

2011 ANNUAL REPORT

2011

CEP BY THE NUMBERS



THE CENTER FOR
EFFECTIVE PHILANTHROPY



Dear Colleague,

The year 2011 marked the Center for Effective Philanthropy's 10th anniversary, and it was a period of significant accomplishments for CEP. This Annual Report uses data to tell the story of our pursuit of more effective philanthropy during 2011.

While the data we present here is often encouraging, we believe funders have a long way yet to go before they are truly maximizing their effectiveness and as a result having the most positive impact possible on fields, communities, and people. We believe that foundation effectiveness requires clear goals, coherent strategies, disciplined implementation of those strategies, and relevant performance indicators. As for all organizations – from small businesses to big companies to human service nonprofits to colleges and universities – it takes tremendous will and discipline for funders to maximize their effectiveness.

But for funders, it's an even bigger challenge because of the lack of naturally occurring feedback loops.

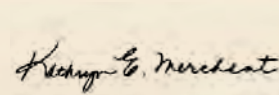
That's where CEP comes in. We bring data to bear on important questions through our research and our assessment tools. How are funders doing in their relationships with grantees and other key stakeholders? What do we know about how they can do better? Are funders seen to be clear in communicating their goals and strategies? What is the relationship between the rhetoric about foundation strategy and its actual use? How might we bridge that divide? What data exists that would allow funders to better coordinate as they work toward shared goals? How are funders hearing from the intended beneficiaries of their work – the people whose lives they seek to improve?

This is just a sampling of the questions CEP helps to answer for funders through our research and our assessment tools.

We don't have all the answers when it comes to effective philanthropy, of course. No one does. But we are committed to doing everything we can to help funders assess and improve their performance in pursuit of their intended impact.

We hope you'll join us in the quest for more effective philanthropy.

Yours sincerely,



Kathy Merchant
BOARD CHAIR

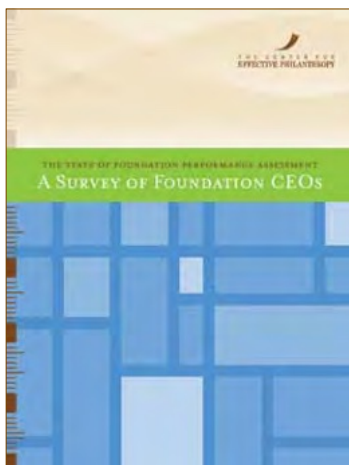
PRESIDENT/CEO
THE GREATER CINCINNATI
FOUNDATION



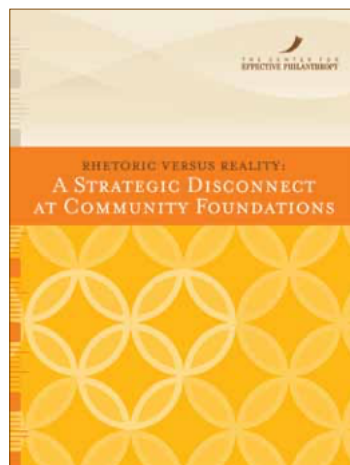
Phil Buchanan
PRESIDENT

CEP'S RESEARCH DRAWS ON COMPARATIVE DATA TO HIGHLIGHT
EFFECTIVE PRACTICES. WE RELEASED THREE MAJOR RESEARCH
REPORTS IN 2011.

3



**THE STATE OF FOUNDATION
PERFORMANCE ASSESSMENT**
analyzed performance
assessment practices and
attitudes among CEOs
of major foundations.



**RHETORIC VERSUS REALITY:
A STRATEGIC DISCONNECT
AT COMMUNITY FOUNDATIONS**
concluded that, just as is the
case at private foundations,
community foundations
struggle to match their
rhetorical embrace of strategy
with its actual, day-to-day use.



**CAN FEEDBACK FUEL CHANGE
AT FOUNDATIONS?** documented
how foundations act on
feedback to strengthen their
relationships with grantees.

CITATIONS

17

Number of citations of CEP reports in research published by others that we monitor for references to our work.



PRESENTATIONS

13

Number of speaking engagements at national and regional philanthropy conferences at which CEP presented research findings.

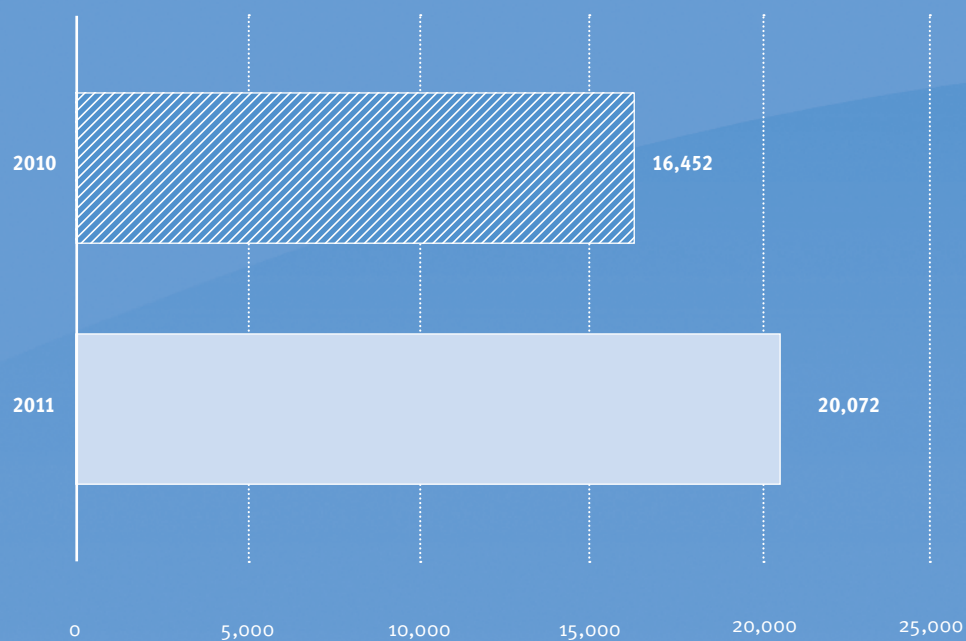


DOWNLOADS

20,072

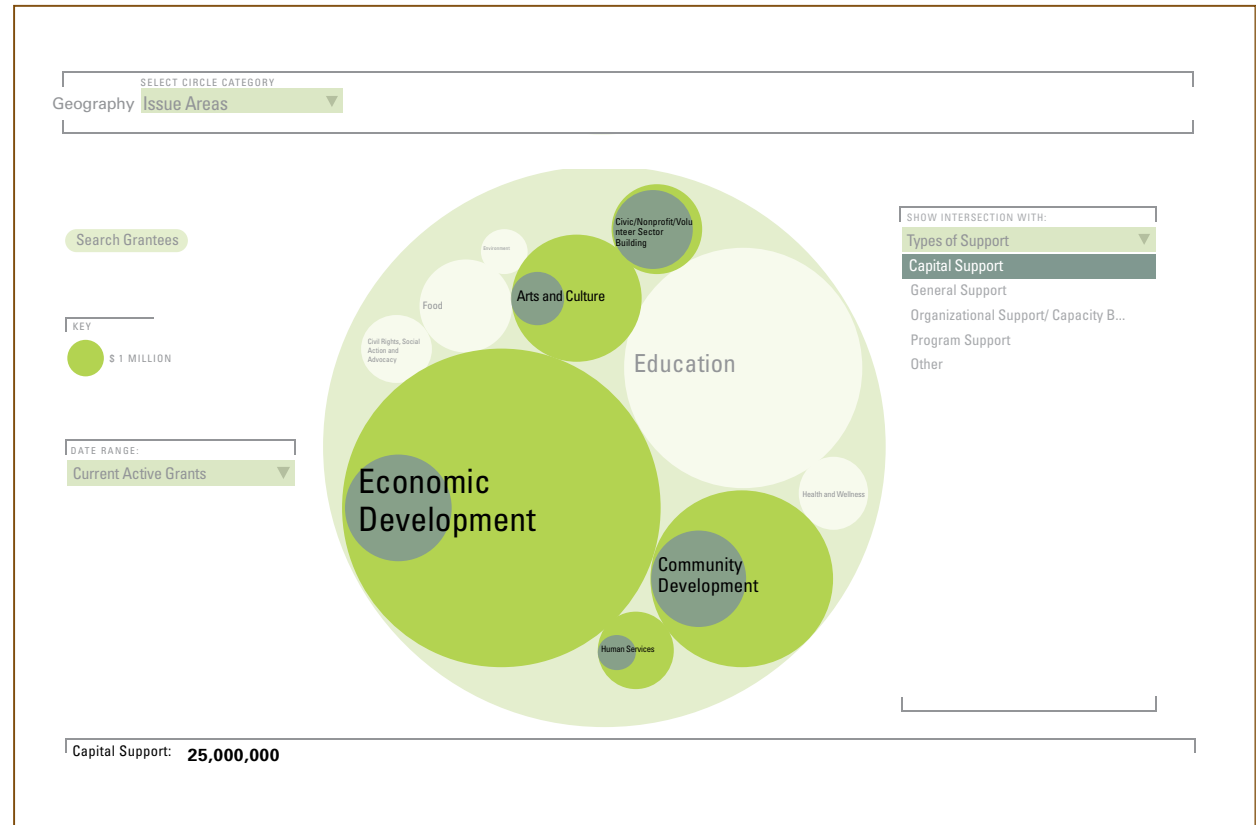
Number of CEP research report downloads from CEP's website, a 22 percent increase over the previous year.

DOWNLOADS PER YEAR



CEP'S ASSESSMENT TOOLS
DRAW ON COMPARATIVE DATA
AND HELP FUNDERS MAKE
BETTER DECISIONS.

IN 2011, WE LAUNCHED THE
STRATEGY LANDSCAPE TOOL,
DEVELOPED BY THE MONITOR
INSTITUTE, WHICH PROVIDES
DATA TO ALLOW GROUPS OF
FUNDERS WITH SHARED GOALS
TO UNDERSTAND WHO IS
DOING WHAT, SEGMENTED
BY STRATEGY.



SATISFACTION

11 OF 11

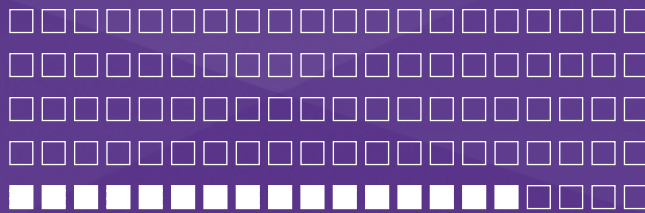
Number of early users of CEP's Donor Perception Report who said they would recommend the tool to other community foundations in a third-party survey conducted by LFA Group.



REACH

16%

Proportion of foundations in CEP's target audience that have used a CEP assessment tool as of year-end 2011.



CHANGE

66%

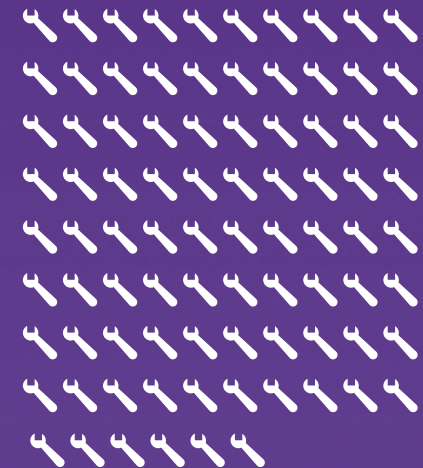
Proportion of the 35 Grantee Perception Report (GPR) users surveyed by LFA Group who said the GPR led to "significant change" within their foundations.

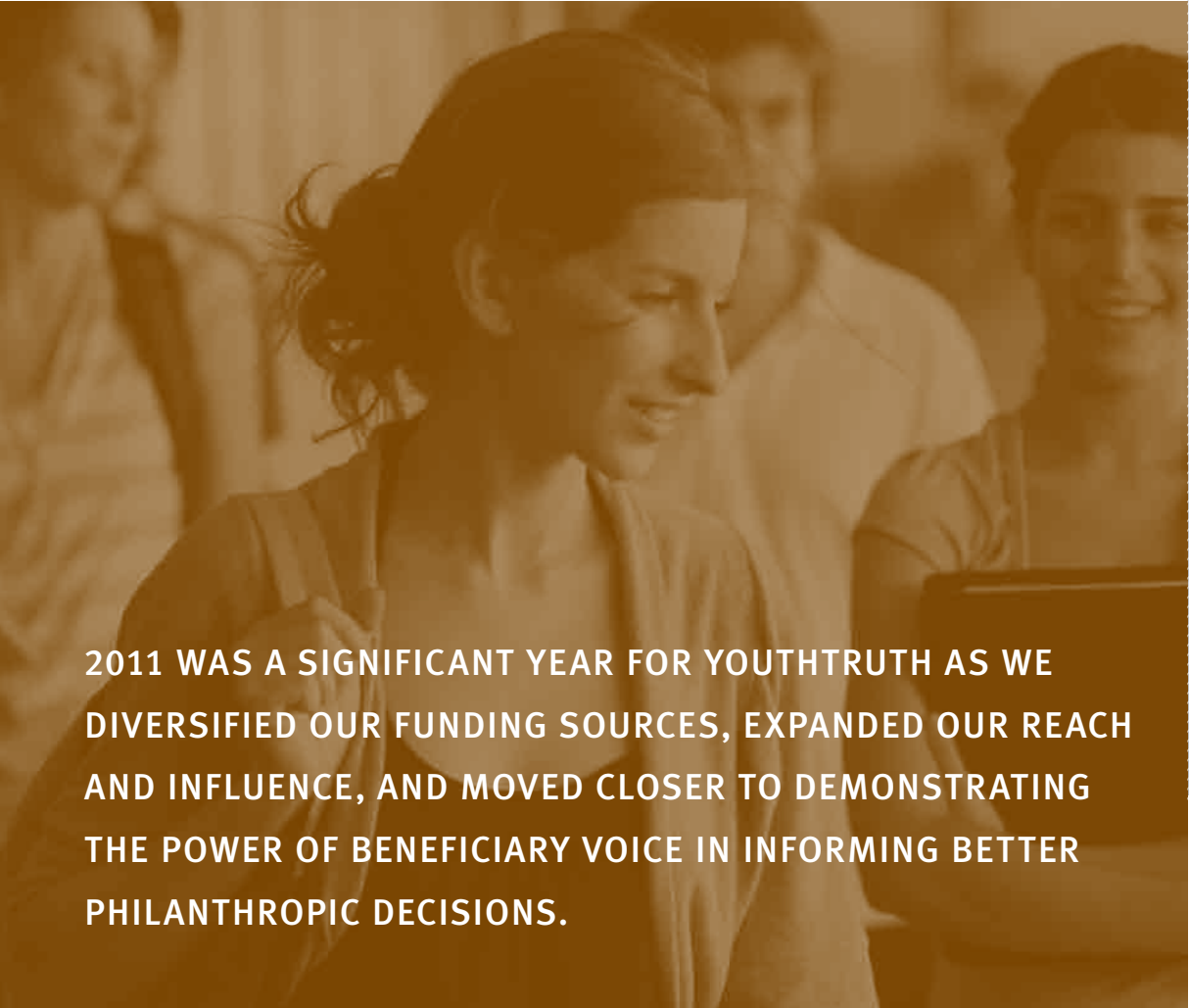


USERS

86

Number of foundations that used a CEP assessment tool in 2011 (including Strategy Landscape Tool).



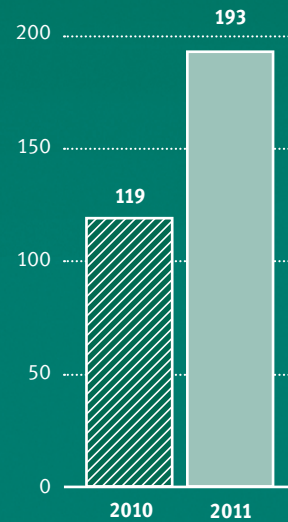


2011 WAS A SIGNIFICANT YEAR FOR YOUTHTRUTH AS WE
DIVERSIFIED OUR FUNDING SOURCES, EXPANDED OUR REACH
AND INFLUENCE, AND MOVED CLOSER TO DEMONSTRATING
THE POWER OF BENEFICIARY VOICE IN INFORMING BETTER
PHILANTHROPIC DECISIONS.

SCHOOLS

193

Cumulative number of schools in which YouthTruth has been administered, as of year-end 2011.



CHANGE

85%

Proportion of school principals reporting they made changes as a result of YouthTruth.



SURVEYS

75,000

Cumulative number of high school students surveyed.



FOR MORE INFORMATION ABOUT THE YOUTHTRUTH PROJECT,
VISIT WWW.YOUTHTRUTHSURVEY.ORG.

CEP'S COMMUNICATIONS AND PROGRAMMING WORK AIMS TO PROMOTE THE CAUSE OF FOUNDATION EFFECTIVENESS ALONG WITH OUR RESEARCH AND TOOLS – AND TO BUILD A COMMUNITY OF FOUNDATION LEADERS COMMITTED TO IMPROVEMENT. IN 2011, WE HOSTED OUR MOST WELL-ATTENDED AND HIGHLY RATED CONFERENCE TO DATE, FEATURING MIT ECONOMIST ESTHER DUFLO, BILL & MELINDA GATES FOUNDATION CEO JEFF RAIKES, HARVARD BUSINESS SCHOOL PROFESSOR LINDA HILL, AND PHILANTHROPIST AND ACTOR MICHAEL J. FOX.



Esther Duflo

ABDUL LATIF JAMEEL PROFESSOR
OF POVERTY ALLEVIATION AND
DEVELOPMENT ECONOMICS
MIT

FOUNDER AND DIRECTOR
THE JAMEEL POVERTY
ACTION LAB

Jeff Raikes

CEO
BILL & MELINDA
GATES FOUNDATION

Linda Hill

WALLACE BRETT DONHAM
PROFESSOR OF BUSINESS
ADMINISTRATION
HARVARD BUSINESS
SCHOOL

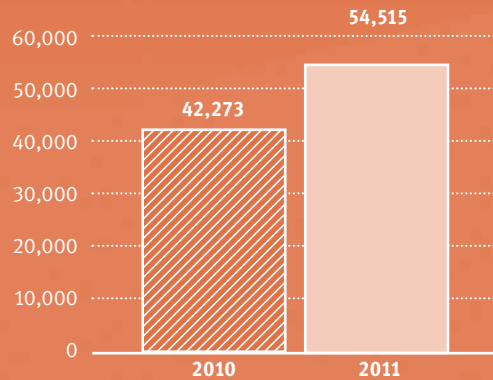
Michael J. Fox
FOUNDER

THE MICHAEL J. FOX
FOUNDATION FOR
PARKINSON'S RESEARCH

VISITORS

54,515

Number of unique visitors to the CEP website in 2011.



SATISFACTION

4.3

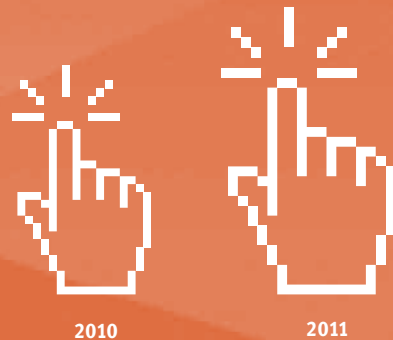
Average rating, on a 1–5 scale, for overall satisfaction with CEP's conference.



BLOG TRAFFIC

23%

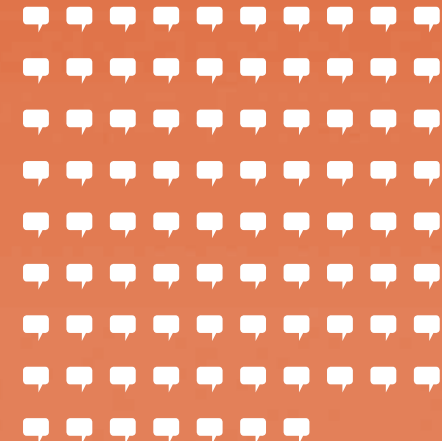
Increase in traffic to the CEP blog in 2011.



PRESS

87

Number of media mentions of CEP and our work in press we track.



CEP STRENGTHENED
OUR FINANCES BY
IMPROVING THE
ECONOMICS OF OUR
ASSESSMENT TOOLS
AND RAISING MORE
GRANT SUPPORT
THAN IN ANY YEAR
IN CEP HISTORY.



2011 CEP STAFF

REVENUE

64%

Proportion of CEP's total 2011 revenue that was earned, or fee-for-service.



DIVERSITY

6.6

Average rating, on a 1–7 scale, of CEP staff on a question in an annual staff survey asking whether staff agree that “CEP as a whole is respectful of staff of different races, genders, and backgrounds.”



SUPPORT

48

Number of foundations providing grant support to CEP.



Statement of Financial Position for the Year Ended December 31, 2011

Dollars in thousands

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
Total Assets	\$4,197	\$1,016	\$5,213
Selected Balances			
Cash	\$2,205	\$375	\$2,580
Investments	\$1,420	—	\$1,420
Pledges Receivable	—	\$641	\$641

Statement of Activities and Changes in Net Assets for the Year Ended December 31, 2011

Dollars in thousands

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
Operating Revenue and Support			
Grants and Contributions	\$2,926	\$(698)	\$2,228
Earned Revenue	\$3,990	—	\$3,990
Interest Income	\$20	—	\$20
Total Revenue	\$6,936	\$(698)	\$6,238
Operating Expenses			
Salary and Benefits	\$3,608	—	\$3,608
Program Related	\$1,129	—	\$1,129
Professional Fees	\$510	—	\$510
Office Related	\$401	—	\$401
Travel and Meals	\$169	—	\$169
Occupancy	\$484	—	\$484
Other	\$61	—	\$61
Total Expenses	\$6,362	—	\$6,362
Change in Net Assets	\$574	\$(698)	\$(124)
Net Assets at Beginning of Year	\$2,303	\$1,714	\$4,017
Net Assets at End of Year	\$2,877	\$1,016	\$3,893

\$500,000 OR MORE

The Robert Wood Johnson
Foundation

\$200,000 TO 499,999

Bill & Melinda Gates Foundation

W.K. Kellogg Foundation

Wallace Foundation

The William and Flora Hewlett
Foundation

\$100,000 TO 199,999

The Atlantic Philanthropies

Charles Stewart Mott Foundation

David and Lucile Packard
Foundation

Ford Foundation

The James Irvine Foundation

Rockefeller Foundation

Stuart Foundation

\$50,000 TO 99,999

Edna McConnell Clark
Foundation

Gordon and Betty Moore
Foundation

\$20,000 TO 49,999

California Endowment

Duke Endowment

Foundation for the Mid South

The John D. and
Catherine T. MacArthur
Foundation

Lumina Foundation
for Education

Marguerite Casey Foundation

Rita Allen Foundation

Rockefeller Brothers Fund

Surdna Foundation

The W. Clement & Jessie V. Stone
Foundation

UP TO \$19,999

Assisi Foundation of Memphis

Barr Foundation

Blandin Foundation

California HealthCare Foundation

The Colorado Health Foundation

The Columbus Foundation

The Commonwealth Fund

Conrad N. Hilton Foundation

Doris Duke Charitable Foundation

Evelyn and Walter Haas, Jr. Fund

Gaylord and Dorothy Donnelley
Foundation

Goizueta Foundation

Houston Endowment

Hyams Foundation

The Jacob and Valeria Langeloth
Foundation

John A. Hartford Foundation

John S. and James L. Knight
Foundation

Maine Health Access Foundation

McKnight Foundation

The New Hampshire Charitable
Foundation

Richard M. Fairbanks Foundation

Saint Luke's Foundation

Wilburforce Foundation

William Penn Foundation

INDIVIDUAL CONTRIBUTIONS

Michael Bailin

Kevin Bolduc

Christine James-Brown

Phil Buchanan

Ellie Buteau

Alexa and Travis Culwell

Alyse d'Amico

Robert Eckardt

Kathleen Enright

Phil and Marcia Giudice

Crystal Hayling

Paul Heggarty

Stephen Heintz

Robert Hughes

Amanda King

Latia King

Patricia Kozu

Joe Lee

Kathy Merchant

Alexsandra Ocasio

Joel Orosz

Nadya Shmavonian

Nan Stone

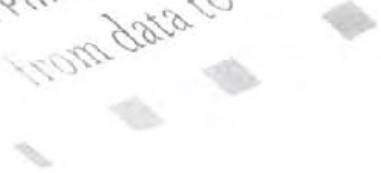
Joyce and Larry Stupski

Valerie Threlfall

Anne Warhover



BETTER PHILANTHROPY:
from data to impact



Tool of Assessment Tool Seminar
Attendees by Organization

Nonprofit
Government

... of being with rest of world

alignment really
transformation
complexity of challenges
high scores

AETNA Foundation	The Gill Foundation	Northwest Health Foundation
Alaska Mental Health Trust Authority	Gordon and Betty Moore Foundation	Oak Foundation
The Atlantic Philanthropies	Greater Milwaukee Foundation	Omaha Community Foundation
Berkshire Taconic Community Foundation	Hampton Roads Community Foundation	Omidyar Network
Blandin Foundation	Humanity United	The Philadelphia Foundation
The Boston Foundation	Inter-American Foundation	Rasmuson Foundation
College Access Foundation of California	The Jacob and Valeria Langeloth Foundation	The Robert Wood Johnson Foundation
The Colorado Trust	Kalamazoo Community Foundation	Rochester Area Community Foundation
The Commonwealth Fund	Kansas Health Foundation	S. H. Cowell Foundation
Communities Foundation of Texas	Komen for the Cure	Sea Change Foundation
Community Foundation for Greater Buffalo	The Kresge Foundation	The Skillman Foundation
Community Foundation of Greater New Britain	Marin Community Foundation	Sobrato Family Foundation
The Dallas Foundation	Minnesota Philanthropy Partners	Southern California Edison
The David and Lucile Packard Foundation	Missouri Foundation for Health	Tufts Health Plan Foundation
Endowment for Health	M.J. Murdock Charitable Trust	W. K. Kellogg Foundation
The Fund for New Jersey	The New Hampshire Charitable Foundation	The William and Flora Hewlett Foundation
Fremont Area Community Foundation	New Profit, Inc.	The William Penn Foundation
	The New York State Health Foundation	Z. Smith Reynolds Foundation

2011 BOARD MEMBERS



Michael Bailin
FORMER PRESIDENT & CEO
THE EDNA MCCONNELL CLARK
FOUNDATION



Christine DeVita
FORMER PRESIDENT
THE WALLACE FOUNDATION
(Term began May 2011)



Crystal Hayling
FORMER PRESIDENT AND CEO
BLUE SHIELD OF CALIFORNIA
FOUNDATION



Stephen Heintz, BOARD CHAIR
PRESIDENT
ROCKEFELLER
BROTHERS FUND



Christine James-Brown
PRESIDENT & CEO
CHILD WELFARE LEAGUE
OF AMERICA (CWL)



James R. Knickman
PRESIDENT & CEO
THE NEW YORK STATE HEALTH
FOUNDATION



Patricia J. Koza
MANAGING DIRECTOR
NATIONAL EMPLOYMENT
LAW PROJECT



Kathryn Merchant
PRESIDENT & CEO
THE GREATER CINCINNATI
FOUNDATION



Nadya K. Shmavonian
PRESIDENT
PUBLIC/PRIVATE VENTURES



Anne Warhover
PRESIDENT & CEO
THE COLORADO
HEALTH FOUNDATION
(Term began July 2011)

2011

A NOTE ABOUT HOW WE ASSESS OURSELVES

THIS ANNUAL REPORT CONTAINS SOME NUMBERS
PULLED FROM MANY EFFORTS TO UNDERSTAND HOW
WE ARE DOING — AND HOW WE CAN IMPROVE. ALL THE
THIRD-PARTY ASSESSMENTS CEP COMMISSIONS ARE
MADE PUBLIC, IN THEIR ENTIRETY, ON OUR WEBSITE,
REGARDLESS OF WHETHER THE DATA IS AFFIRMING,
NEUTRAL, OR NEGATIVE.



FOR ADDITIONAL FINANCIAL INFORMATION,
A LIST OF CEP ADVISORY BOARD MEMBERS, AND
A LIST OF CEP STAFF, PLEASE VISIT OUR WEBSITE,
WWW.EFFECTIVEPHILANTHROPY.ORG.





THE CENTER FOR
EFFECTIVE PHILANTHROPY

Better Data. Better Decisions. Better Philanthropy.

WWW.EFFECTIVEPHILANTHROPY.ORG

Printed with UV inks to eliminate the use of toxic chemicals and the release VOC's. 100% of the electricity used to manufacture this paper is Green-e certified renewable energy.



PCF Processed
Chlorine Free

