



The Association
of **Baltimore Area**
Grantmakers

A membership organization dedicated to promoting philanthropy

The State of Foundation Giving in Maryland

2005

In an economic climate of growth and prosperity or in a lean time of belt-tightening and cutbacks, Maryland's grantmaking foundations provide vital funds to nonprofit organizations that feed the hungry, protect the environment, promote the arts, teach children, and much, much more. ABAG has tracked foundation giving in Maryland for the past five years in order to understand the role foundations play in our state. This report details foundation giving in Maryland in 2003, the latest year for which IRS data are available.

How Much Money Did Foundations Hold and Give in Maryland?

The assets of Maryland foundations rebounded strongly from their losses in 2002, increasing 15% between 2002 and 2003 to \$10.4 billion. Here are some other important numbers:

- In 2003, there were 1,350 foundations in Maryland, slightly lower than in 2002, when there were 1,376 foundations.
- Total giving from these foundations was \$640 million, up by 3% from 2002. This was the second year in a row of steady, modest increases in giving by Maryland foundations.

The Greater Baltimore region reflected these statewide trends, with assets rising 15% from \$6.5 billion to \$7.4 billion; and giving rising by 2% from \$421 million to \$428 million.

How Much Money Did Foundations Hold and Give in the United States?

Foundations in the United States held about \$476 billion in assets in 2003, a 9% increase from the previous year. Here are a few relevant facts:

- In 2003, there were 66,398 foundations, an increase from 2002, when there were 64,843 foundations.
- Total giving from these foundations was \$30.3 billion, about the same as in 2002.
- Foundations in the Northeast accounted for 48.1% of overall foundation giving; in this region, foundations increased their giving by 3.1% from 2002 levels.

Both the asset increase and giving increase were greater for Maryland's foundations than for the United States as a whole; this is comparable to a number of other states in the Northeast.

Why Didn't Foundation Giving Increase at the Same Rate as Foundation Assets?

Foundations typically base their giving budgets on the averages of their assets from two to five years prior to the year of giving. Therefore, giving increases often lag behind asset increases. The reverse is also true: a decline in giving often lags behind a decline in assets.

Top 20 Maryland Foundations by Giving - 2003

Foundation	City	Giving, \$
1	Annie E. Casey Foundation	172,796,971
2	Harry & Jeanette Weinberg Foundation	100,951,353
3	Ellison Medical Foundation	32,973,059
4	Baltimore Community Foundation	19,444,166
5	Sherman Fairchild Foundation	13,429,593
6	Eugene B. Casey Foundation	12,540,500
7	Abell Foundation	8,222,428
8	France-Merrick Foundation	8,116,274
9	Alvin & Fanny Blaustein Thalheimer Foundation	7,310,000
10	Lockheed Martin Corporation Foundation	7,052,143
11	Jacob & Hilda Blaustein Foundation	5,266,278
12	Open Society Institute – Baltimore	4,928,924
13	John W. Kluge Foundation	4,343,000
14	GEICO Philanthropic Foundation	3,852,907
15	Aaron & Lillie Straus Foundation	3,768,310
16	James M. Johnston Trust	3,667,305
17	Clark-Winchole Foundation	3,549,725
18	Laszlo N. Tauber MD Foundation	3,505,650
19	Goldseker Foundation	3,472,835
20	Rollins-Luetkemeyer Foundation	3,381,890

Top 20 Maryland Foundations by Assets - 2003

Foundation	City	Assets, \$
1	Annie E. Casey Foundation	3,106,521,250
2	Harry & Jeanette Weinberg Foundation	1,792,785,632
3	Sherman Fairchild Foundation	424,394,012
4	Abell Foundation	207,597,628
5	France-Merrick Foundation	191,568,127
6	Eugene B. Casey Foundation	171,300,260
7	Baltimore Community Foundation	120,896,591
8	Commonweal Foundation	106,354,598
9	Jacob & Hilda Blaustein Foundation	103,771,172
10	Clark-Winchole Foundation	102,442,764
11	Goldseker Foundation	91,831,971
12	James M. Johnston Trust	81,719,148
13	John W. Kluge Foundation	69,816,014
14	Joseph Meyerhoff Fund	64,957,273
15	Edward E. Ford Foundation	63,322,076
16	Aaron & Lillie Straus Foundation	60,801,409
17	Rollins-Luetkemeyer Foundation	59,876,709
18	Keith Campbell Foundation	58,099,614
19	Town Creek Foundation	57,129,816
20	Morton & Jane Blaustein Foundation	56,504,076

Where Do Maryland Foundation Dollars Go?

In 2004, the Association of Baltimore Area Grantmakers (ABAG) presented detailed information about the issues on which foundation funds were spent in 2002. We update this detailed information every other year and have found that funding allocations often remain within a few points of previous years.

2002 dollars from **Maryland's 500 largest foundations** were allocated as follows:

Human Services	28%
Education	17%
Health	14%
Public, Societal Benefit	12%
Religion Related	12%
Environment & Animals	10%
Arts, Culture, Humanities	6%
International, Security	1%
For-Profit Orgs & Unknown	<1%
Mutual/Membership Benefit	<1%

Putting Foundation Giving in Context

While the \$30.3 billion spent by foundations nationally in 2003 is a large sum of money, it is important to remember that foundation giving is just one part of overall charitable giving in the United States and in Maryland. Individuals actually account for the lion's share of charitable giving in the United States.

Nationally in 2003:

Individuals who itemized charitable contributions on their tax returns contributed \$143 billion to charitable organizations. It is estimated that itemizers account for about 80% of all individual charitable giving, so the individual giving total is even higher.

In Maryland in 2003:

Residents who itemized contributions gave \$4.3 billion, while Maryland foundations gave \$640 million. Though foundation funding is much smaller than individual charitable contributions, foundations play an important role in the nonprofit sector. They often help fill unmet needs that individuals and government may not fund. They may provide seed money for innovative projects, fund capacity building to strengthen organizations, or focus on historically underserved population.

What About Giving in 2004 and 2005?

Data on giving in 2004 will not be available until 2006. Recent survey data provide a prediction of modest increases in foundation giving for 2004 and 2005. For example:

- In March 2004, ABAG's members were surveyed about their projected giving in 2004. Almost half the foundations responding reported an increase in their grants budgets from 2003 levels; another 33% reported they would maintain their grantmaking at 2003 levels.
- In March 2005, ABAG members were again surveyed. Half of respondents indicated that their giving would increase in 2005, while 38% expected no change in giving.

Data Sources: *Foundation Yearbook*, from the Foundation Center; Jankowski Associates, Inc.; IRS - Statistics of Income; Giving USA. For updated information on individual giving and more data on foundation giving, visit ABAG's website www.abagmd.org or contact Buffy Beaudoin-Schwartz, Communications Director, at (410) 727-1205.

The Association of Baltimore Area Grantmakers is the Greater Baltimore region's premier resource on philanthropy, dedicated to informing grantmakers and improving our community. Our members include representatives of more than 130 private foundations and corporations with strategic, ongoing grantmaking programs.

Report written by: Cathy Brill