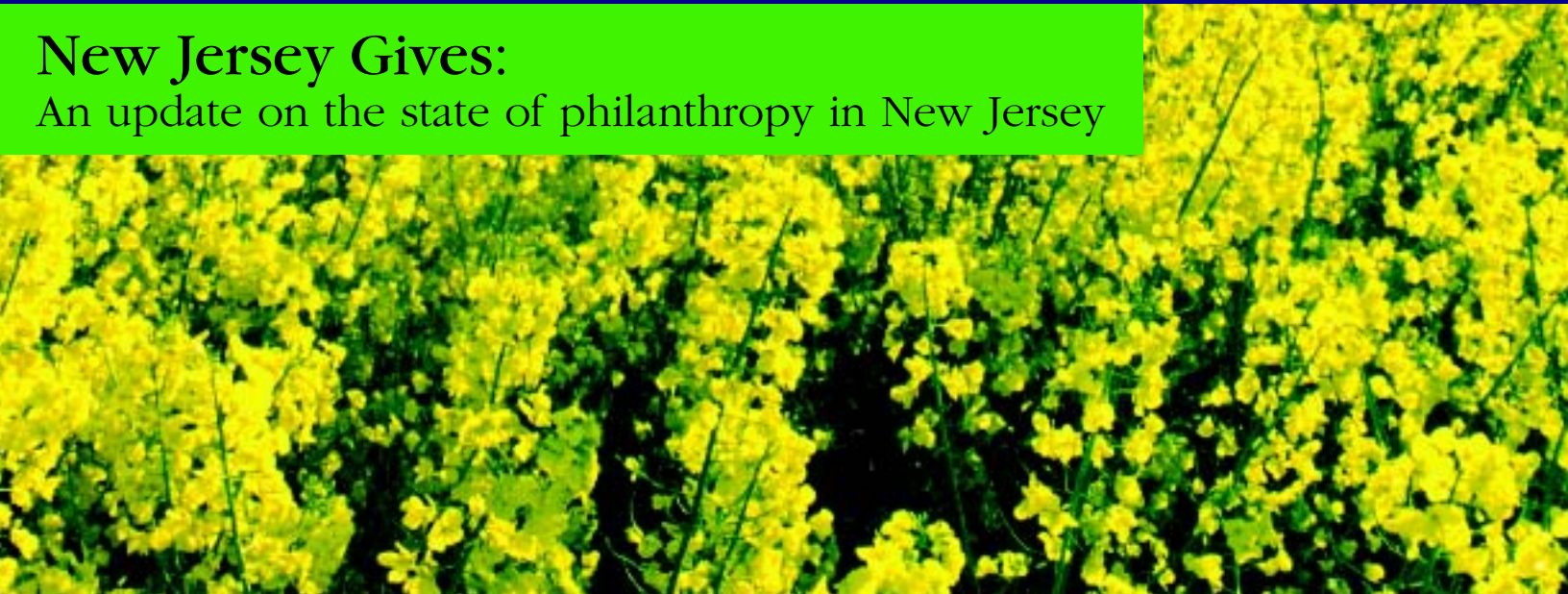




Growing in Giving

New Jersey Gives:

An update on the state of philanthropy in New Jersey





Welcome to “New Jersey Gives”

January 2005

The Council of New Jersey Grantmakers is pleased to once again present the most current information available on charitable giving in New Jersey. This third edition of “New Jersey Gives” is titled “Growing in Giving” and is focused on the upward trend in philanthropy in the Garden State since our inaugural edition in December 2001.

While New Jersey’s private foundation giving remained relatively flat, corporations, community foundations and individuals have increased their giving in recent years. The numbers are encouraging, and yet there is still work to be done. The non-profit sector continues to tell us of strong needs among its clients, and its struggle to raise necessary funds to fulfill its mission. The funding disparities between Southern New Jersey and the cities of Central and Northern New Jersey remain. That inequity in the distribution of charitable dollars throughout the state remains an unmet challenge for the Council of New Jersey Grantmakers, its members and all New Jerseyans. Join us in spreading the word about charitable giving and connecting those with resources and tools to those who need them the most.

Thanks to the Board of Trustees of the Council of New Jersey Grantmakers for their support and continued commitment to this publication. We are encouraged by the trends reported here. Continued growth in philanthropy is vital to the stability of our nonprofit community, and we must work together to strengthen the philanthropic sector in New Jersey.

Barbara Rambo, President 1999 - 2004
Nina Stack, President 2005

About the Council of New Jersey Grantmakers

CNJG acts as a voice for philanthropy in the state and as a catalyst for cooperation between New Jersey’s public and private sectors to promote effective philanthropy. Members of the organization engage in special forums, collaborative projects and working groups that support its mission to strengthen effective philanthropy in New Jersey.



The role of CNJG is to:

Network

provide opportunities for sharing of ideas, experiences and expertise of grantmakers in New Jersey

Advocate

represent grantmakers’ concerns and interests with local, state and national policymakers

Educate

provide grantmakers with resources, information and tools to inform and strengthen their philanthropic endeavors

Promote

inform the communities and citizens of New Jersey about the role and importance of philanthropy

Convene

nurture the environment for collaborative giving and facilitate philanthropic responses to needs in the state

Growing Philanthropy in New Jersey

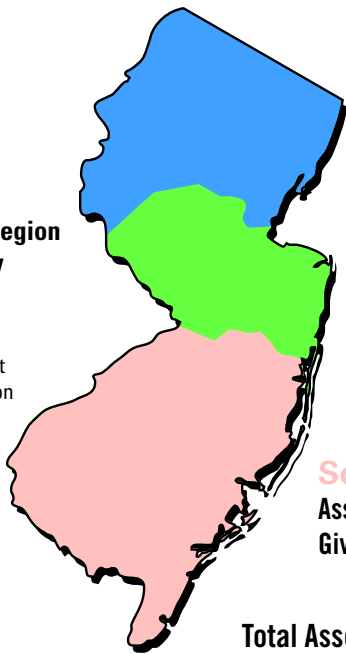
New Jersey is famous for planting seeds and creating growth.

After all, we're called the Garden State.

We're planting seeds for growth in philanthropy as well. As a state, we're among the wealthiest in the nation, and we're using our resources to invest in the programs and services that strengthen our residents and the communities they inhabit. Our philanthropists aren't just the wealthy individuals or large corporations and foundations. They are people from all walks of life. While New Jersey's philanthropists are diverse, they share a common motive. They care.

Assets & Giving by Region Top 373* New Jersey Foundations 2003

*excluding RWJF due to its size, The Robert Wood Johnson Foundation data is excluded from this map. In 2003, RWJF reported total assets of \$7.9 billion and giving of \$391 million.



North
Assets: \$4.74 billion
Giving: \$353 million

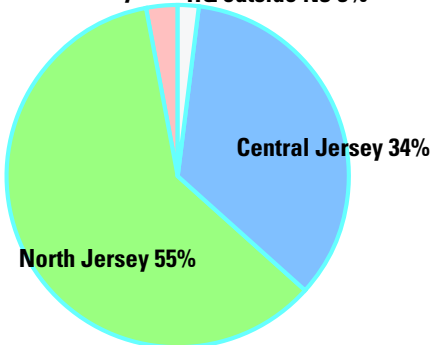
Central*
Assets: \$2.09 billion
Giving: \$205 million

South
Assets: \$212 million
Giving: \$15.3 million

Total Assets* \$7.2 billion
Total Giving* \$580 million

New Jersey Top 374 Private Foundations, by Region, 2003

South Jersey 8% HQ outside NJ 3%



For the purposes of this project, the state was divided geographically into three regions as follows:

North: Bergen, Essex, Hudson, Morris, Passaic, Sussex, Union, Warren

Central: Hunterdon, Middlesex, Mercer, Monmouth, Somerset

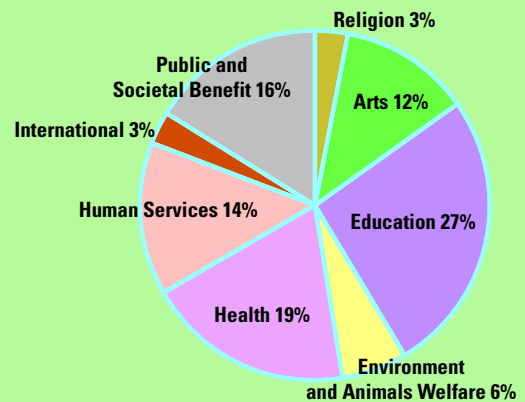
South: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Salem

Growing in Our Ability to Give

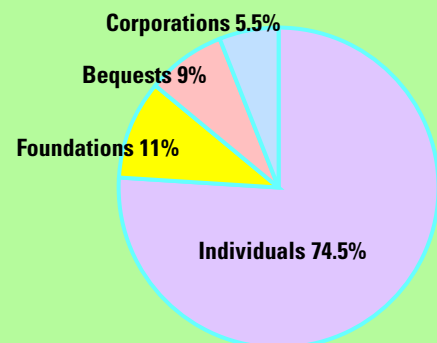
In New Jersey, half of the leading foundations increased in assets by \$1.17 billion between 2002 and 2003. If economic indicators remain stable or grow, this influx of money into established foundations indicates that foundation giving will increase at a rate of between 3% and 6% in the coming year.

New Jersey giving patterns follow the same general trends as national averages.

New Jersey Private & Community Foundation Funding Priorities 2003



Sources of Charitable Contributions in the United States, 2003





Growing in Assets and in Giving

New Jersey's Private Foundations

Private foundations are nongovernmental, nonprofit organizations with funds usually derived from a single source such as a family, individual or corporation. Foundation programs are managed by their own trustees and are generally created to maintain or aid social, educational, religious or other charitable activities. New Jersey is home to approximately 2,400 private grantmaking foundations, including corporate-affiliated foundations.

Since 1996, 1,385 foundations have been created in New Jersey including 115 of the top foundations in the state. These 115 new foundations have assets of \$1.66 billion and annual giving of approximately \$124 million.

The state's foundations saw growth in assets between 2002 and 2003. The top 366 foundations in the state currently hold 95% of the assets and contribute 91% of the giving. For our study, 296 of the top foundations provided data for 2002 and 2003 showing an increase in assets of 5.7%. In 2003, private NJ foundations' assets totaled \$15.9 billion, with giving during the same period reported at \$1.07 billion.

The Robert Wood Johnson Foundation, New Jersey's largest philanthropy, holds \$7.9 billion in assets. When this foundation is removed from the data set, the remaining 295 foundations saw their assets increase by 17%.

These 296 foundations saw a 2% rise in contributions between 2002 and 2003, from \$841.04 million to \$858.91 million. When The Robert Wood Johnson Foundation is excluded from the data set, there is a 3% decline in giving. Notably, although The Robert Wood Foundation experienced a decrease in assets, it increased giving.

Some key statistics for the 296 foundations that provided financial information for this report follow:

- 71% reported increased assets
- 47% saw their assets increase by ten percent or more
- twenty-two foundations increased assets by \$10 million or more
- between 2002 and 2003, giving remained at a consistent level

Top 10 Foundations in New Jersey in 2003

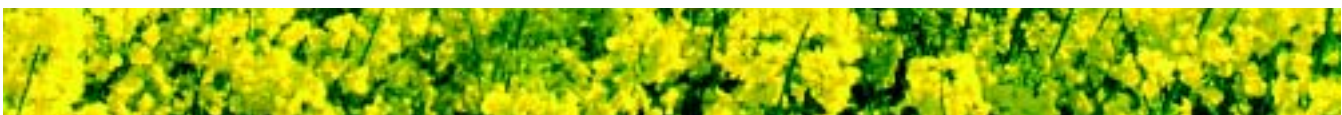
BY ASSETS

ASSET RANK	FOUNDATION NAME	ASSETS (\$ IN MILLIONS)
1	Robert Wood Johnson Foundation	\$ 9,940.6
2	F. M. Kirby Foundation	\$ 433.6
3	Geraldine R. Dodge Foundation	\$ 291.2
4	Victoria Foundation	\$ 200.2
5	Merck Company Foundation	\$ 193.4
6	Russell Berrie Foundation	\$ 185.7
7	Hess Foundation	\$ 184.2
8	Atlantic Foundation	\$ 163.9
9	Healthcare Foundation of New Jersey	\$ 153.3
10	Johnson Art and Education Foundation	\$ 128.4

BY GIVING

GIVING RANK	FOUNDATION NAME	GIVING (\$ IN MILLIONS)
1	Robert Wood Johnson Foundation	\$ 390.8
2	Aventis Pharmaceuticals Health Care Foundation for the Ill	\$ 50.0
3	Merck Company Foundation	\$ 42.0
4	Prudential Foundation	\$ 21.2
5	Aspen Foundation	\$ 18.1
6	F.M. Kirby Foundation	\$ 17.7
7	Geraldine R. Dodge Foundation	\$ 17.7
8	Merrill Lynch & Co. Foundation	\$ 15.9
9	Russell Berrie Foundation	\$ 13.6
10	IDT Charitable Foundation	\$ 12.4

ABOVE PHOTO: The Geraldine R. Dodge Foundation invests directly in teachers through the Dodge Teaching Fellowship Program and Visual Arts Initiative. After a teaching fellow visit Giverny Garden.



Growth in New Jersey's Community and Public Foundations

Community foundations are public charities built by a wide range of donors who collectively create multiple permanent, named component funds to meet a variety of critical needs. All share the common goal of serving donors, nonprofit organizations and the community as a whole. In addition, community foundations promote philanthropy within their region, evaluate needs and services in their communities, and ensure that charitable gifts are used effectively.

As of 2003, New Jersey is home to four community foundations with total combined assets of \$142,857,125.

Sixty-eight percent of all community foundation assets in the state are held in two organizations:

Community Foundation of New Jersey
Assets \$92.6 million Giving \$10.9 million

Princeton Area Community Foundation
Assets \$33.2 million Giving \$ 1.3 million

The cultivation of additional new community foundations is a dynamic way that New Jersey citizens can expand local philanthropy in creative and inclusive ways, building permanent assets for the long-term betterment of their communities.

Public foundations are also publicly supported nonprofit organizations that are predominantly funded by contributions from individuals, corporations, governmental units and private foundations. As distinguished from most operating charities, public foundations focus on grantmaking rather than on providing direct services. They make grants to support specific issues, geographic areas or organizations. As of 2003, New Jersey has three public foundations with total combined assets of \$41,435,097, the largest such entity being the Salem Health & Wellness Foundation.



The Community Foundation of New Jersey provides college scholarships to disadvantaged African American students in New Jersey through the Clanseer and Anna Johnson Scholarship Fund.

programs, employee matched giving programs and employee volunteerism.

Giving USA, published by the Trust for Philanthropy of the American Association of Fundraising Counsel has announced that cash and in-kind donations from corporations and corporate foundations across the USA has reached an estimated \$13.4 billion in 2003. This is an increase of 4.2 percent (1.9 percent adjusted for inflation) over 2002.

The Chronicle of Philanthropy surveyed national corporations to identify trends influencing corporate giving programs. They have determined that more companies are creating volunteer programs for their employees. Giving programs are being redesigned as a result of mergers and acquisitions, and a growing number of corporations, while continuing to provide funds for specific programs, are also providing grants for general operating support.

According to the annual survey of corporate giving by the Conference Board, New York, NY, charitable contributions from the nation's largest corporations and corporate foundations rose in 2003 and United States corporations continue to support health and human services as the top priority, with large pharmaceutical companies among the largest donors.

At the top of the *The Chronicle of Philanthropy* list of the USA's largest corporate donors is Merck & Company of Whitehouse Station, NJ. Johnson & Johnson of New Brunswick, NJ ranks fourth on this list. Ranking second and third are Pfizer and Bristol-Myers Squibb Company which while based in New York both have a significant business presence in New Jersey.

A sampling of 20 of New Jersey's leading corporate giving programs by CNJG reveals these corporations donated \$19 million in 2003 to New Jersey's charities. Among those who measure the value of in-kind gifts, \$4.2 million were reported given to New Jersey charities.

Corporate and corporate foundation giving in 2003 was 5.6 percent of total estimated giving in the US.

Corporations Grow Giving in a Variety of Ways

New Jersey's corporations are a vital component of philanthropy in New Jersey. There are a variety of ways corporations give: corporate foundations, product donations, corporate giving





Growth in Individual Giving

As a nation, charitable giving accounts for 2.3% of our **gross domestic product**, and four out of every five people in this country donate money each year to charity.

New Jersey giving as a **percentage of income** has been increasing since the inaugural issue of New Jersey Gives. In 1999, New Jerseyans gave 2.4% of their income to charity. By 2002, that number increased by a third to 3.2%.

Measurement	Absolute Value	Rank in Nation
Per Capita Income	\$39,399	2
Average Giving Per Giver	\$3,022	34
Giving as a Percentage of Personal Income	3.2%	29

Still New Jersey's citizens are making a greater and greater contribution to philanthropic pursuits. It is interesting to note that although our income ranks second among the 50 states, we rank only 29th in giving as a percentage of personal income. New Jerseyans must maintain our forward momentum in order to address the social, cultural, and educational needs present in our state.

Clearly, we have the capacity to give more. And there are many ways to give. It's tempting to think of philanthropy as something only for the wealthy. Financial contributions at any level, however, are highly valued. In combining the resources of many, we can do great things for the non-profit sector.

Volunteering is another way to give. As a state, New Jersey ranks low in volunteerism – 37th in the country. Again, we can significantly improve. By cultivating dedicated, new volunteers in our State, we will create a greater awareness of needs and identify those committed to filling them. Studies show that charitable giving follows closely after individuals have positive experiences in community volunteering.



Growing Need



While we're making progress in charitable giving in New Jersey, the needs of our citizens and environment are ever-growing. The people and institutions that depend on the support of foundations, corporations and individual givers need you to become as involved as you can possibly be.

If you are interested in making a difference through philanthropy, here are some ideas:

- Begin a family or private foundation to retain personal control and flexibility in your giving
- Give to or through a community foundation
- Establish a corporate foundation or a giving program to preserve your company's charitable giving during lean times and build goodwill in those communities where you do business
- Join with other like-minded donors to form a giving circle – an alternative to traditional forms of organized philanthropy
- Explore planned giving options in estate planning to support the charities of your choice
- Consider volunteering by contacting www.volunteermatch.org

The Council of New Jersey Grantmakers is ready to assist newcomers to the field of philanthropy to identify giving vehicles that meet their needs. Many opportunities exist for increased philanthropy.

The following organizations can also provide resources and information:

- The Foundation Center – www.fdnctr.org
- The Council on Foundations – www.cof.org
- Independent Sector – www.independentsector.org
- National Center for Family Philanthropy - www.ncfp.org
- Committee to Encourage Corporate Philanthropy - www.corphilanthropy.org
- The Philanthropic Initiative - www.tpi.org
- National Network of Grantmakers - www.nng.org
- Community Foundations of America - www.cfamerica.org

Contact The Council of New Jersey Grantmakers for more detailed information about giving options at 609-341-2022 or www.cnjg.org.



Sources

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Master File IRS Data Resources
Internal Revenue Service,
Washington, DC

United States Census Bureau,
Washington, DC

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The logo for the Council of New Jersey Grantmakers (CNJG) features the letters 'CNJG' in a large, white, serif font against a dark blue background.

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