

New Analysis Details Outsized Impact of Small Foundations

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Philanthropists with few or no staff granted \$4.4 billion; assets top \$87 billion

Today Exponent Philanthropy, the largest philanthropic membership organization in the United States, released its 2015 Foundation Operations and Management Report, the premier benchmarking resource for foundations that operate with few or no staff. The comprehensive report is based on survey responses from Exponent Philanthropy member foundations and details how foundations that operate leanly – the largest segment of the philanthropy community – are impacting communities.

“There is a powerful force in philanthropy today that is achieving outsized impact nationwide and around the world,” says Henry L. Berman, chief executive officer of Exponent Philanthropy. “It’s practiced by donors, trustees, and philanthropic professionals who choose to give big while staying small, to make the most of their resources.”

The 2015 report shows that Exponent Philanthropy member foundations have an estimated total fair market value of \$87.8 billion, up from \$74.1 billion at the end of 2012. Member foundations granted an estimated \$4.4 billion to local, national, and international causes.

The report’s highlights include:

- The foundations surveyed are lean operationally, spending just 14 cents in charitable operating costs for each dollar of grants awarded. One-quarter operate with no paid staff; of those who have paid staff, one-third have only one staff member.
- An estimated 158,000 grants were awarded by member foundations collectively, down from an estimated 203,000 a one year earlier. Median grant size among foundations surveyed increased from \$15,415 to \$19,116 during that time, suggesting that foundations are giving fewer grants but increasing grant size in an effort to maximize impact.
- Whereas the majority of grants awarded went to local communities, 21% of foundations surveyed give internationally—indicating a notable role for leanly-staffed U.S.-based foundations on the international stage.
- The foundations surveyed saw a significant increase in returns on their investments, reporting average returns of 14.1%, up sharply from 9.7% reported in the 2013 Foundations Operations and Management Report.

- Foundations are adding impact investments to their portfolios. Thirteen percent of foundations surveyed engage in impact investing, also known as mission-related or socially responsible investments, and these members maintained an average of 41% of their portfolio in impact investments.

About The Report

Data for the 2015 Foundation Operations and Management Report were collected in mid-2014. Investment data were reported for year-end 2013 or the end of the foundation's most recent fiscal year. Access to this report is an Exponent Philanthropy member-only benefit. Journalists may obtain a copy of the 2015 Foundation Operations and Management Report by contacting [Jeanne Metzger](#).

About Exponent Philanthropy

Exponent Philanthropy is a vibrant membership organization that provides the resources and connections that help funders make the most of the minutes they have and the dollars they give. Exponent Philanthropy amplifies and celebrates the vital work of a diverse group of givers who unite through their unique style of giving that is lean, agile, responsive, passionate, and personal. Membership is open to all individuals and organizations that give annually to more than one recipient, including those who use foundations, donor-advised funds, giving circles, and other giving vehicles to carry out their philanthropy.