Annual Report
2019

THE CENTER
FOR EFFECTIVE
PHILANTHROPY

THE CENTER FOR EFFECTIVE PHILANTHROPY

Foundations and major donors can take on pressing challenges that have defied government and business solutions. But being effective in this work is uniquely challenging.

To make every dollar count, foundations and major donors need to continually assess their performance, learn from data and exemplars, and adapt their practices in ways that are consistent with effectiveness.

That's where CEP comes in.

CEP'S MISSION

Founded in 2001, CEP is a nonprofit organization focused on the development of data and insight to enable higher-performing funders. CEP's mission is to provide data and create insight so philanthropic funders can better define, assess, and improve their effectiveness — and as a result, their intended impact. This mission is driven by the belief that more effective philanthropic funders can have a profoundly positive impact on nonprofit organizations and the people and communities they serve.

Our belief is that when philanthropic funders use CEP's resources and insights, they can better understand their work and more effectively support the leaders and organizations working toward meaningful change.

More Information

Third-party assessments that CEP commissions, along with additional financial information, can be found on our website at **cep.org**.

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JUNE 2020

DEAR COLLEAGUE,

We at the **Center for Effective Philanthropy (CEP)** have been doing everything we can to help foundation leaders, staff, and board members, as well as major individual donors, to effectively respond to the crisis created by COVID-19. The crisis has revealed more starkly truths about deep inequities in our country and the world. The data tells us clearly that both the virus and the economic crisis are disproportionately impacting people of color in ways that could widen gaps in our society for years, if not decades.

So if ever there was a time to focus on effective giving — and on targeting resources to where they are most needed — it is now.

In doing that work, it's important to keep in mind some truths that have been revealed about philanthropy, and that have informed CEP's work over the years:

- Nonprofits supported by philanthropy play a unique and crucial role — especially in helping the most vulnerable.
- Collaboration across organizational boundaries is crucial to effectiveness.
- Listening to those closest to the problems philanthropy addresses is challenging but necessary.
- Multiyear, flexible support is essential for nonprofits.
- Effective philanthropy takes a unique set of skills and approaches — giving is not like investing; nonprofits are not like businesses.

We know these things now even more deeply than we did in 2019. But we knew them then, too, and we invite you to look back on 2019 with us. That year, as always, we worked toward our mission of helping foundation leaders and major donors maximize their impact. We published three data-rich research publications; conducted 115 assessment and advisory services engagements and expanded our influence globally; brought together almost 500 philanthropic leaders and trustees at a national conference; and continued to bring the perspectives of students to education leaders and funders through our YouthTruth initiative.

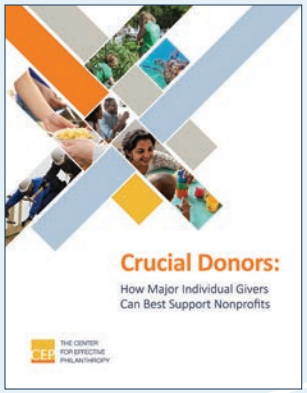
We invite you to read more about our activities in 2019 in this annual report, and to join us in 2020 and beyond in the vital effort to effectively channel resources in pursuit of crucial goals.

Sincerely,

GRANT OLIPHANT
Chair, Board of Directors
President, The Heinz Endowments

PHIL BUCHANAN
President
philb@cep.org

RESEARCH



CRUCIAL DONORS: HOW MAJOR INDIVIDUAL GIVERS CAN BEST SUPPORT NONPROFITS

The largest source of philanthropic support for nonprofits in the United States is giving from individual donors. But the recent decline in giving among small- and medium-gift givers means that major donors are becoming critically important to nonprofits. CEP analyzed the survey responses of nearly 200 nonprofit leaders on our *Grantee Voice* panel to better understand what support nonprofits receive from major donors, what major donors can do to support nonprofits better, and how nonprofits' relationships with major donors differ from their relationships with staffed foundations.

GREATER GOOD: LESSONS FROM THOSE WHO HAVE STARTED MAJOR GRANTMAKING ORGANIZATIONS

With more than 30,000 new private foundations established in the U.S. in the past 20 years, it is vital that early-stage grantmakers learn from the wisdom of those who have gone before them so they can avoid common mistakes and position their grantmaking organizations for success. CEP interviewed 35 leaders — including trustees, CEOs, program staff, and operations staff — of 14 grantmaking organizations that were established, or that experienced significant growth, in the past 20 years and that hold at least $350 million in assets. While there is no single blueprint for those new to philanthropy to follow, the insights gleaned from these interviews offer guidance for a new wave of philanthropic leaders as they seek to build thriving grantmaking organizations.

GRANTEE VOICE BLOG SERIES

Based on analysis of survey responses from nearly 250 nonprofit leaders on CEP's *Grantee Voice* panel, this collection of six blog posts shares nonprofit leaders' candid perspectives about what they want from their foundation funders. This blog series highlights a number of important practices which foundations can improve — regardless of their approach, issue area, or the community in which they work — to work with grantees to accomplish their shared goals.

3 RESEARCH PUBLICATIONS

ASSESSMENT AND ADVISORY SERVICES

CEP's assessments provide actionable insights and benchmarking on foundation clients' work with — and influence on — key stakeholders. Hundreds of funders of every type and size have commissioned CEP's assessments to make the best choices about how to use their resources to create impact.

GRANTEE PERCEPTION REPORT ® (GPR)

The GPR — the most widely used grantee survey — provides funders with candid and actionable comparative feedback from grantees on key topics including impact on grantees' fields, communities, and organizations; understanding of intended beneficiaries; and interactions and communications with grantees.

DONOR PERCEPTION REPORT (DPR)

The only survey that benchmarks donor perceptions across community foundations, the DPR provides community foundations with candid feedback and insights from their donors on topics including donor satisfaction, future giving plans, and perceptions of leadership in the community.

STAFF PERCEPTION REPORT (SPR)

Designed specifically for philanthropic funders, the SPR helps funders gather, understand, and act on staff feedback in ways that connect directly to the unique context of philanthropic effectiveness.

ADVISORY SERVICES

CEP's advisory services offer data-driven, customized advising to help funders better understand and improve their effectiveness. Each advisory engagement leverages CEP's deep knowledge about philanthropy and what matters to foundations and their stakeholders.

2019 Highlights

- **Expanded CEP's emphasis globally, with a staff member relocating to Amsterdam, the Netherlands and 10 engagements with funders located outside the U.S.**
- **Supported funders in their equity work, including efforts with two funders to develop effective ways to collect and use demographic data and interviews with funders' staff and grantees to understand differences in experience related to gender and race.**
- **Deepened advisory engagements, including defining and testing a set of relationship experience standards with a funder's grantees; conducting stakeholder surveys with giving circle participants, new applicants to foundations, and recipients of impact investments; and surveying members of a regional association.**

115 TOTAL ENGAGEMENTS

WITH 95 PARTNERS

IN 33 STATES AND 8 COUNTRIES

YOUTHTRUTH

YouthTruth harnesses student and stakeholder feedback to help school leaders and education funders make better decisions that lead to better outcomes for students. Through validated survey instruments for students, family, and staff, as well as tailored advisory services, YouthTruth partners with schools, districts, states, and education funders to enhance learning for all students.

YouthTruth
STUDENT SURVEY
A NATIONAL NONPROFIT

In 2019, YouthTruth began its third year of an initiative with a group of funders in the Bay Area to explore the extent to which funders can constructively learn from the student experiences, insights, and perspectives captured by YouthTruth's surveys. YouthTruth also launched a second regional initiative with a group of funders in Ohio. The respective regional groups are supporting networks of local schools and districts to participate in YouthTruth at no cost (districts typically pay to participate), and to come together as a learning community to discuss how student feedback can be used to enhance effectiveness.

LEARNING FROM STUDENT VOICE REPORTS & CASE STUDIES

YouthTruth launched the *Learning from Student Voice* series in 2016 to bring data and insight to bear on pressing challenges related to school experience and improvement. In 2019, YouthTruth released its first *Learning from Stakeholder Voice* report exploring student, family, and staff member perceptions of school discipline. YouthTruth also continued to analyze its student feedback dataset and published a *Learning from Student Voice* report on emotional and mental health. In addition to these reports, YouthTruth published two guidebooks: one focused on bullying prevention strategies, and one highlighting protocols and strategies to engage students in school climate data and lead alongside adults in defining and meeting school improvement goals.

2019 YouthTruth Funders

Carnegie Corporation of New York

Fund for Shared Insight
Philanthropy. Open for improvement.

William + Flora Hewlett Foundation

the David & Lucile Packard Foundation

342,050
STUDENTS SURVEYED

72,054 FAMILY AND STAFF SURVEYED

IN 26 STATES

4 *LEARNING FROM STUDENT VOICE* REPORTS & GUIDEBOOKS

2019 CEP CONFERENCE

STRONGER PHILANTHROPY

Nearly 500 foundation CEOs, senior leaders, trustees, and donors came together in Minneapolis in May for the 2019 CEP Conference, *Stronger Philanthropy* — the largest biennial national conference in CEP's history. The conference included three days filled with learning, collaboration, and discussion of numerous topics at the heart of philanthropic effectiveness.

Among the talks and panels, Pulitzer Prize-winning author and sociologist Matthew Desmond presented sobering data on the American housing crisis, followed by a frank discussion about renter abuse and eviction featuring members of local tenants' rights advocacy group Inquilinxs Unidxs Por Justicia (United Renters for Justice). Anand Giridharadas, author of *Winners Take All: The Elite Charade of Changing the World,* and Jeff Raikes, co-founder of the Raikes Foundation, discussed critiques of mega philanthropy and the role of power and money in solving societal problems. Actress and *CBS Sunday Morning* commentator Nancy Giles used her unique blend of sharp commentary and wit to illustrate the ways in which the nation struggles deeply to talk about race — and how that tension informs the work of funders serving communities of color. And political philosopher and bestselling author Michael Sandel led an interactive plenary with open debate among audience members about the role of values and morality in a world increasingly dominated by money and a market economy.

Videos of several sessions from the conference are available on **CEP's YouTube channel**.

PROGRAMMING AND EXTERNAL RELATIONS

CEP'S BLOG

The CEP Blog continued to serve as a highly read platform for evidence-driven discussion of pressing issues in philanthropy, including posts from CEP staff and guest contributors such as Latino Community Foundation CEO Jacqueline Martinez Garcel, Funders Together to End Homelessness CEO Amanda Andere, McKnight Foundation President Kate Wolford, and the William and Flora Hewlett Foundation President Larry Kramer.

GIVING DONE RIGHT

Published in April 2019 by PublicAffairs, ***Giving Done Right: Effective Philanthropy and Making Every Dollar Count*** by CEP President Phil Buchanan draws on nearly two decades of CEP's work to arm donors with what it takes to do more good, more quickly, and to avoid predictable errors that lead too many astray. *Giving Done Right* received wide acclaim upon its release, including being named Inside Philanthropy's "Best Philanthropy Book of the Year," and the book led to interviews and mentions in numerous national and local media outlets including *The New York Times, Vox, The Financial Times,* and *Forbes*. Buchanan spoke widely about the key lessons of the book in 2019, both through in-person events around the country and on networks including several National Public Radio affiliates, Bloomberg Businessweek Radio, and WGBH Boston.

> **"A thoughtful, engaging read with important insights and valuable analysis to help donors and philanthropists be more effective with their giving. A must read for those who really want to make a difference when supporting nonprofits."**
>
> Bryan Stevenson, Founder, Equal Justice Initiative and Author, *Just Mercy: A Story of Justice and Redemption*

23,500 TWITTER FOLLOWERS

90 BLOG POSTS

1 REDESIGNED WEBSITE

FINANCIAL INFORMATION

STATEMENT OF **FINANCIAL POSITION** for the year ended December 31, 2019

dollars in thousands

	Unrestricted	Temp Restricted	Total
Total Assets	4,439	3,932	8,371
Selected Balances			
Cash	1,938	2,034	3,972
Investments	2,405		2,405
P/R		1,938	1,938

STATEMENT OF **ACTIVITIES AND CHANGE IN NET ASSETS** for the year ended December 31, 2019

dollars in thousands

	Unrestricted	Temp Restricted	Total
Operating Revenue & Support			
Grants & Contributions	5,058	968	6,026
Earned Revenue	5,855	(389)	5,465
Total Operating Revenue & Support	10,913	578	11,491
Operating Expenses			
Program Services	8,563		8,563
Supporting Services			
Management and General	1,466		1,466
Fundraising	170		170
Total Supporting Services	1,636		1,636
TOTAL EXPENSES	10,199		10,199
Change in Net Assets	713	578	1,291
Net Assets at Beginning of Year	3,785	3,354	7,139
Net Assets at End of Year	4,439	3,932	8,371

2019 FUNDERS

$500,000 OR MORE

Robert Wood Johnson Foundation

William + Flora Hewlett Foundation

$200,000 TO $499,999

Barr Foundation
Ford Foundation
S.D. Bechtel, Jr. Foundation

$100,000 TO $199,999

Conrad N. Hilton Foundation
The David and Lucile Packard Foundation
Oak Foundation
Rockefeller Foundation
The Wallace Foundation

$50,000 TO $99,999

The Heinz Endowments
John D. and Catherine T. MacArthur Foundation
The Kresge Foundation
The Leona M. and Harry B. Helmsley Charitable Trust

$20,000 TO $49,999

Blue Shield of California Foundation
The Duke Endowment
Edna McConnell Clark Foundation
Houston Endowment
M.J. Murdock Charitable Trust
Rockefeller Brothers Fund
Surdna Foundation
Wilburforce Foundation

UP TO $19,999

The Assisi Foundation of Memphis
Brainerd Foundation
Colorado Health Foundation
Columbus Foundation
Community Foundation of Northeast Alabama
Delaware Community Foundation
Doris Duke Charitable Foundation
Eugene and Agnes E. Meyer Foundation
Evelyn and Walter Haas, Jr. Fund
Henry Luce Foundation
Johnson Scholarship Foundation
Kansas Health Foundation
Longwood Foundation
McKnight Foundation
New Hampshire Charitable Foundation
Nord Family Foundation
Open Impact
Patterson Foundation
Public Welfare Foundation
Rhode Island Foundation
Silicon Valley Community Foundation
Sobrato Family Foundation
State Street Foundation
Teagle Foundation

INDIVIDUAL CONTRIBUTORS

Michael Bailin
Paul Beaudet
Kevin Bolduc
Phil Buchanan
Kathleen Cravero
Alyse d'Amico
Jessica David
Mark Edwards
Betsy Fader
Phil and Marcia Giudice
Tiffany Cooper Gueye
Crystal Hayling
Latia King-Fontánez
Patricia Kozu
Dick and Elizabeth Ober
Grant Oliphant
Hilary Pennington
Christy Pichel
Eric Ross and Nicole MacNeel
Vince Stehle
Kelvin Taketa
Fay Twersky and Jill Blair
Lynn Perry Wooten

2019 ASSESSMENT AND ADVISORY SERVICES SUBSCRIBERS

America for Bulgaria Foundation (Bulgaria)
Archstone Foundation
Arcus Foundation
Argidius (Switzerland)
Arkansas Community Foundation
Blue Grass Community Foundation
Bundesverband Deutscher Stiftungen (German Association of Funders) (Germany)
California Community Foundation
Cambia Health Foundation
Central Carolina Community Foundation
Chan Zuckerberg Initiative
Charlottesville Area Community Foundation
Claneil Foundation
Community Foundation of Greater Des Moines
Community Foundation of Sarasota County
Community Foundation of the Lowcountry
Community Foundation of Western Massachusetts
Crown Family Philanthropies
Danville Regional Foundation
DC Commission on the Arts and Humanities
Delaware Community Foundation
EMpower – The Emerging Markets Foundation
Ewing Marion Kauffman Foundation
First 5 LA
Ford Foundation
George Kaiser Family Foundation
Gordon and Betty Moore Foundation
Grand Rapids Community Foundation
Greater Milwaukee Foundation
Greater Washington Community Foundation
Harold K. L. Castle Foundation
Helios Education Foundation
Hogg Foundation for Mental Health, University of Texas
Hutchinson Community Foundation
Innovia Foundation
J.W. McConnell Family Foundation (Canada)
Jessie Ball duPont Fund
John D. and Catherine T. MacArthur Foundation
Kenneth Rainin Foundation
Latino Community Foundation
Laudes Foundation (Switzerland)
Longwood Foundation
Los Alamos National Laboratory Foundation
Margaret A. Cargill Philanthropies
Marguerite Casey Foundation
Methodist Healthcare Ministries of South Texas, Inc.
National Geographic Society
New Hampshire Charitable Foundation
New York State Health Foundation
Northern California Grantmakers
Northwest Area Foundation
Oklahoma City Community Foundation
Overdeck Family Foundation
Peter Kiewit Foundation
Pisces Foundation
Raikes Foundation
REACH Healthcare Foundation
Realdania (Denmark)
REI Co-op
Saint Paul & Minnesota Foundation
SHINE (United Kingdom)
Silicon Valley Community Foundation
State Street Foundation
The Assisi Foundation of Memphis
The Baltimore Community Foundation
The Blandin Foundation
The Champlin Foundation
The Colorado Health Foundation
The Community Foundation for Greater New Haven
The Community Foundation of Northeast Florida
The David and Lucile Packard Foundation
The END Fund
The European Climate Foundation (The Netherlands)
The George Gund Foundation
The Healing Trust
The Heinz Endowments
The Kresge Foundation
The Leona M. and Harry B. Helmsley Charitable Trust
The Ralph M. Parsons Foundation
The Richard H. Driehaus Foundation
The Robert Wood Johnson Foundation
The Seattle Foundation
The Simmons Foundation
The Skillman Foundation
The Walmart Foundation
The William and Flora Hewlett Foundation
UBS Optimus Foundation (Switzerland)
Vitol Foundation (The Netherlands)
W. K. Kellogg Foundation

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The Heinz Endowments

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Executive Director
Wilburforce Foundation

PHIL BUCHANAN, *ex officio*
President
CEP

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City University of New York
School of Public Health
Health Policy and Professor of the Practice
School of Public and International Affairs,
University of Bridgeport (Connecticut)

TIFFANY COOPER GUEYE
Managing Director of Portfolio Strategy & Management
Blue Meridian Partners, Inc.

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President and CEO
New Hampshire Charitable Foundation

HILARY PENNINGTON
Executive Vice President for Program
Ford Foundation

CHRISTY PICHEL
Former President
Stuart Foundation

ANTHONY RICHARDSON
Executive Director
Nord Family Foundation

VINCE STEHLE
Executive Director
Media Impact Funders

KELVIN TAKETA
Senior Fellow
Hawai'i Community Foundation

FAY TWERSKY
Vice President
The William and Flora Hewlett Foundation

LYNN PERRY WOOTEN
President
Simmons University

THE CENTER
FOR EFFECTIVE
PHILANTHROPY

Cambridge, Massachusetts
675 Massachusetts Avenue
7th Floor
Cambridge, MA 02139
617-492-0800

San Francisco, California
131 Steuart St
Suite 501
San Francisco, CA 94105
415-391-3070

cep.org