

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 with a mission to provide data, feedback, programs, and insights to help individual and institutional donors improve their effectiveness. We do this work because we believe effective donors, working collaboratively and thoughtfully, can profoundly contribute to creating a better and more just world.

For more information on CEP's work, including its research, assessments, advisory services, and programming, visit **www.cep.org**.

Table of Contents

- 3 Introduction Letter
- 4 Research
- 6 Assessment and Advisory Services
- 7 YouthTruth
- 9 Programming and External Relations
- 11 People and Culture
- 12 Finance and Operations
- 13 Financial Information
- 14 2022 Funders
- 15 2022 Assessment and Advisory Services Subscribers
- 17 Board of Directors



Introduction Letter

June 2023

Dear Colleague,

For CEP, as for so many organizations, 2022 brought a return to life in person. We came back to our offices in Cambridge and San Francisco and to in-person presentations of research and data at conferences and to clients in their offices. We came back to all of the joy and connection that being in person brings.

But it was also a year in which, while we let go of some of what had been so challenging about 2020 and 2021, we held out hope that the positive changes we saw in philanthropy during that time, borne of crisis, would be sustained and deepened even in more "normal" times. Those changes included: a focus on systemic inequities and how to dismantle them; an attention to how best to support nonprofits; a willingness to re-think processes and restrictions that adversely affect nonprofit organizations; and an increased focus on listening, with humility, to those most closely connected to the issues and communities donors and foundations seek to help.

We did our part to help make this so, by:

- Working with 109 grantmakers to conduct 127 engagements, helping them to gather crucial feedback from stakeholders and to understand their work more deeply.
- Highlighting the disconnect between the anxiety about climate change among foundation leaders and the degree to which foundations are committing resources to this effort, as well as undertaking an ambitious effort to study the effects of MacKenzie Scott's giving on recipient organizations, believing the lessons will be relevant for donors of various types and levels.
- Elevating the voices of students during a time when doing so could scarcely be more important, particularly when it comes to spotlighting crucial issues such as emotional and mental health.
- Bringing donors and foundation leaders together to learn from research and from each other in webinars and through resources such as the CEP blog and the Giving Done Right podcast.

We invite you to learn more about this work, and other efforts, in the pages that follow, and to join us in the effort to encourage more — and more effective — philanthropy.

Yours sincerely,



Phil Buchanan President, CEP philb@cep.org



Tiffany Cooper Gueye Board Chair, CEP

Research

CEP's research team asked big guestions in 2022 that are central to philanthropic practices and philanthropy's purpose in our world. How do foundation and nonprofit leaders view the existential risk of climate change? What are they doing to address it? How has MacKenzie Scott's pathbreaking approach to philanthropy impacted the nonprofits that received her gifts? How are they using these large, unrestricted gifts, and have they experienced any unintended negative consequences?



Phil Buchanan

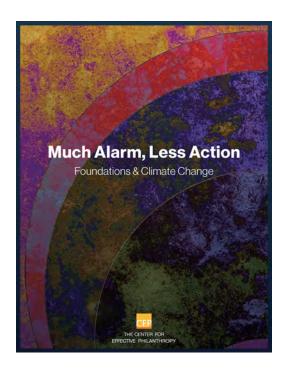
These are vital questions for the state of philanthropy today, and the research CEP produced in the last year reveals crucial insights: that while the pace has picked up in recent years, there is much more space for philanthropy to engage in climate solutions (and solution-finding) and that Scott's giving holds important lessons for other donors. Asking these questions, and reporting out what we find out as we investigate them, will, we hope, help those engaging in philanthropic efforts at all levels to be more effective.

Internally, 2022 was a time of transition for CEP's research team, as longtime Vice President of Research Ellie Buteau stepped out of that role and into a new, part-time one. I am thrilled that Ellie, who is one of the most important and prolific researchers on philanthropy in the country, continues to be a part of an organization she helped to build from the ground up, even as she needs to step back a bit. I am also grateful for the talented team of researchers we have at CEP and look forward to welcoming a new vice president of research in 2023.

- Phil Buchanan, President

Much Alarm, Less Action: Foundations and Climate Change

Foundation leaders overwhelmingly see climate change as an urgent problem and believe that foundations could be doing more to address the issue. Despite this widely shared view, though, foundation efforts to address climate change are relatively limited, and non-climate funders tend to see the issue as outside the scope of their mission. Given the urgency of climate change, with climate science pointing to significant impacts and a narrowing window of opportunity for action, this report examines how leaders in the philanthropic sector, both at foundations and nonprofit organizations, perceive the issue and how it will affect their work.



Research (continued)



Giving Big: The Impact of Large, Unrestricted Gifts on Nonprofits

MacKenzie Scott's giving represents a break from traditional philanthropic practice, with gifts that are both unusually large, often come out of the blue, are unrestricted, and require very little reporting. In the first report in a three-year study on her giving, CEP's research team found that recipients of Scott's gifts say the funding has been transformative for their organizations, as well as for the nonprofit leaders who receive them. They report that they're using the unrestricted money to expand their core work while also shoring up their financial sustainability and addressing operational capacity, and that the support was more likely to strengthen their fundraising efforts than to cause other funders to pull back.



Assessment and Advisory Services

CEP's assessments and advisory services 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 advisory services and assessments — including the **Grantee and Applicant Perception Report**, **Donor Perception Report**, and **Staff Perception Report** — to make the best choices about how to use their resources to create impact.



127 TOTAL ENGAGEMENTS



WITH 109
PARTNERS

Expanding Our Efforts

2022 saw unprecedented demand for CEP's assessment and advisory services, and a record number of engagements. This growth affirms that there is appetite for the unique learning and insight that CEP's feedback tools and advisory services offer. It is an encouraging sign that grantmakers continue to recognize the importance of listening to partners and benchmarking approaches with other funders — especially at a moment in which nonprofits and funders are all adjusting their efforts based on the many challenges of the last few years.



Kevin Bolduc

In addition to offering feedback to 109 partners to help them improve their effectiveness, this year saw the launch of the first of CEP's Learning and Action Hub offerings: the Trust-Based Philanthropy Learning Cohort. The cohort, which kicked off in November and continued through early 2023, was quickly sold out. Thirty-four senior foundation staff from 19 different grantmakers took part in the inaugural session, and following the success of this first session, CEP will build on these new approaches with future offerings from the Learning and Action Hub in 2023.

Beyond these two significant achievements for the team, we continued to plan for further growth by undertaking significant technological improvements in our report-building, creating efficiencies and making our reports more accessible for our clients. We also continued to enhance our support of clients seeking to use grantee, staff, and board demographic information to understand crucial aspects of diversity and equity in their own work. Finally, we are excited about the efforts of our new (as of late 2022) lead for Global Assessment and Advisory Services, Natalia Kiryttopoulou, based in Madrid, who has already begun to expand our work with funders in Europe and beyond, and who will continue to steward CEP's services and thought leadership globally moving forward.

With these achievements and exciting new projects well underway, we leave 2022 behind looking forward to continued growth on all of these fronts — each of which contributes in important ways to CEP's mission of improving philanthropic effectiveness.

- Kevin Bolduc, Vice President, Assessment and Advisory Services

YouthTruth

YouthTruth harnesses student and stakeholder feedback to help school and school system leaders and education funders make 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.

Elevating Student Voice in a Fraught Environment

Throughout 2022, it became clear that the effects of the pandemic's disruption on students learning and well-being would not be short-lived. Students have expressed continued challenges with mental health and other obstacles to their learning and, alongside these challenges, students, parents, teachers, and school administrators have faced a fraught political environment. These circumstances make it all the more vital that we listen to the students themselves.



Jen Vorse Wilka

YouthTruth has sought to do this with particular focus on student emotional and mental health in 2022, hearing what students were saying on these topics and recognizing the importance of the issue both for students as well as all concerned with student welfare *and* educational outcomes. Over the course of the year, the YouthTruth team surveyed more than **380,300 students** and **138,000 family and staff members** at more than **1,200 schools**.

Throughout the year, the team has kept our mission of centering the needs and well-being of students nationwide front and center. With that in mind, I'm delighted to share more about our specific work outcomes, detailed below.

- Jen Vorse Wilka, Executive Director, YouthTruth

Publications and Campaigns

The team produced and released four key publications this year, including a qualitative analysis in the *Students Weigh In* series, a special social media Pride campaign in June, a report on the class of 2022's future plans, and a report on student perceptions of their emotional and mental health. These reports garnered local and national media attention, elevating student voices on subjects central to their learning and well-being at a time when there is widespread attention trained on classrooms.









YouthTruth (continued)

Strategic Planning and Growing the Team

In light of YouthTruth's evolution and growth as well as the increased appetite for feedback and student voice in the external environment, in 2022 YouthTruth undertook a strategic planning process to take stock of our position and vision for the future. Through this process, which will conclude in 2023, we explored a set of choices about how to best pursue our mission over the coming years and how to align the resources, staffing, and structure needed to support our strategy. The team also grew in 2022, onboarding five new members and launching the brand new learning, communications, and design team.

Public Presence and Special Projects

In 2022, members of the YouthTruth team represented our work at nine conferences and shared insights about the student experience through nine speaking engagements. We also completed a two-year research project, supported by the Fund for Shared Insight and carried out in partnership with SRI International, exploring the relationship between student perceptions in YouthTruth's surveys and student outcomes, which found relationships to student outcomes in the hypothesized direction for all six student experience themes studied.

2022 YouthTruth Institutional Funders

BILL & MELINDA GATES foundation

THE ARTHUR M. BLANK FAMILY FOUNDATION

CORPORATION OF NEW YORK











Programming and External Relations

In 2022 CEP's programming and external relations (PER) team worked to provide the sector with engaging, thoughtprovoking, and practical programming and content to help grantmakers and individual donors carry forward the unprecedented momentum for change from recent years.

With the mission of uplifting the work CEP is doing and stewarding the message of effective giving practices far and wide, we put on five virtual sessions focused on philanthropic leadership, produced a third season of the Giving Done Right podcast, and continued to curate the blog as a place



Grace Nicolette

for thoughtful debate in the philanthropic space. The team also built new and stronger relationships with funders, supported the assessment and advisory services team with marketing efforts, led the design and dissemination of two research releases, and began a significant project to redesign and update the CEP website.

Through each of these streams of work, we have sought to help funders — both at the institutional and individual level — think expansively about how to give well, and to think carefully about how to give effectively. We look forward to continuing to host and elevate vital, ongoing conversations in philanthropy.

- Grace Nicolette, Vice President, Programming and External Relations

Widely Attended Virtual Events

The team continued to produce virtual programming in 2022, putting on five programs with a focus on philanthropic leadership. These events included: a session built around CEP's two parallel Overlooked reports held in March; a June webinar titled "Rebuilding Trust in Nonprofits and Philanthropy;" an event focused on philanthropy's views and actions on climate following the release of CEP's report, Much Alarm, Less Action: Foundations and Climate Change, in July; a session in September on foundation boards and equity that featured two foundation CEOs alongside a trustee or board member of their foundations; and our most highly subscribed webinar ever on CEP's research on the impact of MacKenzie Scott's gifts, titled Giving Big: The Impact of Large, Unrestricted Gifts. Recordings of three of these five events will continue to be available to CEP's audience as resources on CEP's YouTube.

A Third Season of Giving Done Right

The Giving Done Right podcast returned for a third season in 2022, hosted by CEP President Phil Buchanan and Vice President, Programming and External Relations, Grace Nicolette. The guests featured on season three included executive director of Chelsea, MAbased nonprofit La Colaborativa Gladys Vega, CEO of the Center for Disaster Philanthropy **Patricia McIlreavy**, author and activist **Heather** McGhee, and others with remarkable stories and unique insight into effective giving. Giving Done Right continues to rank in the top two percent of podcasts in the world by downloads according to leading podcasting benchmarking tool Listen Notes.



Programming and External Relations (continued)

Updating our Online Presence

In addition to supporting two major research releases over the course of the year — Much Alarm, Less Action: Foundations and Climate Change in July and Giving Big: The Impact of Large, Unrestricted Gifts on Nonprofits in November — the team reimagined the online release and presentation of these reports. In close consultation with consultants Narwhal Digital, the PER team designed a microsite for each report that highlights interactive key findings as well as noteworthy data points and quotes from the report, offering a highlevel overview of CEP research in a visually appealing and easily digestible package. These sites garnered thousands of views and directed viewers to the full report PDF. The report template will continue to be used for subsequent research releases, making CEP research more accessible and reaching a broader audience. The team also launched a stage-by-stage redesign of the CEP website to clarify pathways to resources, tools, and opportunities to engage with CEP and to improve user experience.







People and Culture

Housed within the President's Office, the people and culture team strives to ensure that CEP is living up to its stated goals when it comes to creating a people-oriented and mission-focused culture and meeting the highest standards of diversity, equity, and inclusion both in our internal culture and external practices, including recruiting, hiring, and onboarding processes. More information on CEP's culture can be found in on CEP's website, and more information about CEP's DEI goals and plans can be found in CEP's "Diversity, Equity, and Inclusion Vision."



Alyse d'Amico

Growing, Gathering, and Learning Conscientiously

The people and culture team took on a number of significant projects in 2022. One of the most significant of those projects was to put on an all-staff retreat in August in Cambridge, with the help of a task force of volunteers from across CEP. Ahead of the entire staff from both the east and west offices gathering at the Le Méridien hotel in Cambridge for a two-day retreat, the team coordinated with both the task force and senior staff to plan a mix of organizational planning, learning-oriented, and fun events. Photos from this year's staff retreat can be seen throughout this report.

In addition to this crucial gathering, people and culture continued work to focus on CEP's values in our work and culture. This included hosting professional development sessions and offering opportunities such as a "book club" in which staff who choose to participate read and discuss a selected book (this year, "The Sum of Us" by Heather McGhee). In addition, we hosted an all-staff discussion about our diversity, equity, and inclusion (DEI) practices and reviewed our progress against CEP's DEI plan in the fall, following up on a discussion held at the all-staff retreat in August. The team also conducted a comprehensive review of salaries and benefits to ensure we are upholding our compensation philosophy and values.

The team also worked throughout the year with all staff and, in particular, with a "How We Work" crossorganization task force, to clarify our hybrid work environment goals and put practices and policies in place that allow us flexibility and to get the most out of our in-person and remote work opportunities.

Finally, CEP continued to grow as we welcomed 17 new staff during 2022. The people and culture team led the recruitment and hiring process with an eye toward best practices when it comes to DEI, and we continue to be impressed with the thoughtful contributions of each new member of the CEP team!

- Alyse D'Amico, Vice President, People and Culture

Finance and Operations

CEP is committed to being a strong organization financially and operationally. We have a diversified revenue stream and grant support from more than 50 funders, including a mix of both general support and project funders. More than half our revenue is derived from fees-for-service, primarily our assessment and advisory services for foundations as well as our YouthTruth survey products. In addition, we maintain a robust Board Designated Reserve Fund and a Strategic Opportunities Fund that is used to pursue opportunities to advance CEP's mission in ways that would otherwise not be feasible.



Rihab Babiker

Moving on Up

In 2022, we identified a new space for CEP's main office in Cambridge and oversaw the move and configuration of the new office to match our hybrid work model. CEP's new office is on the 11th floor of 675 Massachusetts Avenue, in a new, light-filled office space with modern furniture and a larger, more communal kitchen and lounge space.

After receiving a \$10 million unrestricted gift from MacKenzie Scott in 2021, we revised our investment strategy, securing new investment advisors who solely invest in socially responsible investments to manage our growing assets.

Furthermore, in our continued efforts to improve financial systems and leverage automation, we integrated our customer relationship management system (Salesforce) and the financial system (QuickBooks Online) to reduce double data entry and improve efficiency. As a result, we can better track client engagement with invoices from submittal to payment, and we can share billing and payment information across the organization in real-time. We have also improved our invoicing process efficiency by 50 percent.

In 2022, we ended the year with a modest operational surplus of \$38,000. The unfavorable market performance, namely unrealized losses, affecting our investments, is reflected in our overall net assets at year-end.

- Rihab Babiker, Vice President, Finance and Operations

Financial Information

Statement of Financial Position for the year ended December 31, 2022

dollars in thousands

		Temp	
	Unrestricted	Restricted	Total
Total Assets	14,203	3,562	17,764
Selected Balances			
Cash	1,123	3,621	4,744
Investments	11,215		11,215
P/R		2,256	2,256

Statement of Activities and Change in Net Assets for the year ended December 31, 2022

dollars in thousands

Unrestricted

	On a ratio a	Strategic Opportunities	Temp	Total
Operating Revenue & Support	Operating	Fund	Restricted	Total
Grants & Contributions	5,162		1,501	6,663
Earned Revenue	6,934		-35	6,899
Total Operating Revenue & Support	12,096		1,466	13,562
Operating Expenses				
Program Services	9,271	1,427		10,697
Supporting Services				
Management and General	2,614			2,614
Fundraising	173			173
Total Supporting Services	2,787			2,787
TOTAL EXPENSES	12,058	1,427	0	13,485
Change in Net Assets	38	-1,427	1,466	77
Investment Return, net	-243	-17		-260
Net Assets at Beginning of Year	7,852	8,000	2,096	17,947
Net Assets at End of Year	7,647	6,556	3,562	17,764

2022 Funders (Foundation Giving by Level of Support)

\$500,000 or More







\$200,000 to \$499,999

Carnegie Corporation of New York Conrad N. Hilton Foundation Fund for Shared Insight Oak Foundation The Arthur M. Blank Family Foundation Walton Family Foundation

\$100,000 to \$199,999

Barr Foundation Bill and Melinda Gates Foundation **Houston Endowment** Rockefeller Foundation The David and Lucile Packard Foundation The Wallace Foundation

\$50,000 to \$99,999

Goldman Sachs Philanthropy Fund John D. and Catherine T. MacArthur Foundation Margaret A. Cargill **Philanthropies** Omidyar Network Fund Rita Allen Foundation The Heinz Endowments The Leona M. and Harry B. Helmsley Charitable Trust The Kresge Foundation The Gordon and Betty Moore Foundation

\$20,000 to \$49,999

Anonymous Blue Shield of California Foundation Heising-Simons Foundation Nellie Mae Education Foundation

Rockefeller Brothers Fund Surdna Foundation The Duke Endowment Wilburforce Foundation

Up to \$19.999 Archstone Foundation California Health Care Foundation Colorado Health Foundation Columbus Foundation **Delaware Community** Foundation Doris Duke Charitable Foundation **Dyson Foundation Essex County Community** Foundation Eugene and Agnes E. Meyer Foundation Evelyn and Walter Haas, Jr. Fund George Gund Foundation Henry Luce Foundation Jacob and Valeria Langeloth Foundation Johnson Scholarship Foundation New Hampshire Charitable Foundation Open Impact Public Welfare Foundation

Weinberg Foundation The Assisi Foundation of Memphis The McKnight Foundation The Patterson Foundation

The Harry and Jeanette

Scarlet Feather Fund

Individual Contributors

Elisha Smith Arrillaga Michael Bailin Katharine Bambrick Birch (Paul) Beaudet Kevin Bolduc Phil and Lara Buchanan Chia-Whei Nora Chiang Yolanda Coentro Stu Comstock-Gay Gregg Croteau Julie and Peter Cummings Jessica David Jennifer de Forest Elisabeth Eisner Forbes Pam Foster Sampriti Ganguli Pierce Gendron Philip and Marcia Giudice Tiffany Cooper Gueye Jacob Harold and Carolyn Sufrin Crystal Hayling Robert Hughes Stephanie Hull Zachary Kahn Amanda King James and Ginger Knickman Lindsay Louie Jean McCall

Lee Alexander Risby Richard Simeon LaTida and Walter Smith Vince Stehle Kelvin Taketa Fay Twersky and Jill Blair Jen Vorse Wilka Lynn Perry Wooten

Dick Ober

Hilary Pennington

Anthony Richardson

Christy Pichel

2022 Assessment and **Advisory Services Subscribers**

American Family Insurance Dreams Foundation

Archstone Foundation

Arizona Community Foundation

Arkansas Community Foundation

Arts Council Santa Cruz County

Aviv Foundation

Blue Shield of California Foundation

California Community Foundation

Center for Disaster Philanthropy

Central New York Community Foundation

Charles and Margery Barancik Foundation

Clif Family Foundation

Colorado Office of Behavioral Health

Community Foundation of Greater Des Moines

Community Foundation for a Greater Richmond

Crankstart Foundation

Crown Family Philanthropies

Delaware Community Foundation

Dovetail Impact Foundation

Echidna Giving

Fetzer Institute

M. Kirby Foundation, Inc.

Ford Foundation

France-Merrick Foundation

Fremont Area Community Foundation

Greater Worcester Community Foundation

Hampton Roads Community Foundation

Hawai'i Community Foundation

Headwaters Foundation

Heising-Simons Foundation

Houston Endowment

Humanity United

Imaginable Futures

Iowa West Foundation

Jessie Ball duPont Fund

Jewish Foundation of Cincinnati

Johnson Scholarship Foundation

Just Transition Fund

Kenneth Rainin Foundation

W. K. Kellogg Foundation

Laudes Foundation

LGT Venture Philanthropy

Lumina Foundation for Education

Mama Cash

Meyer Foundation

Michigan Health Endowment Fund

Mission Investors Exchange

Nellie Mae Education Foundation

New Hampshire Charitable Foundation

New York Health Foundation

North Texas Community Foundation

Novo Nordisk Haemophilia Foundation

Oak Foundation

Overdeck Family Foundation, Inc.

Paul Hamlyn Foundation

Paul Ramsav Foundation

Pisces Foundation

REACH Healthcare Foundation

Resources Legacy Fund

Robertson Foundation

SHINE

The Alaska Community Foundation

The Andrew W. Mellon Foundation

The Baltimore Community Foundation

The Boston Foundation

The California Endowment

The Chicago Community Trust

The Coca-Cola Foundation, Inc.

2022 Assessment and Advisory Services Subscribers (continued)

The Community Foundation for Greater Atlanta

The Community Foundation of Lorain County

The Community Foundation

San Luis Obispo County

The Conrad Prebys Foundation

The Denver Foundation

The Eddie and Jules Trump Family Foundation

The END Fund

The Frist Foundation

The Greenwall Foundation

The Harry and Jeanette Weinberg Foundation, Inc.

The Jacob and Valeria Langeloth Foundation

The PATH Foundation

The Skillman Foundation

The Wallace Foundation

The William and Flora Hewlett Foundation

The Winnipeg Foundation

Sobrato Family Foundation

Stupski Foundation

Target Foundation

Trinity Church Wall Street Philanthropies

Realdania

Rowe Price Foundation

Unbound Philanthropy

Vancouver Foundation

Virginia Foundation for Healthy Youth

Vitol Foundation

Walter and Elise Haas Fund

Walton Family Foundation

Wilburforce Foundation

William Penn Foundation

W. K. Kellogg Foundation

Zilber Family Foundation



Board of Directors (as of 12/31/2022)

Tiffany Cooper Gueye, Ph.D., Chair

Board Chair

CEP

Birch (Paul) Beaudet

Executive Director

Wilburforce Foundation

Phil Buchanan, ex officio

President

CEP

Sampriti Ganguli

Senior Advisor

Arabella Advisors

Jesús Gerena

CEO

UpTogether

Taryn Higashi

Executive Director

Unbound Philanthropy

Stephanie Hull

President and CEO

Girls, Inc.

Dick Ober

President and CEO

New Hampshire Charitable Foundation

Hilary Pennington

Executive Vice President for Program

Ford Foundation

Anthony Richardson

President

The George Gund Foundation

Lee Alexander Risby

Director of Effective Philanthropy

Laudes Foundation

LaTida Smith

President

Winston-Salem Foundation

Kelvin Taketa

Former President and CEO

Hawai'i Community Foundation

Fay Twersky

President and Director

The Arthur M. Blank Family Foundation



Cambridge, Massachusetts

675 Massachusetts Avenue 11th Floor Cambridge, MA 02139 617-492-0800

San Francisco, California

131 Steuart Street Suite 501 San Francisco, CA 94105 415-286-9538

cep.org

