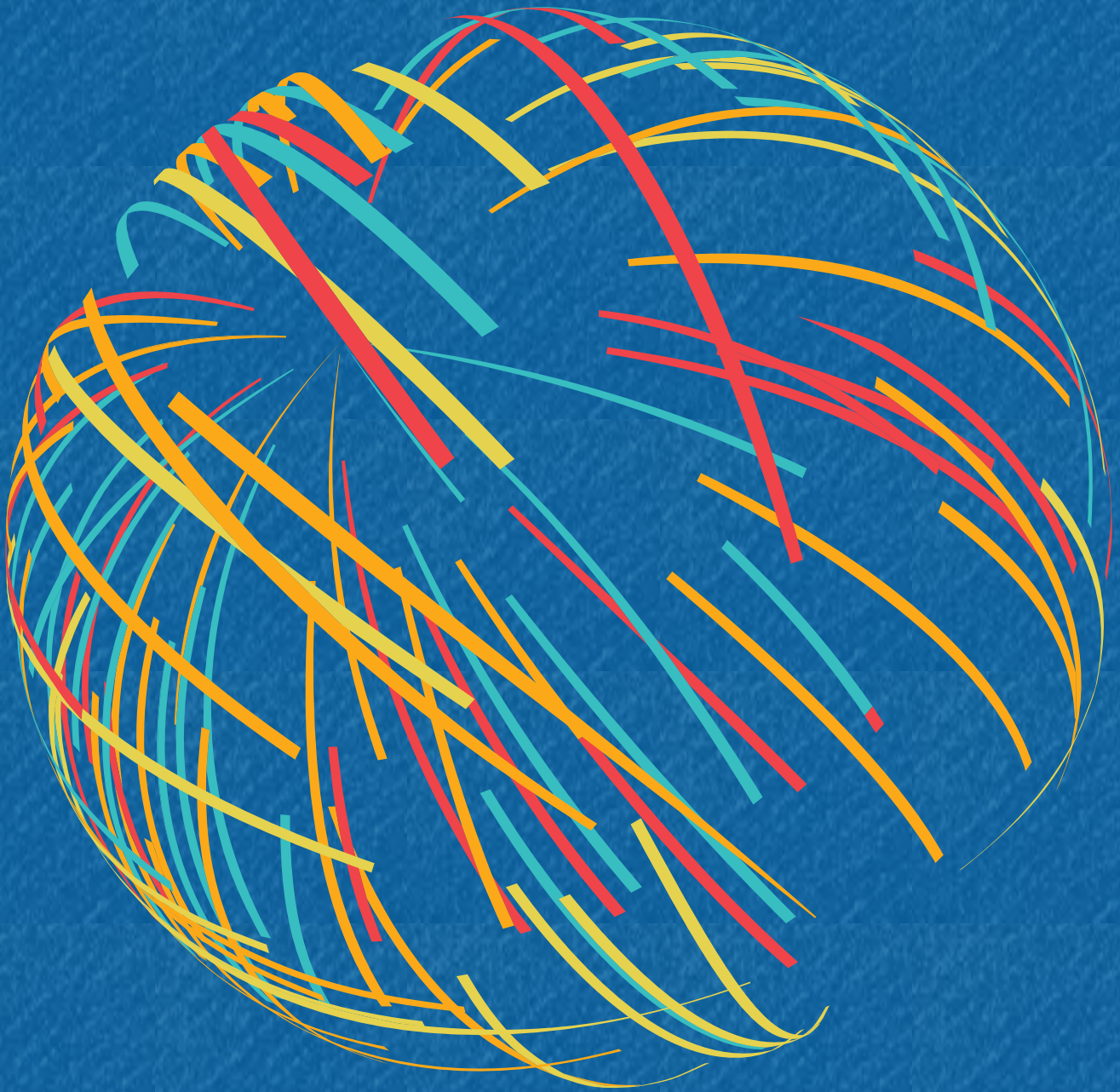


INTERNATIONAL GIVING BY U.S. COMMUNITY FOUNDATIONS

Local Communities with Global Reach



FOUNDATION
CENTER

Knowledge to build on.



COUNCIL *on* FOUNDATIONS

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Acknowledgments

Foundation Center and the Council on Foundations would like to thank the community foundations that contributed to this report by sharing their perspectives on international grantmaking, without which we could not have provided insights into the various ways in which U.S. community foundations engage globally. Thank you to the Boston Foundation, the Cleveland Foundation, Greater Houston Community Foundation, Seattle Foundation, and Silicon Valley Community Foundation.

Methodology

This analysis is based on the sub-sample of community foundations included in Foundation Center’s research sample, FC 1000, which includes all grants of \$10,000 or more reported by 1,000 of the largest U.S. foundations. It is important to note that because Foundation Center’s grant sample is meant to provide an overview of giving by U.S. foundations overall, the proportion of community foundations included in the sample each year tends to vary, although the set stays roughly consistent from 2011 to 2014. Variability in the data set makes analyses of trends in community foundation giving before 2011 challenging. To avoid double counting grant dollars, the research sample does not include grants awarded to U.S. community foundations. For some community foundations, donor advised funds (DAFs) may be excluded or not possible to identify because fund type is not included in the data reported to Foundation Center. International grants include grants to recipients located outside the U.S. and grants to U.S. recipients for international programs. The geographic distribution of grants is determined by the geographic area served by each grant. In instances where this data is unavailable, the geographic location is based on the location of the recipient organization.

The qualitative analysis is informed by interviews conducted by the Council on Foundations in February and March 2017 with five community foundations: The Boston Foundation, Cleveland Foundation, Greater Houston Community Foundation, Seattle Foundation, and Silicon Valley Community Foundation. All five are among the largest U.S. community foundations by total giving and four of the five are also among the 10 largest by international giving, the Cleveland Foundation, which ranks 26th, awarding less grants internationally. Each of the five foundations brings a distinct approach and perspective to their international engagement and grantmaking.

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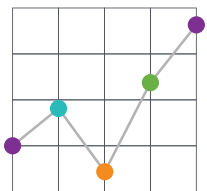
ISBN: 978-1-59542-524-9

Executive Summary

This report, a joint effort by the Council on Foundations and Foundation Center, examines the current state and recent trends in international giving and engagement by large U.S. community foundations. The first-ever analysis of this type suggests that many community foundations are beginning to adopt a broader, more nuanced definition of “community” than they have in the past.

The report documents how funds channeled from U.S. community foundations support international programs and recipients and highlights five U.S. community foundations and their approaches to global engagement and international grantmaking. For this report, we analyzed all the international grants made by U.S. community foundations included in Foundation Center’s set of 1,000 of the largest U.S. Foundations from 2011 to 2014, which included 10,533 grants worth \$697 million.

Our analysis yielded six main findings:



The total amount and average size of international grants are increasing.

From 2011 to 2014, grant dollars awarded by large U.S. community foundations to programs implemented outside the U.S. and to internationally based recipients doubled, from \$103 million to \$223 million, while the number of grants increased from 1,980 to 2,396. The average size of international grants increased from \$52,000 in 2011 to \$93,000 in 2014.



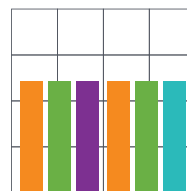
International giving is becoming more common.

In 2014, 85 percent of community foundations included in a sample of 1,000 of the largest U.S. foundations made at least one international grant compared to 67 percent in 2002.



Most international giving is via U.S. intermediaries.

Between 2010 and 2014, 89 percent of global giving by large U.S. community foundations was channeled via U.S.-based grantees working overseas, and only 8 percent was awarded directly to the country of implementation, with United Kingdom, Israel, and Canada receiving the most direct grants.



International giving as percentage of overall giving has remained constant since 2006.

The proportion of grant dollars awarded by U.S. community foundations to programs and recipients abroad increased from 3 percent in 2002 to 6 percent in 2006 and has remained relatively stable since.



Most international giving is from advised funds.

Based on available data, 92 percent of grants between 2010 and 2014 were from donor or corporate advised funds and supporting organizations at the largest U.S. community foundations.



Silicon Valley Community Foundation (SVCF) represents a significant portion of international giving.

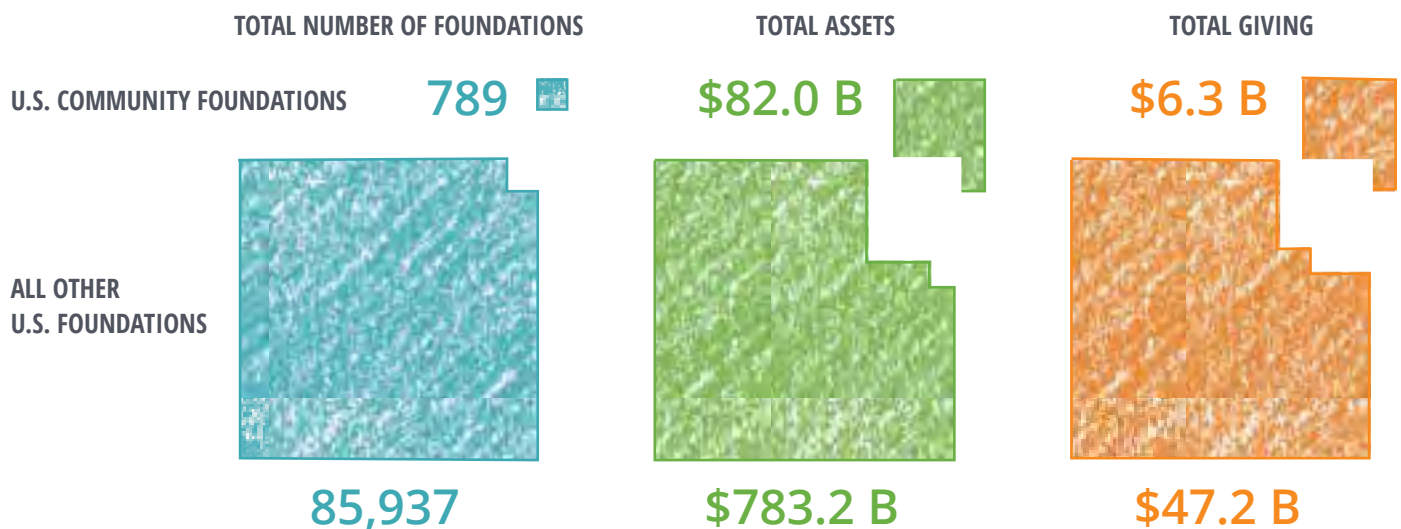
In 2014, SVCF awarded \$98 million to international programs, accounting for 44 percent of global grants made by the largest U.S. community foundations that year.

Overview of U.S. Community Foundations

In 2014, community foundations represented only 0.9 percent of the total number of U.S. foundations, but were responsible for 9.5 percent of the sector's assets and 12.5 percent of total giving. On average, both total giving and assets per foundation are therefore higher for community foundations compared to other U.S. foundations.

Beyond size and giving rates, community foundations differ from other foundation types in several key ways. Each community foundation is fundamentally tied to a specific geographic area, where it works to serve the interests of donors, residents, and the community at large. As this report suggests, there is variation in the interpretation of community and the rigidity with which it is applied throughout the field, but this local focus remains at the core of all U.S. community foundations. To meet the varied philanthropic needs of their donors and the communities they serve, community foundations offer a range of fund types and services, grouped in the following way for the purpose of this report:

U.S. Community Foundations in the Broader Philanthropic Sector, 2014



Source: Foundation Center, 2017. Figures include all grants made by U.S. foundations included in Foundation Center's database for 2014, the most recent grant year for which comprehensive grants data are available.

Donor Directed

Donor/Corporate Advised Funds (DAFs): Funds held by the community foundation where an individual, family, or corporation may recommend charitable organizations to receive grants. The community foundation helps the donor by verifying the charitable status and mission of the organizations, identifying organizations they may want to support, and overseeing all financial management and reporting.

Supporting Organization: A nonprofit charitable corporation or trust that qualifies as a "public charity" due to its affiliation with the community foundation. They present an alternative to establishing a private foundation as they can provide greater tax benefits and allow the donor to take advantage of the administrative and grantmaking expertise of the community foundation. Supporting organizations differ from DAFs because they are distinct legal entities.

Designated Funds: Fund in which the nonprofit agency beneficiaries have been specified by the donor.

Discretionary

Unrestricted/Discretionary Funds: A fund which is not specifically designated to particular uses by the donor, or for which restrictions have expired or been removed. Income is granted at the discretion of the foundation.

Field of Interest Funds: Funds that are used for a specific category of charitable activity or a specific geographic region. Grants are made at the discretion of the community foundation within the defined subject or geographic area.

International Giving by U.S. Community Foundations

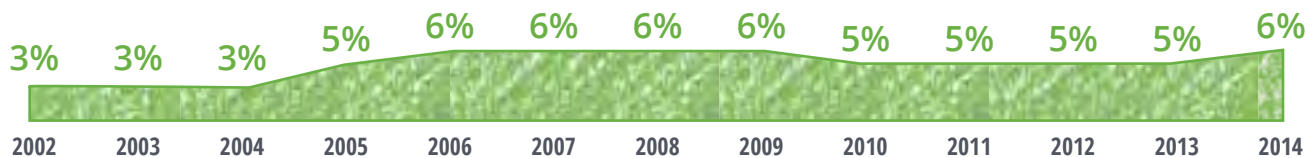
From 2002 to 2014 U.S. community foundations included in a set of 1,000 of the largest U.S. foundations awarded a cumulative total of \$1.3 billion to programs implemented outside the United States. In 2014, the latest grant year for which comprehensive data is available, the 98 community foundations included in the sample awarded \$223 million internationally, which represented 3 percent of the \$6.86 billion awarded internationally by all foundations included in the sample.

In 2014, 85 percent of community foundations included in the set made at least one international grant, compared to 67 percent in 2002. The proportion of grant dollars awarded by U.S. community foundations to programs and recipients abroad increased from 3 percent in 2002 to 6 percent in 2014. Notably, most of this growth took place between 2004 and 2006. Since then, the percentage of international giving by community foundations has remained relatively stable, at 5 or 6 percent, meaning that international giving has continued to grow at a pace equivalent to that of domestic grantmaking.

International Giving as a Percentage of Total Giving, 2002–2014

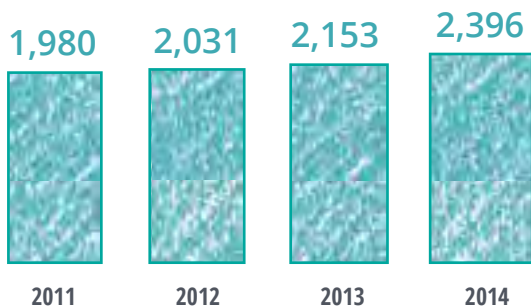


International grants have remained near 5% of total giving since 2006

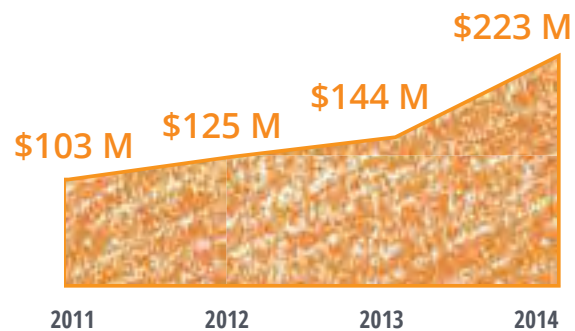


It is important to note that because Foundation Center’s grant sample is meant to provide an overview of giving by U.S. foundations overall, the number of community foundations included in the sample varies from year to year, making analyses of trends in grant dollars awarded over time challenging. However, looking at the period from 2011 to 2014, for which the sample stays more consistent, the international grant dollars awarded by U.S. community foundations more than doubled, from \$103 million to \$223 million. This increase in grant dollars suggests that U.S. community foundations’ global footprint is expanding and that funds channeled from and through communities across the United States are having an impact around the world.

Number of International Grants, 2011–2014



International Giving, 2011–2014



The average size of international grants increased from \$52,000 in 2011 to \$93,000 in 2014.



From 2011 to 2014, international grant dollars more than doubled from \$103 M to \$223 M.

Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by U.S. community foundations included in the FC 1000.

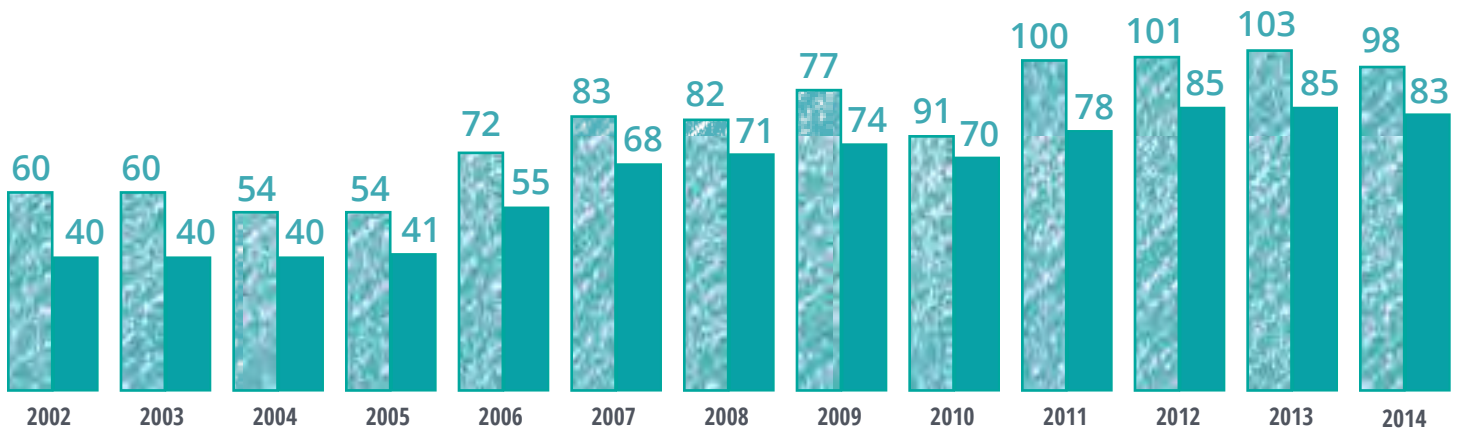
International Giving by U.S. Community Foundations

Number of Community Foundations in the Sample and Awarding International Grants

-  Community foundations awarding at least one international grant
-  Community foundations in the sample



In 2014, 85% of community foundations made international grants.



Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by U.S. community foundations included in the FC 1000.

The Influence of Silicon Valley Community Foundation



SVCF accounted for 44% of international giving by community foundations in 2014.

Since the merger of Peninsula Community Foundation and Community Foundation Silicon Valley in 2007, Silicon Valley Community Foundation (SVCF) has become the largest U.S. community foundation and one of the 10 largest U.S. foundations of any type. Over the past 10 years, its assets have grown at an average annual rate of 17 percent, from \$1.7 billion at the time of the merger to more than \$8 billion today. Aside from its asset size, SVCF is also proportionally more focused on international grantmaking than any other community foundation, ranking first not just by dollars and number of international grants, but also by number of international grants as percentage of total number of grants, and by international grant dollars as a percentage of total giving. To put this in perspective, from 2010 through 2014, the foundation awarded a total of \$272 million to programs implemented outside the U.S., \$223 million more than the Foundation for the Carolinas, the second largest international grantmaking community foundation over that period. In 2014 alone, SVCF awarded \$98 million to programs implemented abroad, 44 percent of the \$223 million awarded internationally by all other community foundations included in the sample combined.

A critical question for the purpose of this analysis is therefore: to what extent is SVCF skewing the figures and impacting the overall trends analysis? The figures for total dollar amounts going from U.S. community foundations to programs implemented abroad are trending upward, even if Silicon Valley is removed from the analysis entirely. Leaving out SVCF, the total dollar amount being awarded by U.S. community foundations to programs implemented abroad grew from \$69 million in 2010 to \$125 million in 2014, an 80 percent increase over a five year period. However, SVCF appears to be driving up the figures for the field on international giving as a proportion of total giving. Leaving out SVCF, international giving as a percent of total giving by U.S. community foundations remained steady between 2010 and 2014 at 3 percent, which corresponds with the field-wide figures for the period before the merger.

International Giving by U.S. Community Foundations

The majority (74 percent) of international giving by U.S. community foundations comes from donor and corporate advised funds (fund types are defined on page 04). Another 18 percent comes from supporting organizations. Only 8 percent of the total dollar amount of international grants awarded by community foundations came out of discretionary and field of interest funds.

Source Funds of International Grants



92% of international giving is from advised funds.

ADVISED FUNDS (DONOR & CORPORATE)

\$325 M | 6,258 grants



FIELD OF INTEREST

\$3 M | 77 grants



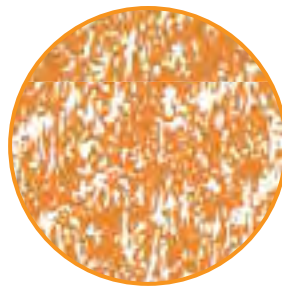
UNRESTRICTED & DISCRETIONARY FUNDS

\$10 M | 167 grants



DESIGNATED FUNDS

\$2 M | 27 grants



SUPPORTING ORGANIZATIONS

\$81 M | 270 grants



OTHER

\$20 M | 523 grants

Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by U.S. community foundations included in the FC 1000, combined for the period 2010-2014. For some community foundations, DAFs may be excluded or not possible to identify because fund type is not included in the data reported to Foundation Center.

Given that community foundations are focused on serving their local communities, it is not surprising that their international grants come primarily from donor-directed vehicles. However, this does not necessarily mean that international grantmaking diverts from a foundation's mission or community focus. Some foundations incorporate a global lens into their mission, others engage internationally in various ways beyond international grants directed by donors, and others define the community they serve in broad and inclusive ways. Others fund local nonprofits working internationally, and therefore strengthen their local nonprofit community through their international giving. Read more about U.S. community foundations' approaches to international engagement starting on page 12.

International Giving by U.S. Community Foundations

The 18 countries displayed above account for 75 percent of all international grant dollars awarded by U.S. community foundations from 2010 through 2014. The highest number of grants, 450, benefited organizations or programs in Haiti, although the average grant size was relatively small at \$40,000 and the total amount only accounted for about 5 percent of total international grant dollars. The high volume of relatively small grants awarded to Haiti is not surprising, given the 2010 earthquake and that community foundations commonly cite natural disasters as a key impetus behind international grantmaking.

International Giving by Beneficiary Country, 2010–2014



Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by U.S. community foundations included in the FC 1000, combined for the period 2010-2014. Grants may be awarded for work in more than one country and may therefore be counted more than once. Beneficiary country is determined by the geographic area served by the grant awarded. In those instances when data is not available for geographic area served, the location of the recipient organization determines beneficiary country.

Overall, middle and high income countries were overrepresented among the top beneficiary countries. Organizations located or working in the U.K. received the largest amount of grant dollars, accounting for 17 percent of total international giving by U.S. community foundations, with an average grant size of \$199,000. Only three of the top 18 beneficiary countries, Tanzania, Haiti, and Cambodia, were considered by the World Bank to be low-income countries in 2016. Grants benefiting these three countries combined represented 8 percent of the total international grant dollars.

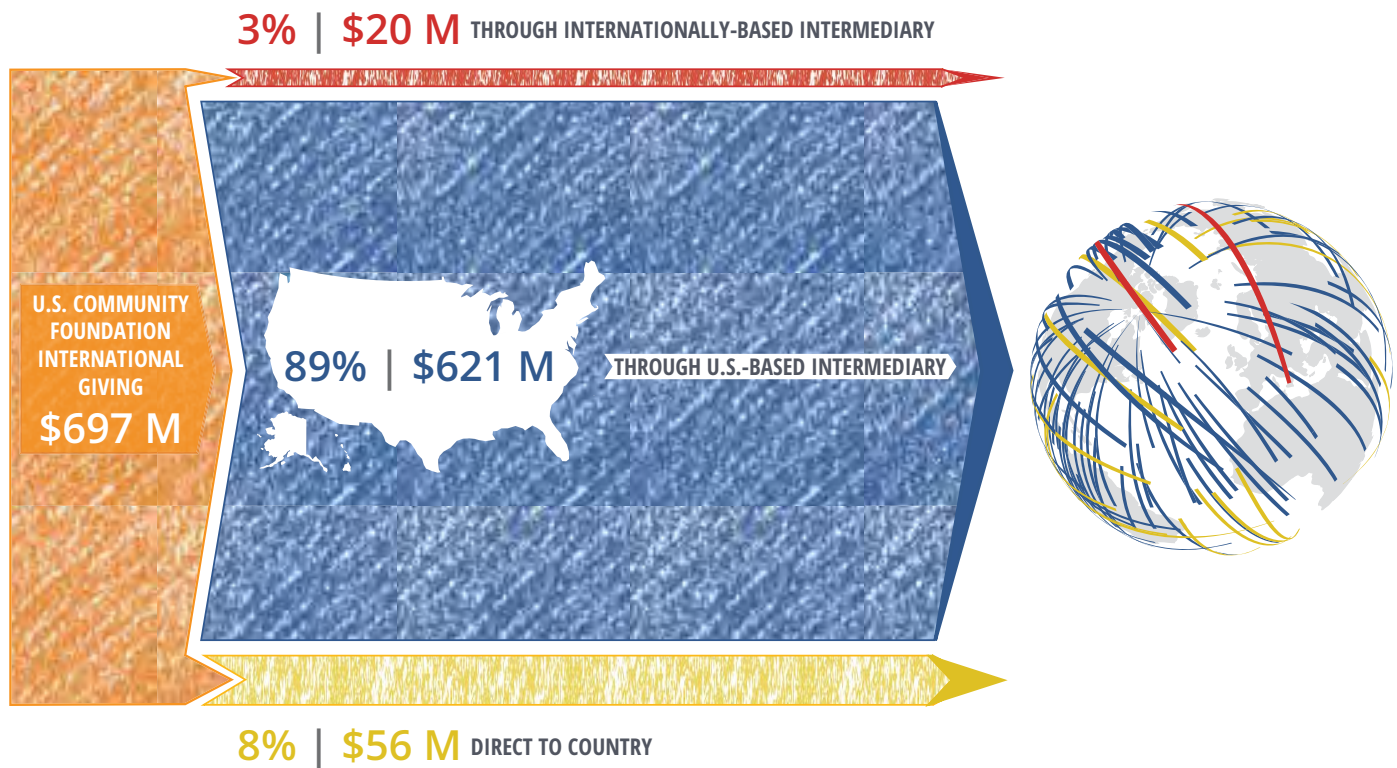
International Giving by U.S. Community Foundations

U.S. community foundations have three ways to make grants internationally: via U.S.-based intermediaries, via internationally-based intermediaries, or directly to nonprofits overseas. Between 2010 and 2014, 92 percent of international giving by U.S. community foundations flowed through intermediary partners in the U.S. or around the world. Only 8 percent of international grants awarded by U.S. community foundations went directly to organizations based in the country of implementation.



89% of international giving is via U.S.-based organizations working overseas.

Channels of Giving, 2010–2014

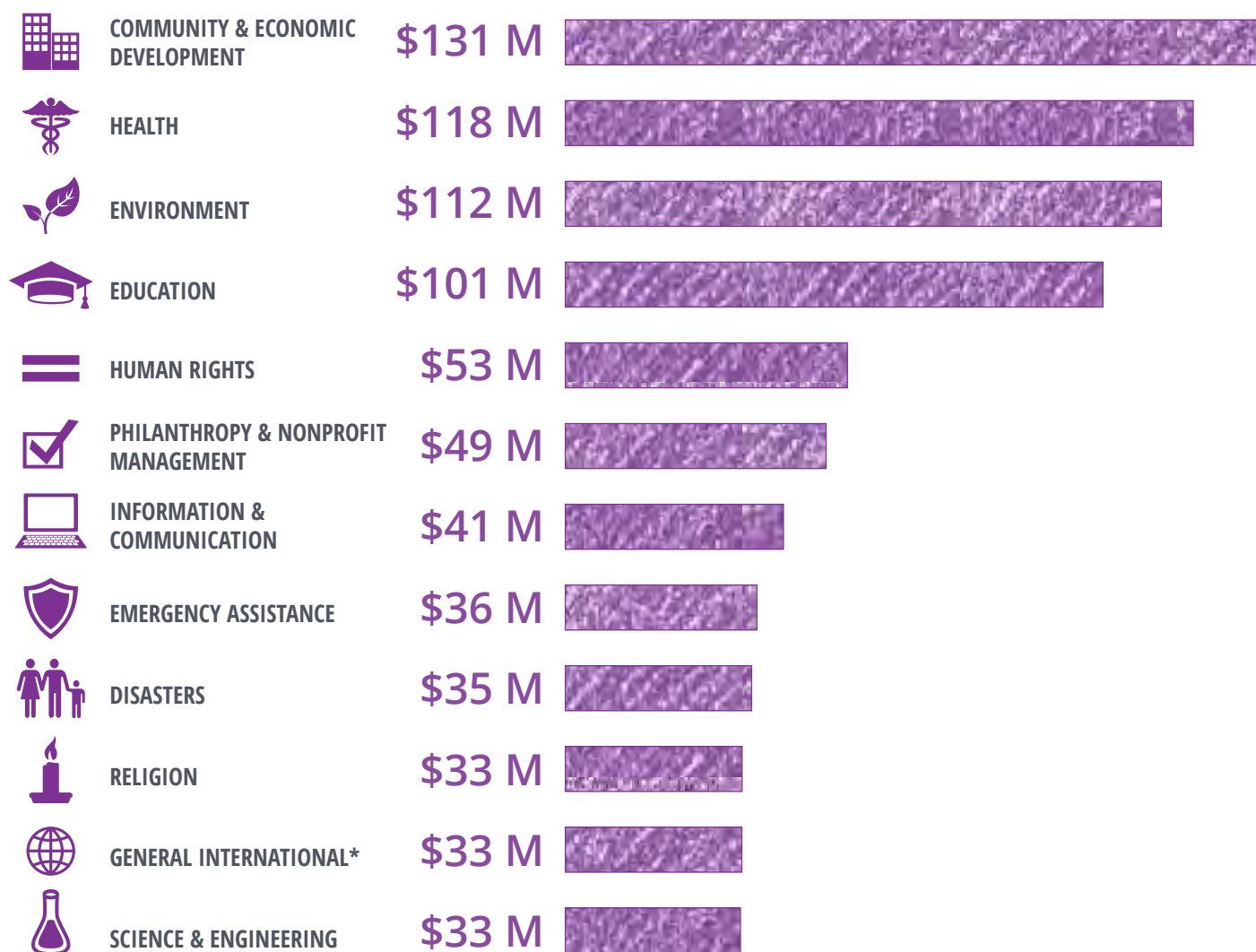


The distribution of international grantmaking by U.S. community foundations along these three channels of giving are partly a result of the regulatory requirements set by the U.S. government for making direct grants to organizations based abroad, i.e. expenditure responsibility and determination of equivalency to U.S. 501c3s. The risks and costs of awarding grants directly to recipients outside the United States was mentioned by the foundations interviewed for this report as significant barriers to international grantmaking. Read more about how community foundations are addressing these barriers, starting on page 12.

International Giving by U.S. Community Foundations

The four most supported subject areas of international grants by U.S. community foundations, community development, health, environment, and education, each benefited from more than \$100 million grant dollars combined from 2010 to 2014. Notably, education received almost double the amount of human rights, the fifth most supported subject area. The distribution of international grants by subject area differs substantially from domestic giving by U.S. community foundations**. For example, education received the most domestic grant dollars, while ranking fourth by international grant dollars. Community and economic development ranks sixth domestically but receives the most international grant dollars. Environment ranks seventh domestically but is the third most supported international subject area. Human rights and disasters, the fifth and ninth most supported international subjects are not represented among the 10 subjects receiving the most funds domestically from U.S. community foundations.

Top 12 Subject Areas Supported by International Grants, 2010–2014



Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by U.S. community foundations included in the FC 1000, combined for the period 2010-2014. Grants may benefit multiple subjects, and may therefore be counted more than once.











*General International refers to grants that were classified as one or both of the International Relations and International Development subjects but not as any other subjects, and can therefore not be distinguished from other international grants that support a variety of subject areas that fall within the definition of International Development or International Relations. Learn more about the Philanthropy Classification System [here](#).

** Top 10 domestic subjects supported by U.S. community foundations (2010-2014): Education (\$3.6 billion); Human Services (\$2 billion); Health (\$1.9 billion); Philanthropy and Nonprofit Management (\$1.6 billion); Arts and Culture (\$1.6 billion); Community and Economic Development (\$1.1 billion); Environment (\$1 billion); Religion (\$560 million); Sports and Recreation (\$421 million); Information and Communications (\$380 million). **Source:** Foundation Center, 2017. Grants of \$10,000 or more awarded domestically by U.S. community foundations included in the FC 1000, combined for the period 2010-2014.

International Giving by U.S. Community Foundations

The largest U.S. community foundation by international giving is Silicon Valley Community Foundation (SVCF). SVCF is the top international grantmaker, not only by the total dollar amount of international grants, but also by international grant dollars as a percentage of total giving and by number of international grants as a percentage of total number of grants awarded. Several of the 10 largest community foundations by total international giving are also among the 10 largest U.S. community foundations by total giving, including Greater Kansas City Community Foundation, the New York Community Trust, Foundation for the Carolinas, The Columbus Foundation, and the Boston Foundation.

Top 10 U.S. Community Foundations by International Giving, 2010–2014

	INTERNATIONAL GIVING		INTERNATIONAL GIVING AS A PERCENT OF TOTAL GIVING		INTERNATIONAL GIVING AS A PERCENT OF TOTAL NO. OF GRANTS
1	SILICON VALLEY COMMUNITY FOUNDATION  \$272 M		SILICON VALLEY COMMUNITY FOUNDATION 13%		SILICON VALLEY COMMUNITY FOUNDATION 15%
2	FOUNDATION FOR THE CAROLINAS  \$48 M		THE SEATTLE FOUNDATION 12%		THE SEATTLE FOUNDATION 12%
3	THE NEW YORK COMMUNITY TRUST  \$40 M		GULF COAST COMMUNITY FOUNDATION 12%		THE BOSTON FOUNDATION 9%
4	THE SEATTLE FOUNDATION  \$30 M		FOUNDATION FOR THE CAROLINAS 10%		THE NEW YORK COMMUNITY TRUST 8%
5	THE BOSTON FOUNDATION  \$25 M		MARIN COMMUNITY FOUNDATION 9%		MARIN COMMUNITY FOUNDATION 7%
6	THE SAN FRANCISCO FOUNDATION  \$21 M		NEW HAMPSHIRE CHARITABLE FOUNDATION 8%		COMMUNITY FOUNDATION OF COLLIER COUNTY 7%
7	MARIN COMMUNITY FOUNDATION  \$18 M		THE SAN DIEGO FOUNDATION 8%		THE DALLAS FOUNDATION 7%
8	GREATER KANSAS CITY COMMUNITY FOUNDATION  \$18 M		THE NEW YORK COMMUNITY TRUST 8%		NEW HAMPSHIRE CHARITABLE FOUNDATION 7%
9	GREATER HOUSTON COMMUNITY FOUNDATION  \$17 M		ORANGE COUNTY COMMUNITY FOUNDATION 8%		THE SAINT PAUL FOUNDATION 7%
10	THE COLUMBUS FOUNDATION AND AFFILIATED ORGANIZATIONS  \$13 M		THE BOSTON FOUNDATION 7%		THE SAN DIEGO FOUNDATION 6%

Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by U.S. community foundations included in the FC 1000, combined for the period 2010-2014.

Others, while not among the top 10 by total giving, give a high total amount and percentage of grant dollars and number of grants internationally, such as Seattle Foundation, Marin Community Foundation, and the San Diego Foundation. Some community foundations may not give a large dollar amount or number of grants internationally, but award a few large grants accounting for a high percentage of their total giving. The most notable example is Gulf Coast Community Foundation, which awarded only one international grant of \$1.5 million, accounting for 12 percent of its total grantmaking for the period from 2010 through 2014. The grant was awarded for general support to International Relief & Development, an organization based in Arlington, Virginia, that implements programs around the world. At the opposite end of the spectrum are Community Foundation of Collier County, the Dallas Foundation, and the Saint Paul Foundation/Minnesota Philanthropy Partners, which gave a large number of smaller grants internationally, that represented a small proportion of their total giving in dollars.

The Boston Foundation

Promoting Global Giving and Serving Internationally-Minded Donors

APPROACH

The Boston Foundation (TBF) engages globally both through sharing best practices and promoting international giving among community foundations. The main vehicle through which TBF supports and promotes global giving is The Philanthropic Initiative (TPI), a consulting firm that provides support to internationally minded donors through its Center for Global Philanthropy, which became an operating unit of the Foundation in 2012. The Center for Global Philanthropy serves as a resource for TBF's own donors and for other community foundations that are seeking services or technical support on the process of equivalency determination (ED) and expenditure responsibility (ER). This is a critical service, since donors cite legal processes and requirements as the main obstacles to giving internationally.

The second way TBF engages globally is through knowledge and field-building initiatives. For example, TBF gave a presentation at the September 2016 "Philanthropy for Better Cities Forum" hosted by the Hong Kong Jockey Club. The foundation also regularly hosts learning and networking events on global issues and international philanthropy for the Boston community and beyond. Additionally TPI's Center for Global Philanthropy is the home of New England International Donors, a vibrant community of some 125 individual and institutional donors that give globally, as well as the Community Foundation and Global Giving Network.

PROCESS

TBF carries out its international grantmaking through TPI's Center for Global Giving. In some cases the Center conducts its own ED and ER to make a direct grant, in other cases they work through a fiscal sponsor. In the past the center has worked with Charities Aid Foundation, and is currently piloting a partnership with NGOsource, a membership organization that supports U.S. grantmakers in streamlining their international giving and evaluating equivalency of foreign grantees. For grantmaking to organizations based in the U.K., the Center is exploring the use of National Philanthropy Trust U.K. to enable donors to receive both U.S. tax benefits and U.K. Gift Aid.

DRIVERS AND BARRIERS

Natural disasters are a major impetus behind international giving by the Boston Foundation's donors, in particular the 2010 earthquake in Haiti, the 2011 earthquake and tsunami in Japan, the 2014 Ebola breakout in West Africa, and the 2015 Nepal earthquake. Donors have also shared one or more of the following four reasons for their interest in international giving: (1) they have traveled to, or lived in another country, especially in the global south and recognize what a tremendous impact their dollars can have; (2) they are interested in global issues such as gender equality, trafficking, climate change, financial inclusion, education and employment, human rights, peace and security, and global health (3) they are part of a diaspora community and want to stay connected and support their country of origin (4) they have a specific Boston-based organization in mind that is focused on a global issue.

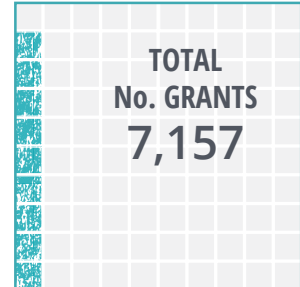
The Boston Foundation

TOTAL ASSETS (FY 2014) \$1.0 B

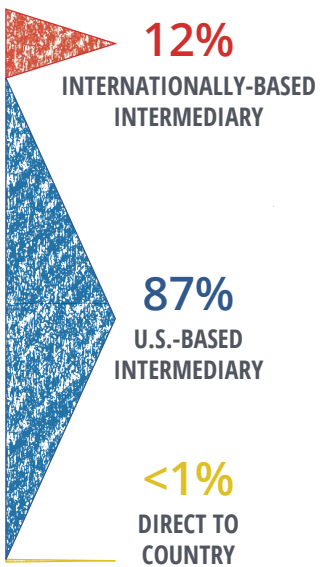


INTERNATIONAL GIVING
7% | \$25 M

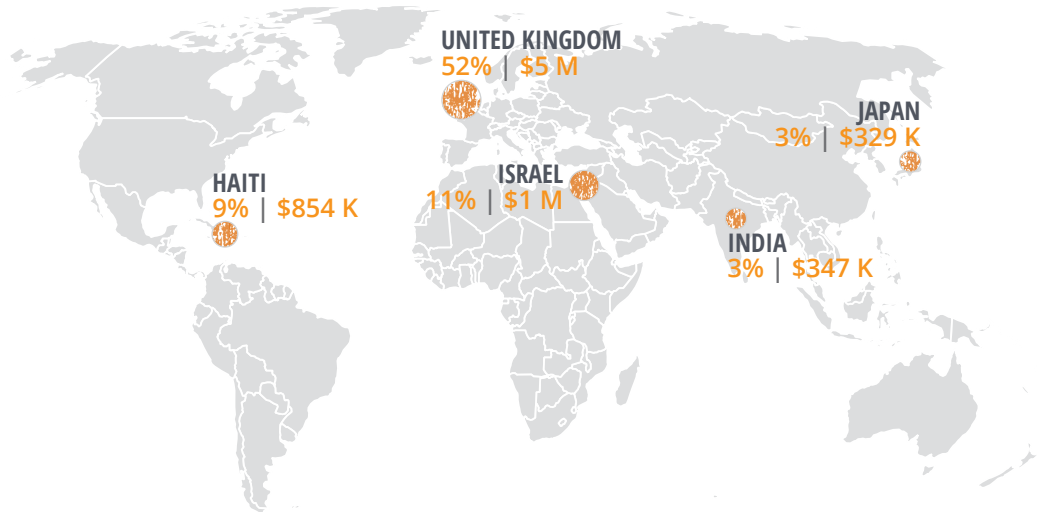
INTERNATIONAL GRANTS
9% | 674



CHANNELS OF GIVING



TOP 5 BENEFICIARY COUNTRIES



TOP 5 FUNDED SUBJECT AREAS



AVERAGE GRANT SIZE



Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by The Boston Foundation from 2010-2014 that were included in FC 1000. Figures tracked by The Boston Foundation show significantly more international grantmaking than the analysis of grants in Foundation Center's database.

Cleveland Foundation

A Global Approach to Local Economic Development

APPROACH

By leveraging international networks, experiences, and knowledge resources, the Cleveland Foundation brings a global perspective and awareness to their local community development work. Engagement with global initiatives, networks and learning resources has not been primarily driven by donors, but has been an integral part of the foundation's work on local economic development in Cleveland, led by internal staff with a strong background and interest in international development. In the past, the foundation has had a dedicated program on international relations through a fellowship fund, focused on connecting the Cleveland community to international opportunities, promoting Cleveland through international trade missions and working with local economic development stakeholders to build their capacity to engage in international issues. The Evergreen Program is a key component of the foundation's economic development strategy, focused on building worker-owned cooperatives modeled after an approach developed in Spain. The development of this programmatic area has included several learning trips to Spain for the foundation's leadership team.

A second way the Cleveland Foundation draws on international learning and knowledge exchange to serve their local community is engaging in funder collaboratives. The foundation supported development of the Working Group on Building Broader Communities in the Americas, an informal funder alliance with both U.S. and Latin American community foundations, led by CFLeads. This partnership allows the foundation to increase engagement with their local Latino community, the fastest growing immigrant community in Cleveland, and to promote diversity and inclusion through cross-cultural engagement and learning. To provide resources for donors that may be interested in funding programs abroad, the Cleveland Foundation previously partnered with other community foundations, including the Seattle Foundation and Boston Foundation to pilot the Community Foundation Global Giving Network (active between 2010 and 2012). Cleveland found that only a small proportion of their donors were interested in funding internationally during this period, however, and does not currently actively promote international giving to its donors.

PROCESS

The Cleveland Foundation does not make direct grants to foreign recipients. A small percentage of their total giving, about 1 percent, goes toward programs that are implemented abroad by U.S.-based nonprofits, all of which are funded through DAFs.

DRIVERS AND BARRIERS

The Cleveland Foundation's international engagement is primarily programmatic and mission-driven. The foundation engages in international knowledge exchange and network building through their programmatic work on local economic development. Beyond these activities that support the foundation's mission, and because of the lack of interest by donors in funding internationally, the Cleveland Foundation is not promoting or building capacity for international giving. While the foundation's leadership team is aware of the increasing global engagement of individual large community foundations, they are no longer actively involved in sector-wide initiatives to promote global giving, but focus instead on creative ways of incorporating a global perspective into their local grantmaking.

Cleveland Foundation

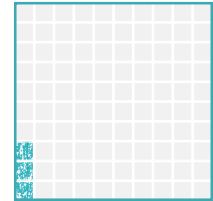
TOTAL ASSETS (FY 2014) \$2.2 B



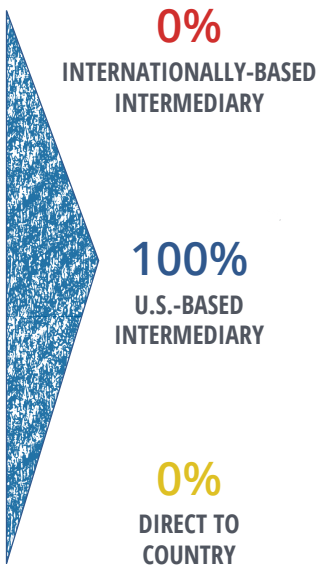
INTERNATIONAL GIVING
1% | \$4 M

TOTAL
No. GRANTS
3,440

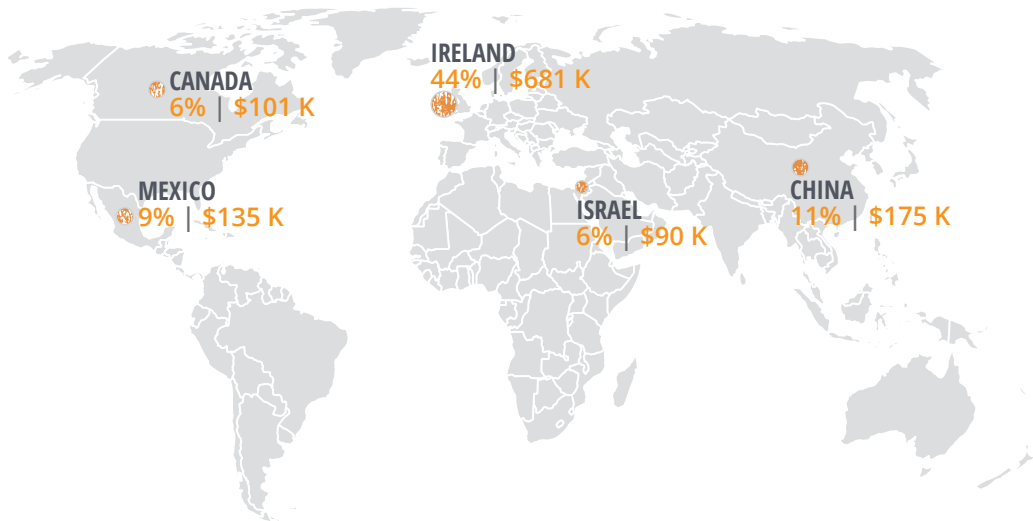
INTERNATIONAL GRANTS
3% | 105



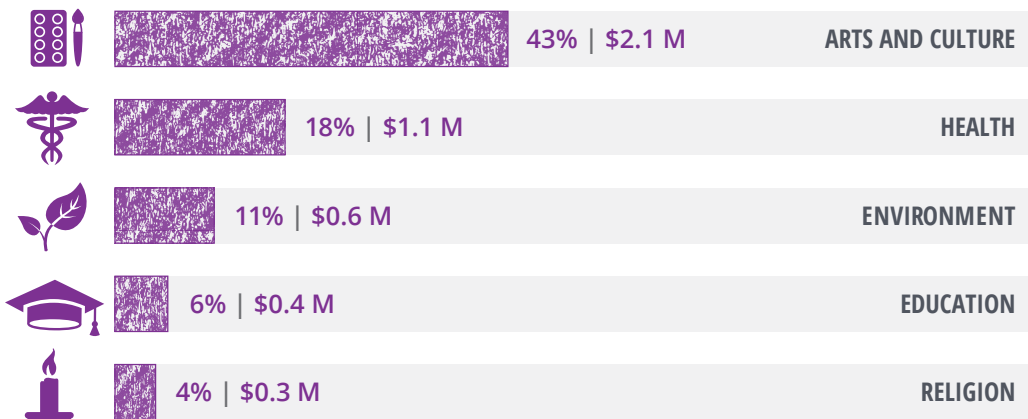
CHANNELS OF GIVING



TOP 5 BENEFICIARY COUNTRIES



TOP 5 FUNDED SUBJECT AREAS



AVERAGE GRANT SIZE



Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by the Cleveland Foundation from 2010-2014 that were included in FC 1000.

Greater Houston Community Foundation

Engaging a Diverse Donor Community

APPROACH

Greater Houston Community Foundation (GHCF), a relatively young foundation established 21 years ago, has been making grants internationally for more than 10 years. The foundation proactively promotes their international grantmaking ability to potential and current donors, such as through a guide that outlines fees and options, dedicated staff capacity on international grantmaking, and joint research with donors on prospective partners in particular regions. As an example, this work has included consulting for donors interested in making grants to programs in Syria.

Beyond grantmaking, the foundation has an anti-human trafficking donor working group. While the group is primarily focused on the Houston area, it approaches the issue of trafficking through a global lens. The foundation also has local programming about global issues as part of its donor education programs. An event that was highly attended and sparked significant interest was a screening of the film *Poverty Inc.* in 2016. Finally, the foundation is in regular contact with its extended network on international issues to scope out emerging opportunities for engagement, given that a key need expressed by donors is to have access to a peer network of other global grantmakers and to exchange knowledge and experiences.

PROCESS

Most international grants are made through U.S. organizations. The foundation does not track international programs that are funded through U.S. organizations internally and was therefore surprised to learn about the levels reported in the analysis for this report. Currently the process of undertaking ER is outsourced to Paragon Philanthropy. Donors pay the fees required to cover the additional costs of undertaking international grantmaking. Fees and other details are outlined in a global grantmaking guide that the foundation shares with potential and current donors during prospect meetings.

DRIVERS AND BARRIERS

Eighty five percent of GHCF's funds are donor advised and the impetus for international grantmaking has been donor driven. The demographics of Houston are likely linked to international interests of DAF holders, including a large community of missionaries who have worked abroad, diaspora and immigrant populations, and an overall diverse population. The city also has a number of globally-focused local non-profits, such as the Asia Society of Houston, that work with GHCF. Through their Next Gen program the foundation has seen a particular interest in international issues among younger donors. There has also been a significant response to international disasters, especially the earthquake in Haiti, illustrating both the global interest of community members as well as a shared understanding of disaster response given Houston's history of hurricanes.

Greater Houston Community Foundation

TOTAL ASSETS (FY 2014)
\$554 M

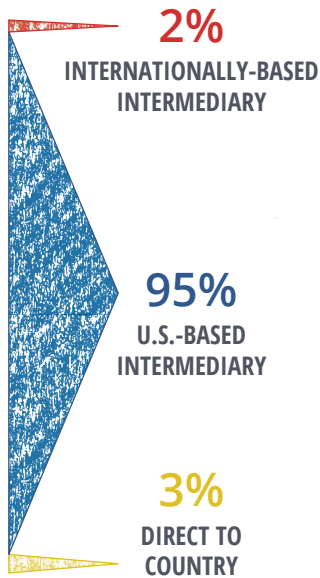


INTERNATIONAL GIVING
5% | \$17 M

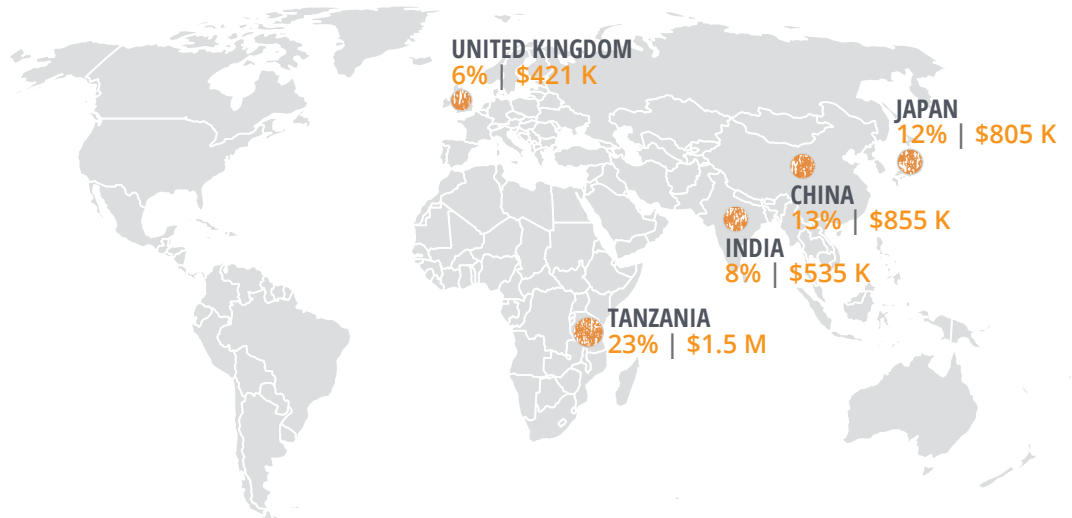
TOTAL
No. GRANTS
5,073

INTERNATIONAL GRANTS
4% | 220

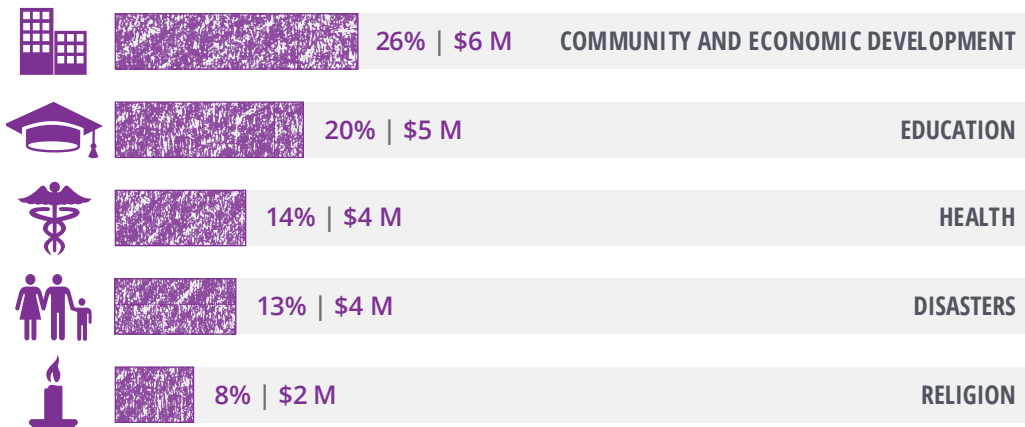
CHANNELS OF GIVING



TOP 5 BENEFICIARY COUNTRIES



TOP 5 FUNDED SUBJECT AREAS



AVERAGE GRANT SIZE



Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by the Greater Houston Community Foundation from 2010-2014 that were included in FC 1000.

Seattle Foundation

Fostering Global Impact in Partnership with Globally-minded Philanthropists

APPROACH

Recognizing the diversity and passion to address global challenges among its donor base, Seattle Foundation has created the Healthy Community Framework, which includes global giving among the eight core elements of a healthy community. In 2008, Bill and Paula Clapp founded Seattle International Foundation (SIF), a supporting organization of Seattle Foundation, with the aim of increasing and enhancing international philanthropy efforts from the Pacific Northwest region. Since its founding, SIF has provided more than \$19 million in grants to nonprofits organizations working worldwide, with a focus on leadership development and public policy in Central America. Seattle Foundation continues to partner closely with SIF to provide effective advising, intermediary services, education, and experiential learning for internationally minded donors, including organizing international delegations to Guatemala, Panama, Vietnam, and India, and curating local learning opportunities in Seattle. Seattle Foundation was also involved in the Community Foundation Global Giving Network (active from 2010 through 2012) housed at the Boston Foundation.

PROCESS

The majority of international grants awarded internationally support U.S. 501c3 organizations or intermediary grantmaking organizations, such as the Global Fund for Women. A small minority of individual philanthropists and families working with Seattle Foundation make grants directly to foreign charities through their funds and a majority of SIF's grantmaking goes directly to nonprofit organizations based in Latin America.

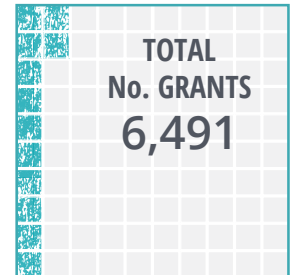
The foundation has substantial internal capacity and provides specialized support to process grants to foreign organizations and carry out ER. SIF has deep experience working in Latin America, more specifically Central America and Mexico, with bilingual staff in the U.S., an office in Mexico City, and satellite offices in Honduras and Guatemala, allowing the foundation to facilitate grantmaking and partnerships for donors interested in the region. When it comes to other regions of the world, Seattle Foundation generally works with partners or intermediary organizations that have relevant language skills and experience working on the ground. The foundation also works with SIF, Global Washington, Global Partnerships, and others to help donors identify and swiftly transfer funds to organizations working across specific issue areas, populations, development strategies, or geographies.

DRIVERS AND BARRIERS

The vibrant global development sector in Seattle, coupled with the diverse background and deep passion for global issues amongst the foundation's philanthropic base, have been key drivers behind Seattle Foundation's global engagement. Measuring impact is a primary technical and operational barrier for donors and grantmaking institutions, especially when internal staff do not have experience in a specific region, or there is a language barrier. There are also more philosophical barriers; challenges facing developing countries, especially the most marginalized populations, are complex. The Sustainable Development Goals provides a useful framework to think about these major challenges, yet the complexities can be daunting. It is therefore crucial to create opportunities for U.S.-based philanthropists to genuinely connect with programs on the ground through experiential learning.

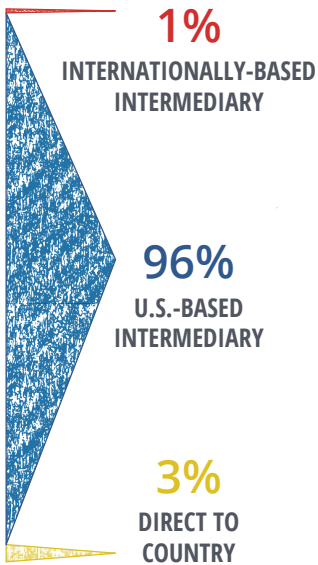
Seattle Foundation

TOTAL ASSETS (FY 2014) \$803 M

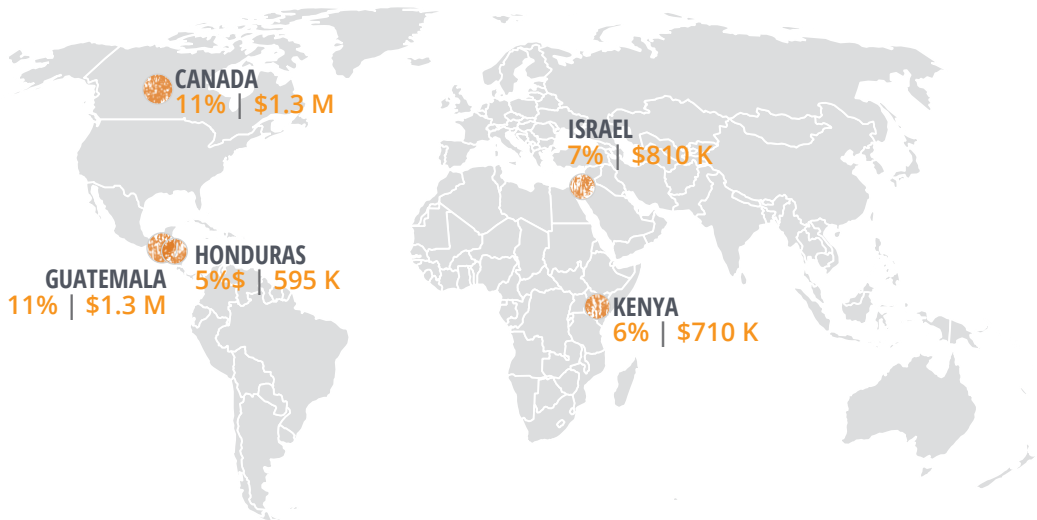


INTERNATIONAL GRANTS
12% | 803

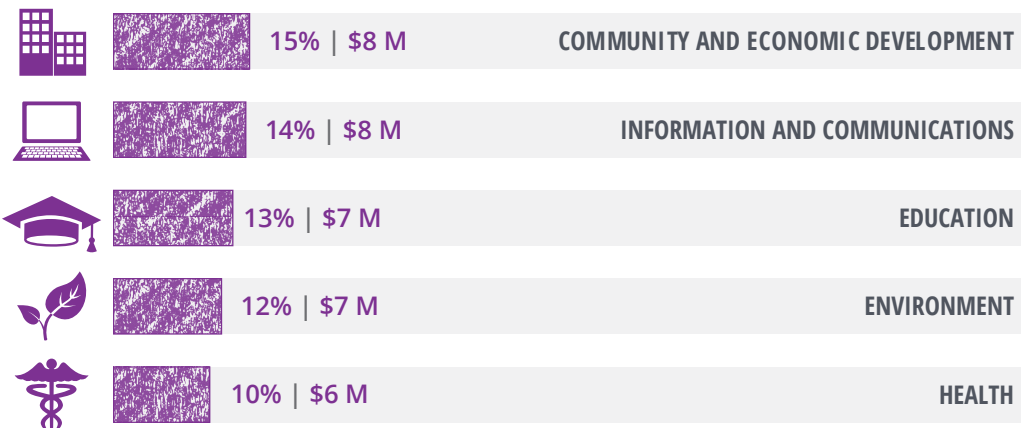
CHANNELS OF GIVING



TOP 5 BENEFICIARY COUNTRIES



TOP 5 FUNDED SUBJECT AREAS



AVERAGE GRANT SIZE



Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by the Seattle Foundation from 2010-2014 that were included in FC 1000.

Silicon Valley Community Foundation

Transforming the Definition of Community

APPROACH

Ten years ago the Peninsula Community Foundation merged with the Community Foundation Silicon Valley to create the Silicon Valley Community Foundation (SVCF). From an asset base of \$1.7 billion at the beginning of the merger, assets have grown at a rate of 17 percent per year. Today SVCF has an asset base in excess of \$8 billion, has awarded over \$8 billion, and has become the largest community foundation in the world. At the heart of the newly merged foundation was a call to broaden the definition of community beyond a place-based construct, to push innovation, and to be transformational. In recent years, SVCF has made grants in 69 countries and even receives some contributions from overseas. Based on analysis of grantmaking to programs implemented abroad, SVCF ranks number one by total international giving, by international giving as a percent of total giving, by number of international grants as percent of total number of grants, and by total number of international grants. These high figures are perhaps linked to the foundation's location, where 37 percent of the 3.5 million residents were born outside the United States. For SVCF, it is clear that cross-border giving will continue to be an important component of a strategy that includes a broader definition of community.

PROCESS

According to data analyzed for this report, a significant proportion of grants awarded by SVCF to programs implemented abroad is awarded to recipient organizations outside the U.S.: about \$15 million (6 percent) to international intermediary organizations and \$41 million (15 percent) directly to implementing organizations based outside the U.S. In comparison, only 8 percent of the total international grant dollars awarded by U.S. community foundations included in this analysis went directly to organizations based outside the U.S. The availability of and knowledge about appropriate vetting opportunities is crucial in mitigating the risks involved in making direct grants to programs abroad. SVCF, because of its scale, has been able not only to build the capacity for appropriate vetting within the organization, but also to offer it as a service to others, especially corporate partners interested in global grantmaking. Over 1,000 organizations are now in its database of vetted organizations.

DRIVERS AND BARRIERS

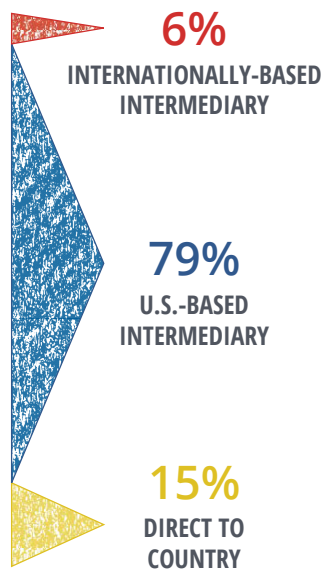
While over 80 percent of the foundation's giving currently comes from donor or corporate advised funds, it would not be correct to conclude that the impetus for international giving comes primarily from donors, but rather this is one among a number of factors. International grantmaking as a component of the foundation's overall strategy was supported from the outset by the new board of the foundation. It was a recognition that people existed in multiple personal and professional communities, that beyond geography there are communities of identity and communities of interest.

Clearly there has been some pushback to both the expanded definition of community and to the foundation's international giving itself. Partly that is to be expected from a merger that needed to bridge two different organizational cultures. However, the fact that almost half of SVCF's giving benefits programs and organizations in the Bay Area and the lion's share of the remainder goes to other areas within the U.S. helps to diffuse the pushback. Beyond pushback is the concern for most community foundations associated with the perceived risks of international grantmaking. ED and ER are among these concerns and can be significant obstacles.

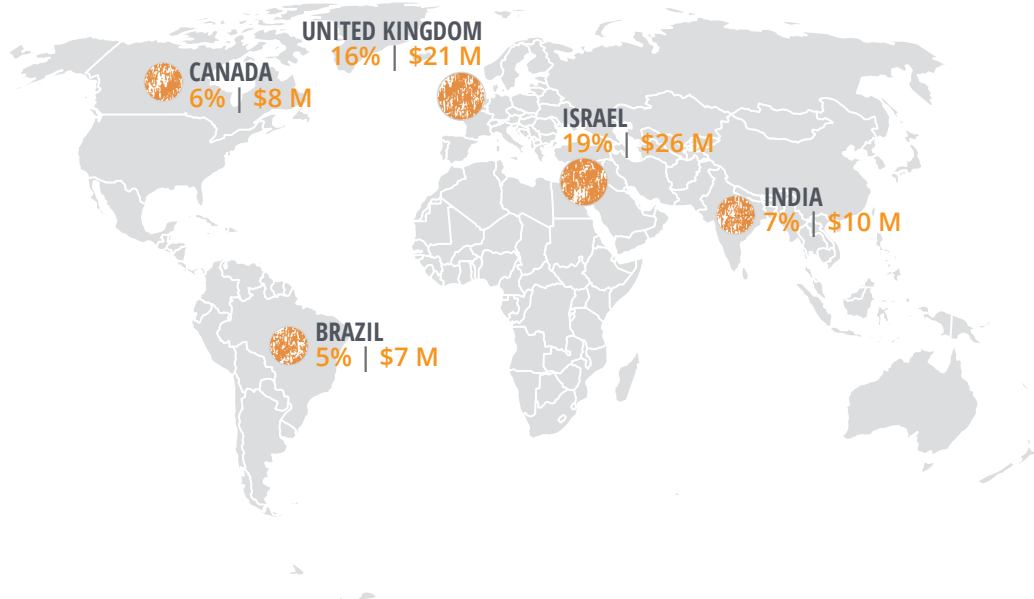
Silicon Valley Community Foundation



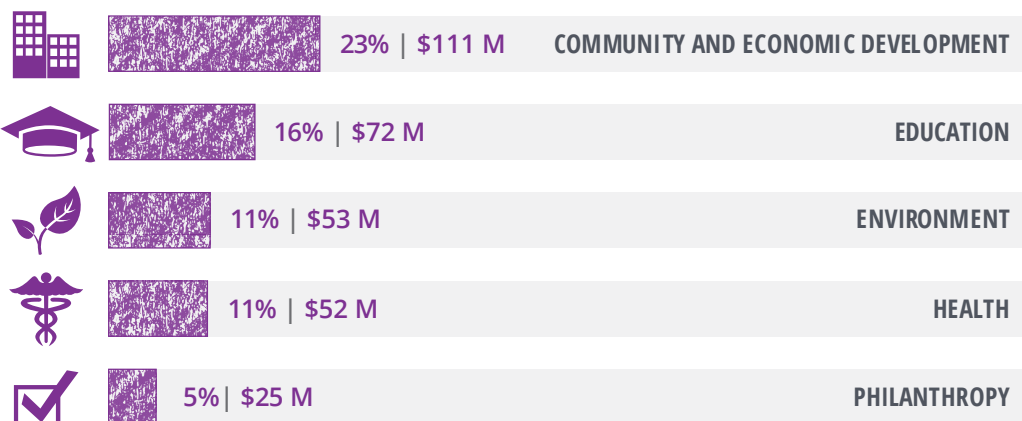
CHANNELS OF GIVING



TOP 5 BENEFICIARY COUNTRIES



TOP 5 FUNDED SUBJECT AREAS



AVERAGE GRANT SIZE



Source: Foundation Center, 2017. Figures include all international grants of \$10,000 or more awarded by the Silicon Valley Community Foundation from 2010-2014 that were included in FC 1000.

Key Takeaways and Opportunities for the Field

Global Engagement by U.S. Community Foundations is Growing but Isn't New

The report is the first-ever analysis of global grantmaking data from large U.S. community foundations, showing that funding international programs is becoming increasingly common.

The amount of giving is also increasing, with global program funding doubling between 2011 and 2014, and more than \$1.3 billion in documented international giving by U.S. community foundations between 2002 and 2014. As with domestic grantmaking, community foundation grants support a wide range of programs implemented around the world, ranging from disaster relief to education and health to research.

If international giving remains at approximately 6 percent of overall giving by U.S. community foundations, the amount of funds flowing towards programs overseas will increase as the overall grantmaking by these foundations continues to grow. Therefore, the sector should carefully consider the resources and capacity needed for community foundations to effectively engage globally.



In 2014, 85 percent of the largest community foundations made at least one grant internationally, compared to 67 percent in 2002.



Changing Definitions of Community

The Council on Foundations and Foundation Center have no institutional opinion on whether American community foundations *should* or *should not* make grants globally. Historically, U.S. community foundations have been considered local, place-based institutions that serve as community anchors and leaders for local needs within a specific geography.

Our interviews highlight foundations committed to reflecting the diversity of their community in their grantmaking and therefore willing to channel donor funds to issues at home, around the country, and around the world. SVCF, which has a community that is more than 35 percent foreign-born, is often seen as a leader in discussing this demographic-driven model for global engagement, but similar motivations are reflected in experiences from Boston, Seattle, and Houston, where diverse, globally-engaged and diaspora populations are using DAFs to support programs around the world.



Today, the largest U.S. community foundations embrace a broader, more nuanced definition of "community."

This expanded definition of "community" is not a new conversation for the field. A 1999 publication by the Council on Foundations made the case for "Grantmaking in the Global Village." Global grantmaking by large community foundations, as the data shows, is also not inherently "new" although it has never been systematically analyzed before.



Key Takeaways and Opportunities for the Field

From 2010 – 2012, the Community Foundation Global Giving Network pilot, based at the Boston Foundation, provided back-office support to several community foundations to undertake EDs, ERs, and due diligence activities.

Although data limitations restricted our analysis to these largest foundations, both the Council and CF Insights have worked with small and medium sized community foundations that are supporting international programs, either through U.S. 501c3 organizations and intermediaries, or directly to grantees around the world.

Need for Data Improvements

We see this report as a baseline study upon which further, improved studies may be built. We believe this data can help the philanthropic field better understand its international footprint and encourage community foundations working internationally to engage with other global grantmakers, share effective strategies, and join sector-wide conversations about global issues.

In particular, the descriptions of many of the grants included in this analysis lacked sufficient detail to allow them to be identified as supporting international programs. For example, some grants to U.S. and international intermediaries may not have specified the international nature of the work of those organizations and so would not have been counted toward grantmaking to the countries that ultimately benefited from the grants. And in many cases, grant descriptions may have described programs as generically “international” or “global” or benefiting “developing countries,” making it impossible to specifically document the specific regions or countries benefiting from those grants.

By providing greater detail on the geographic focus of each grant when completing their annual 990 tax forms, foundations can help ensure that international grants are more readily identified and counted in future iterations of this research.



Due to data limitations, this report represents a conservative estimate of international giving by U.S. community foundations.



Motivations and Methods of Global Engagement Differ

The majority of international giving by large U.S. community foundations is via donor and corporate advised funds. However, for some large community foundations, the decision to offer global grantmaking options to their donors is a strategic form of community leadership and not solely a donor-responsive or donor-driven decision. Seattle, for example, created the Seattle International Foundation to support international interests; the Boston Foundation houses New England International Donors, a giving circle and initiative to encourage international giving by individuals and families across the region.

Grantmaking is not the primary avenue for global engagement for some community foundations. The Cleveland Foundation, for example, has a long history of engaging globally without a significant amount of international grantmaking but instead through trade delegations or hosting international fellows. Other community foundations engage with sister cities around the world.

Key Takeaways and Opportunities for the Field

The Building Broader Communities in the Americas initiative, created in 2015, is an example of how the field is working to engage globally with peer community foundations and build transnational relationships that link immigrant communities in the U.S. with communities of origin in Latin America.

Given the growing network of community foundations outside the U.S., there are more and more opportunities for this type of global engagement by American communities with community foundations in other countries and contexts around the world.

Our neighbors at Community Foundations of Canada (CFC) regularly demonstrate how community foundations can engage globally, even without making international grants. CFC has a long history of partnering with peer philanthropy networks around the world to explore shared challenges around issues like migration and community integration. They regularly take delegations of Canadian community foundation leaders to conferences in other countries, bringing back new approaches, lessons learned, and relationships to strengthen domestic programs in Canada.

This diversity of motivations for international giving and possible forms of global engagement by community foundations highlights how all community foundations, no matter the size or geographic location, can engage internationally, either via grantmaking or other activities.

International Giving via U.S.-Centric Channels

For many U.S. community foundations, grantmaking through U.S. partners isn't counted as international grantmaking, which may explain why many assume they either don't work internationally or that very few U.S. community foundations make global grants.



U.S. community foundations primarily support global programs via U.S.-based 501c3 nonprofit organizations that implement programs overseas.



For some, like in Houston, giving through American partners who work internationally is a way to strengthen international non-profits based in the Houston region, like the Asia Society of Texas. For others, supporting international programs via a U.S. partner means reduced complexities and cost, both of which are associated with making grants to non-American grantees.

There are many motivations for giving through American partners, especially given the complex IRS requirements for giving to non-501c3 organizations.

Awareness and trust are also drivers of giving through known American partners who have deeper ties to the countries and communities where programs are implemented, since community foundations in the U.S. do not typically have internationally-based staff (with the exception of Seattle International Foundation) and may lack in-depth knowledge about NGOs in the countries where the grants will be implemented.

Key Takeaways and Opportunities for the Field

Opportunities to Engage Non-U.S. Community Foundations

To date, there is little evidence of U.S. community foundation engagement with their non-U.S. peers. Between 2010 and 2014, we did not find a single grant between U.S. community foundations and community foundations in the global south.

In 2014, the community foundation field marked an important anniversary: 100 years of community foundations in the U.S. To commemorate this milestone, the Community Foundation Atlas was launched at the Council on Foundations Community Foundation Conference in Cleveland. The CF Atlas (communityfoundationatlas.org) lists more than 1,800 community foundations on five continents. More than 70 percent of the foundations were created after 1990.

The rapidly growing global network of global community foundations provides a key opportunity for U.S. community foundations to build global relationships for engagement and learning as well as grantmaking. This approach could capitalize on the local expertise of community foundations outside the U.S. in achieving impact, reduce the burden of vetting individual international NGOs, and simultaneously work to strengthen the growing global community foundation field.



The Global Fund for Community Foundations in South Africa, one of the co-creators of the Atlas, can also be a key partner for matchmaking between U.S. and non-U.S. community foundations, especially when a U.S. foundation has a particular region of interest.



Opportunities to Leverage Global Partners

For those community foundations choosing to fund internationally, the broader philanthropic sector in the U.S. has many resources to help improve the effectiveness of global grantmaking. A growing domestic network of intermediary service providers are already working with community foundation clients to support international giving, from NGOsource with equivalency determinations, Paragon Philanthropy with expenditure responsibility, or full-service international grantmaking via United Way Worldwide, CAF America, King Baudouin Foundation, Resource Foundation, SVCF, Tides, or others.

Community foundations looking to engage in direct giving to non-U.S. grantees could benefit from seeking input from peers such as SVCF and Seattle, who have developed proficiency in this approach over time, as well as other grassroots donors in the U.S. who regularly make relatively small grants directly to non-U.S. grantees. As they become more active global philanthropic actors, U.S. community foundations can also utilize existing trainings and workshops on international philanthropy and join conversations about trends in global giving by U.S. philanthropy.

Key Takeaways and Opportunities for the Field

They may also want to participate in philanthropic networks that focus internationally, whether those are geographically focused, like the African Grantmakers Affinity Group, or issue-specific like the Environmental Grantmakers Association or International Human Rights Funder Group. The Council on Foundations has a



Regardless of the approach to international giving, it is important to recognize that the sector includes many foundations with decades of experience in grantmaking globally whose learnings are available for the field to draw upon.



significant international program that can help with many elements of international grantmaking and several regional associations, including Philanthropy New York, Minnesota Council on Foundations, and Southern California Grantmakers also have globally-focused working groups that address issues around legal compliance, strategy, and networking around global issues.

About Foundation Center

Established in 1956, Foundation Center is the leading source of information about philanthropy worldwide. Through data, analysis, knowledge sharing and training, it connects people who want to change the world to the resources they need to succeed. Foundation Center maintains the most comprehensive database on U.S. and, increasingly, global grantmakers and their grants — a robust, accessible knowledge bank for the sector. It also operates research, education, and training programs at more than 450 funding information centers around the world.

In line with its global strategy, Foundation Center works in partnership to strengthen the international philanthropic sector by connecting, representing and highlighting the role of philanthropy in the global development ecosystem, and supports foundations and philanthropic associations around the world by providing the tools and resources needed for the sector to continue to professionalize and achieve more effective grantmaking and development outcomes. Foundation Center also works with partners to build the data and knowledge capacity of the sector, undertake joint research and data initiatives and facilitate learning exchanges.

About Council on Foundations

An active philanthropic network, the Council on Foundations, founded in 1949, is a nonprofit leadership association of grantmaking foundations and corporations. It provides the opportunity, leadership, and tools needed by philanthropic organizations to expand, enhance and sustain their ability to advance the common good. The Council empowers professionals in philanthropy to meet today's toughest challenges and advances a culture of charitable giving in the U.S. and globally.

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