



# philanthropic investment in the sunshine state

Analysis of Giving to Minority-Led Organizations by the  
Top Ten Largest Florida-Based Foundations

Commissioned by the Florida Minority Community Reinvestment Coalition

December 2008



**Florida Minority Community Reinvestment Coalition**

3308 Paxton Avenue-Tampa, FL 33611  
6015 N.W. 7th Avenue-Miami, FL 33127

*“Compassionate Capitalism- It is not a matter of fairness; it is a matter of economic survival for there is no greater asset than that of human capital”*

We would like to thank Greenlining Institute and its Board of Directors for their leadership in the field of community economic development. This study of Florida Foundation Philanthropy provides a critical insight into the great economic divide for Florida’s minority organizations and their battle to fight poverty and create jobs. This gap in Florida Foundation Philanthropy is an issue that not only affects minority families and communities, but all Florida.

The economic distress of minority communities may be one of the most pressing issues facing Florida. The lack of businesses and jobs fuels not only a crushing cycle of increasing poverty but also crippling social problems, such as drug abuse and crime in our minority communities. The establishment of a sustainable economic base together with employment opportunities, wealth creation, role models, and improved local infrastructure is critical to the future well-being of minority communities not only in Florida, but throughout the United States.

With the emerging global economy, resources will become more limited in scope and nature for minority communities and businesses. Florida is a state in which minority nonprofits are decreasing services, due to budget shortfalls, when such services are needed to be expanded to meet greater social need. This in turn allows poverty, unemployment, crime and drug abuse to take a greater hold on under served minority communities in Florida.

The ability of minority organizations to access resources and develop capacity is critical to not only the health of minority communities and businesses in Florida, but the overall economic health of all of Florida. There is no doubt that there must be a complete paradigm shift in our view of community revitalization of inner cities. Data from both Brookings Institute and Harvard conclusively links the overall economic health of all major metropolitan areas to job creation within their surrounding inner cities. This is not more evident than in Florida with the lack of effective job creation resources for minority organizations.

Foundations must play a leadership role in reversing poverty and crime in our communities. Yet this study by Greenlining Institute demonstrates the significant gap for funding to Florida minority organizations by Florida based foundations. Foundations receive a \$40 billion tax subsidy from Congress each year. In return for their tax subsidy, the public expects foundations to serve the poor and needy. Unfortunately, foundations in Florida and around the United States have not held their end of the bargain.

We at FMCRC are in complete agreement with Greenlining Institute’s recommendations for economic inclusion that are outlined in the following study. In addition, FMCRC calls on all the major national Foundations to work with Greenlining on development of a national solution with regard to this most pressing issue of economic disparity for minority organizations.

Al Pina, Chair  
Florida Minority Community Reinvestment Coalition  
[www.fmcr.org](http://www.fmcr.org)  
[pina@fmcr.org](mailto:pina@fmcr.org)  
[admin@fmcr.org](mailto:admin@fmcr.org)  
(941) 284-0688

## Introduction

As one of the most diverse states in the country, Florida's future is dependent on the future of its growing minority populations. This brief reports the extent to which Florida's ten largest foundations (in terms of asset size) are giving grants to minority-led organizations. We also present some background information on Florida's philanthropic community and recommendations for some next steps that foundation leaders and community leaders can take to begin dialogues around philanthropic diversity in their state.

One of the most pressing challenges currently facing the foundation sector is the need to factor diversity into its impact metrics and giving priorities. As the population of our country becomes more diverse, it is important that minority-led nonprofits thrive in order to create empowerment for minority communities. Foundations play a critical role in the success of these organizations; by investing in them foundations would give these organizations more opportunity to grow and fulfill their missions.

Increasing national and state attention has been given to the giving patterns of private foundations, which collectively hold \$700 billion in assets and receive \$40 billion in taxpayer subsidies due to their tax-free status.

In Florida, a coalition of community leaders that includes Florida's Minority Community Reinvestment Coalition has emerged to study foundation investment in minority-led organizations. Florida is one of the most diverse states in the country, and its future depends on all its communities receiving equal opportunity to improve their quality of life. Florida's minority population increased by 4.6 percent from 2000-2006.<sup>1</sup> Not only has the minority population continued to grow, but so has the number of minority-owned businesses. Florida ranks 4<sup>th</sup> in the nation in number of minority-owned businesses behind California, Texas and New York.<sup>2</sup>

Efforts by community leaders, changes in demographics and the increased presence of minority-owned businesses have spurred interest among community groups to ensure equity in philanthropic investment in their state.

## Purpose

The primary focus of this study was to quantify the percentage of domestic grants awarded by Florida's top ten foundations (in terms of asset size) to minority-led nonprofit organizations in 2006. This report also compares where Florida's domestic philanthropic giving stands in comparison to California and the nation.

## Background on Florida Foundations

The Foundation Center's report, *Key Facts on Florida Foundations*<sup>3</sup> reports that 3,874 foundations headquartered in Florida held more than \$19.2 billion in assets in 2006. These foundations gave away nearly \$1.2 billion in grants. The majority of Florida's foundations are small; 62% of Florida foundations hold less than \$1 million in assets. In They are also relatively young; half of all Florida foundations (1,923) have been established since 1995<sup>4</sup>.

## Findings

The median allocation to minority-led nonprofit organizations by Florida's top ten foundations was 5.48 percent of its grants and 6.98 percent of its grant dollars. In comparison, the median allocation to minority-led organizations among California's top ten foundations was 11.5 percent of grants, and the median among the nation's top 25 was 8.7 percent of its grants<sup>5</sup>.

In addition, the data showed that only 17.3 percent of all grants awarded by all these foundations went to Florida-based organizations. The remainder went to organizations outside of Florida, both domestic and international.

### FINDINGS

- **The top ten Florida-based foundations gave an average of 5.48% of their grants in 2006 to minority-led nonprofit organizations.**
- **The number of grant dollars given by each foundation to minority-led organizations ranged from 16.14% to 0% of the total.**
- **The top foundations gave 6.98% of their dollars in 2006 to minority-led organizations.**
- **The dollar amount ranged from 15.82% of the total to 0%.**

Top Florida-based Foundation Giving to Minority-Led Nonprofit Organizations				
Foundation	% Grants to Minority-led Organizations	Rank in % Grants to Minority-Led Organizations	% of Grant Dollars to Minority-led Organizations	Rank in Dollars to Minority-Led Organizations
John S. and James L. Knight Foundation	16.14%	1	15.82%	3
Wallace H. Couler Foundation	14.29%	2	31.91%	1
Picower Foundation	10.77%	3	16.26%	2
Arthur Vining Davis Foundation	9.52%	4	11.79%	4
Arthur S. DeMoss Foundation	7.69%	5	11.45%	5
Jessie Ball duPont Fund	3.27%	6	2.51%	6
Publix Super Markets Charities	2.81%	7	0%	7
Flight Attendant Medical Research Institute, Inc	0.00%	8	0.00%	8
Turner Global Foundations, Inc	0.00%	8	0.00%	8
Ted Arison Family Foundation USA, Inc	0.00%	8	0.00%	8
<i>MEDIAN</i>	<i>5.48%</i>		<i>6.98%</i>	

Three of Florida’s top foundations focus solely on education grants, one gives grants to organizations in Israel only, and another has willed restrictions as to which organizations can receive their support.

**Recommendations**

Florida’s increasing diversity provides an opportunity for the state’s top foundations to increase their grant-giving to minority-led nonprofits. This report also finds that many of the top foundations’ grant dollars are leaving the state. Greenlining offers the following recommendations to increase the level of philanthropic investment in Florida:

1. Foundations should track diversity information for grantee organizations, either voluntarily or through legislative mandate.
2. Foundations should work together with the leaders of minority-led nonprofits to work together and create a consensus on the needs of Florida’s minority communities.
3. Legislators should work with community leaders to introduce legislation in Florida to mandate transparency in foundation diversity.

**Methodology**

In order to quantify the number of grants and dollars awarded by Florida’s largest foundations, each foundation was contacted through a mailed letter, asking for their input on the study. The letter invited them to include any additional questions, as well as ideas they felt were relevant in measuring foundations’ impact on minority communities. We followed up with phone calls to ensure the foundations have received the information, and to identify any that would be interested in participating in the study.

As with Greenlining’s previous studies, there was a lack of cooperation from the foundations to participate in this study. A second letter was mailed out with a survey asking about the racial and gender makeup of the board and staff, as well as all their grant allocations in calendar year 2006. Out of the ten foundations contacted, only one, the Jessie Ball DuPont Fund, agreed to participate in the survey.

All grant information, including, but not limited to, the grantee organization and the amount of the grant was obtained from each foundation’s publicly-available 990-PF tax forms.

Our researchers then coded each grantee for minority-led status. Greenlining defines a minority-led organization as one in which:

- 50% or more of the organization's staff consists of minorities,
- 50% or more of the organization's board of directors consists of minorities, and
- The mission and programs of the organization are aimed predominantly towards communities of color.

Each grantee organization is labeled as being African American-led, Asian American-led, Latino-led, Native American-led, or Multicultural. A 'multicultural' organization is one that fits Greenlining's definition of a minority-led organization, but whose board and staff are comprised of a variety of races/ethnicities, no one of which are in the majority.

We present in this report the percentage of all grant dollars given by each foundation in 2006 to minority-led grantee organizations, as well as the percentage of all grants distributed that year to the same.

When categorizing the organizations grants given to government agencies, universities, schools and international organizations were excluded from the study.

California vs Florida's Demographics				
Race	California		Florida	
	2000	2006	2000	2006
African American	6.7%	6.2%	14.6%	15.4%
Native American	1.0%	0.7%	0.3%	0.3%
Asian American	10.9%	12.3%	1.7%	2.2%
Pacific Islander	0.3%	0.4%	0.1%	0.1%
Latino	32.4%	35.9%	16.8%	20.1%
<b>TOTAL MINORITY</b>	<b>51.3%</b>	<b>55.5%</b>	<b>33.5%</b>	<b>38.1%</b>

Diversity of the Board of Directors of the Top 10 Florida-Based Foundations		
Foundation	% of Minority Board Leadership	Rank in Giving to Minorities
John S. and James L. Knight Foundation	27%	2
The Picower Foundation	0%	4
The Arthur Vining Davis Foundation	*	*
Wallace H. Couler Foundation	22%	3
Arthur S. DeMoss Foundation	29%	1
Jessie Ball duPont Fund	*	*
Publix Super Markets Charities	*	*
Ted Arison Family Foundation USA, Inc	0%	4
Turner Global Foundation	0%	4
Flight Attendant Medical Research Institute, Inc.	*	*
* This data was not available.		

Top 10 Florida Foundations by Assets, 2006 <sup>7</sup>		
	Foundation	Asset Size
1	John S. and James L. Knight Foundation	\$2,342,624,401
2	The Picower Foundation	\$685,672,092
3	Publix Super Markets Charities <sup>2</sup>	\$625,587,255
4	Ted Arison Family Foundation USA, Inc.	\$542,839,230
5	Wallace H. Coulter Foundation	\$430,089,853
6	Arthur S. DeMoss Foundation	\$400,023,483
7	Turner Global Foundation, Inc.	\$322,479,841
8	Jessie Ball duPont Fund	\$313,659,069
9	Flight Attendant Medical Research Institute, Inc.	\$284,696,310
10	The Arthur Vining Davis Foundations	\$249,996,000

## **References**

1. U.S. Census American Community Survey, 2006.
2. U.S. Census, "Survey of Business Owners," 2002.
3. Foundation Center. *Key Facts on Florida Foundations*. June 2008.
4. Ibid.
5. Greenlining Institute. *Investing in a Diverse Democracy*. Fall 2006.

## **Acknowledgements**

Anabel Paez was the summer research associate who conducted the research and compiled the majority of the data used in this report. Eduardo Martinez and Heriberto Rojas, Greenlining Academy Interns, assisted in the compilation of the data.

## **About the Greenlining Institute**

Greenlining is a multi-ethnic advocacy, research, leadership development, and public policy organization whose ultimate goal is to increase the role that low-income and minority Californians play in the civic arena in order to create equitable policies and improve quality of life for all communities.

Our mission is to empower communities of color and other disadvantaged groups through multi-ethnic economic and leadership development, civil rights and anti-redlining activities.

