity on the part of nonprofits as they try to expand their reach into a broader slice of the giving sector.”

FUTURE OUTLOOK

While over half of respondents felt the outlook for their own grantmaking and philanthropy overall remained about the same for the coming year, the same number indicated there might be a “silver lining” for philanthropy and the nonprofit sector despite the economic downturn.

Comments included:

- “The current economic state has promoted collaboration between funding organizations and grantees, while also requiring increased efficiencies in technology and process improvements that benefit the sector as a whole.”
- “Funders seem very motivated to collaborate to leverage pooled resources, attract matches from national funders, etc. It has also inspired our foundation to take a serious look at refining our grantmaking strategy to make our grantmaking more effective, intentional, strategic and impactful!”

LONG-TERM IMPACT

When asked what, if anything, do you anticipate will be the long-term impact of this economic downturn, many respondents were hopeful that the experience would result in increased efficiencies and innovation, more focused/strategic grantmaking and greater emphasis on collaboration — both for funders and nonprofits. A few expressed concern about the detrimental effect on “invisible issues” (such as women & girls), the need to rebuild nonprofit endowments, and the possibility some nonprofits will never fully recover even when the worst of the crisis has passed.