

2021 Annual Report



THE CENTER
FOR EFFECTIVE
PHILANTHROPY

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.

More Information

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

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Introduction Letter

June 2022

Dear Colleague,

If there is one word that applies to 2021, it might be “enduring.” For too many, the tragedy and hardship brought on by the pandemic has been enduring. Simultaneously, the campaign to address systemic racism in the U.S. has endured in the public forum, thanks to the tenacity of those speaking out for and leading racial equity and justice movements. Together, we have all endured a pandemic that has wrought suffering on a scale few of us could have imagined just two years ago.

The word is apt for philanthropy, too. While it is early yet, vital and unprecedented changes that many foundations made in response to both the pandemic and urgent calls for racial equity since early 2020 have, thus far, endured. That is a good sign.

Throughout 2021, we at the Center for Effective Philanthropy (CEP) watched these changes in philanthropic practice — from increased flexibility in grantmaking and reduced burdens on grantees to a greater focus on racial equity — persist with anxious hope. When CEP released a report at the end of the year examining whether these shifts truly represented lasting change, the research team titled the report with a question mark; no one can predict whether changes in philanthropic practice will truly endure, but the research says that so far, they have.

With one eye on this progress, and another on the future, staff at CEP across our research, programming, and assessment and advisory services teams have sought to maintain the pace of change, encouraging funders to listen to those closest to the problem, ease unnecessary burdens by doing away with outmoded ways of working, and reach out to communities historically overlooked by philanthropic dollars. Simultaneously, our YouthTruth initiative has been on the frontlines of uplifting student voice in a time when it has perhaps never been so crucial to understand what students are experiencing right now.

This year’s Annual Report provides insight into how CEP has continued to support those searching for more effective solutions to philanthropy’s most challenging and pressing problems, how we have sought to shine a light both on exemplary practices and on the urgent wrongs that must be addressed, and how we have collectively held an enduring hope for a better, more effective philanthropic sector.

Only time will tell whether the changes that have been made in the last two years will last. We hope they do — and will do all we can to ensure it.

Yours sincerely,

TIFFANY COOPER GUEYE

Board Chair, CEP
COO, Blue Meridian Partners, Inc.



PHIL BUCHANAN

President, CEP
philb@cep.org



Since early 2020, CEP has documented the myriad ways foundations in the U.S. have responded to the urgent needs raised by the pandemic as well as the calls for systemic change arising from a renewed movement for racial equity. Many foundations shifted the way they practice grantmaking, placing greater trust in grantees, removing burdens, and increasing their focus on advancing racial equity.

For many in the sector, however, questions about whether these changes would last — and indeed just how deep these changes went or who they reached — were paramount. As 2021 saw a deepened crisis, felt especially by communities already marginalized, underfunded, and most impacted by the pandemic, the need for philanthropy to continue to operate in ‘crisis response’ mode was clear. But in year two of these new ways of practicing grantmaking — much of which included shifts long-called for in the sector — what were foundation and nonprofit leaders’ attitudes toward the future? Would these changes in foundation funding last? Which communities were feeling the effects of these changes — and who was being overlooked?

These questions drove CEP’s research in 2021, the results of which indicated more change was happening in philanthropy since early 2020 than in the two decades prior to the pandemic, but also that certain communities continued to be overlooked. These findings are shared in phase two of *Foundations Respond to Crisis* as well as a vital pair of reports examining the lack of foundation support for Asian American and Pacific Islander and Native American nonprofit leaders and communities. We sincerely hope and believe this research has contributed valuably to the vital conversation happening in this moment of transformation for philanthropy.

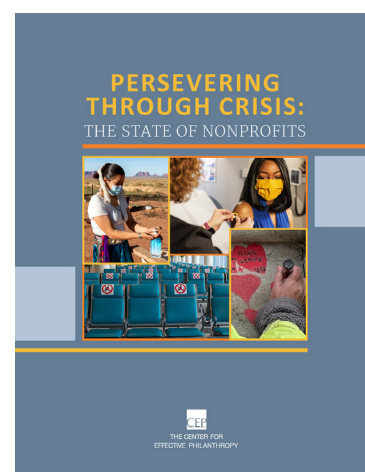
– Ellie Buteau, Vice President, Research



ELLIE BUTEAU

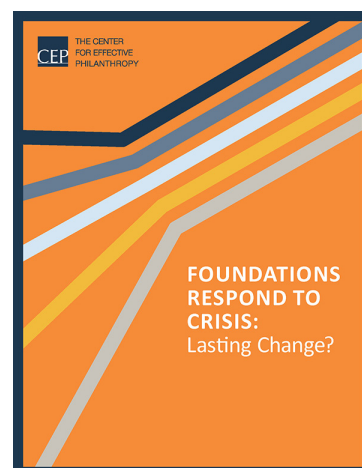
Persevering Through Crisis: The State of Nonprofits

In a follow-up to our 2020 report, [*Funder Support During the COVID-19 Pandemic*](#), in which we surveyed members of CEP’s Grantee Voice panel about how they were faring, CEP conducted a follow-up national survey of nonprofits. The resultant data shed light on how the COVID-19 pandemic has impacted nonprofits, how funders have stepped up, and how foundations have been more flexible, responsive, and communicative with grantees — but less so with grantee organizations led by women or serving certain communities of color.



Foundations Respond to Crisis: Lasting Change?

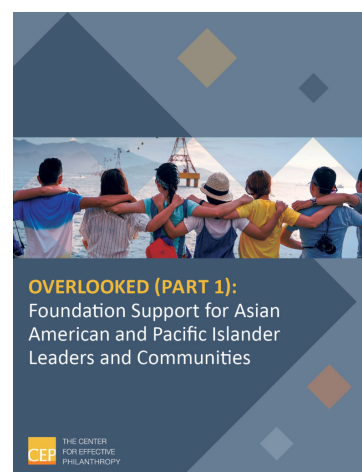
Following the onset of the COVID-19 pandemic, funders responded by shifting resources and practices in profound ways to support grantees and meet urgent needs. These actions included making changes to application and reporting processes, providing more unrestricted giving, and increasing focus on racial equity in their work. However, the question on everyone's mind was: Would these changes last? In the spring of 2021, we surveyed foundation and nonprofit leaders to gather data on the changes that had been made, their impact, and leaders' plans for the future. This report reveals that foundation leaders say the plan to sustain many of the changes they've made since early 2020 in the future.



Overlooked (Part One): Foundation Support for Asian American and Pacific Islander Leaders and Communities and Overlooked (Part Two): Foundation Support for Native American Leaders and Communities

In two parallel reports, CEP shares data collected across four research studies in the last two years, revealing concerning trends for Asian American and Pacific Islander (AAPI) and Native American communities that we do not see for leaders and communities of other races/ethnicities. Namely, leaders from these communities report less positive experiences with foundation funders and, secondly, despite the challenges facing these communities, foundations continue to overlook them.

The findings of these reports are not news; in fact, AAPI and Native American organizations like Asian Americans/Pacific Islanders in Philanthropy (AAPIP), Native Americans in Philanthropy (NAP), and others have long pointed to a lack of foundation support for their communities and have called on philanthropy to do better. In addition to reporting out data on these findings, these reports offer resources as well as personal experiences and advice from AAPI and Native American nonprofit leaders for funders looking to increase their support to these communities.



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. Over the past several years, hundreds of funders of every type and size have commissioned CEP's 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.



99 TOTAL
ENGAGEMENTS



WITH **83**
PARTNERS

Growth and Momentum for Listening in a Moment of Change

For the Assessment and Advisory Services team, 2020 was characterized by rapid efforts to adjust our approaches where needed to be responsive to stark changes in our sector related to the pandemic and a national reckoning on racial justice. 2021, by contrast, was a year of remarkable momentum for the team, building on those changes. We were excited to see the desire for authentic listening grow as funders sought feedback and a deeper understanding of grantee and applicant needs during a year that brought continued challenge.



KEVIN BOLDUC

We also saw an expansion in our efforts to help funders collect, visualize, and use demographic data about their stakeholders. As many foundations have implemented meaningful changes in their equity work, we know that to ensure that change is effective, inclusive, and sustainable, it must be guided by an understanding of who is being served — and who is not. We are excited to continue to expand our work in this area in collaboration with many others across the sector.

The team also increased work with funders outside of the U.S., as we carried out new engagements in Europe, Australia, and Africa and expanded our work with intermediary funders, from local arts councils to global development funders. These intermediary organizations used the GPR to hear from partners and reflect on their distinct role in the philanthropic space as both grantees and grantmakers.

While this momentum has led to rapid expansion in both volume and type of work, we have also continued to refine the questions we ask, within as well as the analysis we apply to our grantee, applicant, donor, and staff surveys. In particular, we continue to focus our efforts on helping funders reflect on their practices related to diversity, racial equity, inclusion, and trust-based philanthropy.

We are heartened by the way that many funders have responded to the challenges of the last two years — and anxious to see those positive changes become lasting reality. The momentum the Assessment and Advisory Services team has seen is testament to a desire within philanthropy to listen, make sustainable change, and create impact with an eye toward justice. We intend to do our utmost to help funders turn that intention to listen into meaningful action.

— Kevin Bolduc, Vice President, Assessment and Advisory Services

YouthTruth harnesses student and stakeholder feedback to help school 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.



JEN VORSE WILKA

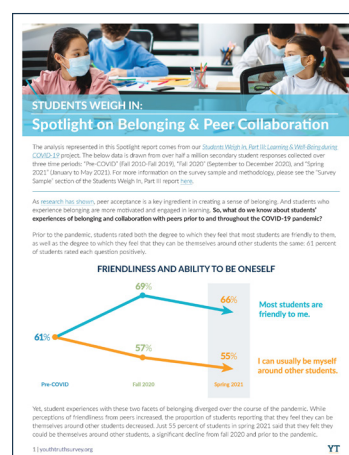
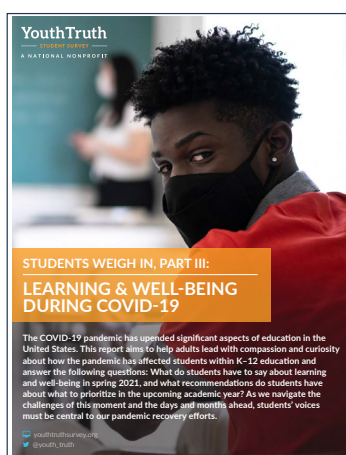
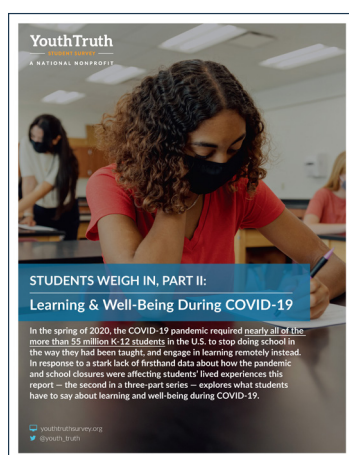
Schools and Students Continue to Navigate Shifting Ground

The pandemic disrupted students' lives and learning in unprecedented ways in 2020 and early 2021 as school systems made the shift to virtual learning. During the fall of 2021 students faced another daunting change: the return to in-person learning. In a fraught and highly politicized environment, students navigated the challenges of coming back to school amidst often vitriolic debates surrounding COVID policies.

YouthTruth continued to partner with schools and districts to help them understand how to make their schools safe and welcoming learning environments. We also released three additional reports in our *Students Weigh In* series as well as a case study highlighting feedback gathered from 30,000 students, family, and staff members across ten districts in Sonoma County.

These reports as well as our survey work with school systems, participation in conferences, workshops, and other events, and contributions to education media have helped educators and funders alike navigate this incredibly difficult time. As the YouthTruth team grows, we will continue to listen to and uplift student voice to ensure that their perspectives are centered as we move forward together.

– Jen Vorse Wilka, Executive Director, YouthTruth



Continuing and Expanding *Students Weigh In*

Throughout the year, we released three aggregate data reports. *Part II*, *Part III*, and *Spotlight on Belonging & Peer Relationships* of our *Students Weigh In* series, provide firsthand data on the student experience during school closures throughout the pandemic, as well as comparative data collected prior to the

COVID-19 outbreak. The reports, which provide insight into student experiences and share students' own perspectives, have been featured in education and mainstream media as well as cited by the U.S. Department of Education Office for Civil Rights.

School System Partnerships: Harnessing Perception Data to Accelerate Improvements

In 2021, YouthTruth surveyed 368,285 students and 130,912 family and staff members and partnered with 141 school systems nationally. All partners received expert coaching throughout their engagement, and three quarters also pursued YouthTruth's additional professional learning and advisory services to deepen their understanding of the data to position student and adult leaders to act on the insights gathered.

Regional Student Voice Initiatives Draw to a Close

Our Bay Area and Ohio Student Voice Initiatives drew to a close in 2021, having engaged nine foundations and 40 local education agencies to explore the value of student perception data for both philanthropy and school systems.

Staying Connected Virtually

Throughout the year, YouthTruth staff presented at regional and national conferences including the AASA National Conference on Education, the California Department of Education Equity Summit, the Deeper Learning Conference, and the California School Board Association Conference. Staff also had speaking engagements with CASEL, Grantmakers for Thriving Youth, the Gates Foundation, and Grantmakers for Education.

2021 YOUTHTRUTH FUNDERS



Programming and External Relations

CEP's programming and external relations team embraced opportunities that virtual connection offered for thinking about our work in new ways. Our goal was to provide the sector with engaging, provocative, and practical programs to help funders meet the moment with their giving.

Finding New Ways to Connect in 2021

We celebrated our 20th anniversary, holding three Virtual Learning Sessions in place of our biennial in-person conference. We also recorded, produced, and released a second season of the *Giving Done Right* podcast, featuring 11 guests over 10 episodes. On the CEP blog, we hosted vital conversations and perspectives on the state of philanthropy, nonprofits, and society at large. To name a few, McKnight Foundation VP of Programs Kara Inae Carlisle found cause for optimism amidst conflict, Crystal Hayling and Angie Chen of the Libra Foundation expounded the importance of funding front-line climate activism, and CEP President Phil Buchanan called on philanthropy and nonprofits to come together to address the concerning trend of declining giving rates.

Through our work, we sought to lift up effective practices, to help funders — both at the foundation and individual level — find the right tools to maximize their impact, and to create space for ongoing, vital conversations in philanthropy.

— Grace Nicolette, Vice President, Programming and External Relations



GRACE NICOLETTE

20th Anniversary Virtual Learning Sessions

As the pandemic continued to take in-person gatherings off the table, CEP hosted three remarkable virtual events to honor CEP's 20th anniversary, including our most well-attended event ever, with more than 1,000 attendees. Featuring exceptional panelists who are experts and thought leaders in their fields as well as performances from three remarkable artists, the event recordings continue to serve as valuable CEP resources.



Session 1: Taking Stock: Philanthropy's Role in Supporting Racial Equity

WATCH ►

Featured Artist: Micah Bournes, Poet and Musician

Panelists: Yolanda Coentro, President and CEO, Institute for Nonprofit Practice, Tricia Raikes, Philanthropist and Principal, Raikes Foundation, Rashad Robinson, President, Color Of Change, Darren Walker, President, Ford Foundation

Moderator: Grace Chiang Nicolette, Vice President, Programming and External Relations, Center for Effective Philanthropy

Programming and External Relations (*continued*)

Session 2: Are We Better Off Divided? Philanthropy's Role in Moving America Forward

[WATCH ►](#)

Featured Artist and Activist: **Daryl Davis**, Musician and Activist

Featured Speaker: **Eric Liu**, Co-Founder and CEO of Citizen University, Executive Director of the Aspen Institute's Citizenship and American Identity Program

Moderator: **Grant Oliphant**, President of the Heinz Endowments

Panelists: **Kristen Cambell**, Executive Director of PACE, **Eric Liu**, Co-Founder and CEO of Citizen University, Executive Director of the Aspen Institute's Citizenship and American Identity Program, **Anthony Richardson**, Executive Director of the Nord Family Foundation, **Caryl Stern**, Executive Director of the Walton Family Foundation

Session 3: Real Change? How a Time of Crisis Has Shifted Philanthropy

[WATCH ►](#)

Welcome: **Phil Buchanan**, President, Center for Effective Philanthropy, **Grace Nicolette**, Vice President, Programming and External Relations, Center for Effective Philanthropy

Featured Artist: **Alexandra Huynh**, 2021 U.S. Youth Poet Laureate

Sharing of New CEP Findings by: **Ellie Buteau**, Vice President, Research, Center for Effective Philanthropy, **Naomi Orensten**, Director, Research, Center for Effective Philanthropy

Moderator: **Hilary Pennington**, Executive Vice President of Programs, Ford Foundation

Panelists: **Donna Murray-Brown**, President and CEO, Michigan Nonprofit Association, **Crystal Hayling**, Executive Director, Libra Foundation, **Robert Fockler**, President, Community Foundation of Greater Memphis, **Ellie Buteau**, Vice President, Research, Center for Effective Philanthropy

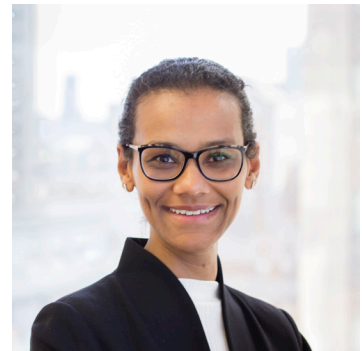
Giving Done Right Podcast, Season Two

CEP's podcast, *Giving Done Right*, returned in 2021, hosted by CEP President **Phil Buchanan** and Vice President, Programming and External Relations, **Grace Nicolette**. Season two featured a robust lineup of guests, including investor and philanthropist **Liesel Pritzker Simmons**, former NBA player of Linsanity fame **Jeremy Lin** and CEO of JLin Marketing **Patricia Sun**, Indian philanthropist and Giving Pledge signatory **Rohini Nilekani**, and co-founder and chair of GiveDirectly **Paul Niehaus**, among others. In its second season *Giving Done Right* became one of the top 2 percent of podcasts in the world by downloads according to the website Listen Notes. The podcast will return for a third season in 2022.



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 40 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.



RIHAB BABIKER

Adapting and Growing in a Time of Change

After adapting quickly in 2020 to significant workplace changes caused by the global pandemic, the finance and operations team continued to build on those adaptations in 2021 to ensure continued support to staff as they worked remotely and to plan for a hybrid model return to the office.

CEP's financial performance in 2021 was strong, with a surplus of \$10.6 million which was largely attributable to a \$10 million unrestricted gift from MacKenzie Scott and Dan Jewett. The Board of Directors allocated \$2 million of the gift to the Board Designated Reserve Fund and used the rest to establish a Strategic Opportunities Fund that will be used to pursue opportunities to advance CEP's mission in ways that would otherwise not be feasible.

In addition to strong performance on the contributed revenue front, earned revenue also exceeded budget and grew significantly over the prior year. We anticipate this growth in earned revenue to continue in 2022.

– Rihab Babiker, Vice President, Finance and Operations

Financial Information

Statement of Financial Position for the year ended December 31, 2021

dollars in thousands

	Unrestricted	Temp Restricted	Total
Total Assets	15,852	2,096	17,947
Selected Balances			
Cash	10,148	3,131	13,279
Investments	3,490		3,490
P/R		2,065	2,065

Statement of Activities and Change in Net Assets for the year ended December 31, 2021

dollars in thousands

	Unrestricted	Temp Restricted	Total
Operating Revenue & Support			
Grants & Contributions	15,015	430	15,445
Earned Revenue	5,982	-277	5,705
<i>Total Operating Revenue & Support</i>	20,997	154	21,150
Operating Expenses			
Program Services	8,334		8,334
Supporting Services			
Management and General	1,958		1,958
Fundraising	105		105
<i>Total Supporting Services</i>	2,064		2,064
TOTAL EXPENSES	10,398		10,398
 Change in Net Assets	10,599	154	10,752
Net Assets at Beginning of Year	5,253	1,942	7,195
Net Assets at End of Year	15,852	2,096	17,947

2021 Funders *(Foundation Giving by Level of Support)*

\$500,000 or More



FORD
FOUNDATION

Robert Wood Johnson Foundation



\$200,000 to \$499,999

Barr Foundation

\$100,000 to \$199,999

Conrad N. Hilton Foundation

Rockefeller Foundation

The David and Lucile Packard
Foundation

The Wallace Foundation

The Walton Family Foundation

\$50,000 to \$99,999

Long Family Foundation

John D. and Catherine T.

MacArthur Foundation

The Heinz Endowments

The Leona M. and Harry B.

Helmsley Charitable Trust

The Kresge Foundation

The Gordon and Betty Moore
Foundation

The Schusterman Family
Foundation

\$20,000 to \$49,999

Archstone Foundation

Blue Shield of California
Foundation

Fidelity Charitable Trustees'
Initiative

Fidelity Foundation

Houston Endowment

Margaret A. Cargill
Philanthropies

Raikes Foundation

Rockefeller Brothers Fund

Surdna Foundation

Wilburforce Foundation

The Duke Endowment

Up to \$19,999

California Health Care
Foundation

Colorado Health Foundation

Columbus Foundation

Community Foundation of
Northeast Alabama

Delaware Community
Foundation

Doris Duke Charitable
Foundation

Dyson Foundation

Evelyn and Walter Haas, Jr. Fund

Richard M. Fairbanks Foundation

Goldman Sachs Directors Fund

IMC Chicago Charitable
Foundation

Johnson Scholarship Foundation

Jacob and Valeria Langeloth
Foundation

Henry Luce Foundation

Eugene and Agnes E. Meyer
Foundation

M.J. Murdock Charitable Trust

National Philanthropic Trust

New Hampshire Charitable
Foundation

Open Impact

Public Welfare Foundation

Elmina B. Sewall Foundation

Sobrato Family Foundation

The Assisi Foundation of
Memphis

The Community Foundation for
Greater New Haven

The McKnight Foundation

The Patterson Foundation

Weingart Foundation

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Chia-Whei Nora Chiang

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Stu Comstock-Gay

Tiffany Cooper Gueye

Jacob Harold and Carolyn Sufrin

Crystal Hayling

Stephanie Hull

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Latia King-Fontáñez

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Katherine Moos

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Dick Ober

Grant Oliphant

Hilary Pennington

Christy Pichel

Helen Rekers

Tony Richardson

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David Salem

MacKenzie Scott and Dan Jewett

James Siegal

Vince Stehle

Kelvin Taketa

Fay Twersky and Jill Blair

Jen Vorse Wilka

2021 Assessment and Advisory Services Subscribers

African Women's Development Fund
Akron Community Foundation
Arcus Foundation
Atlassian
Bill & Melinda Gates Foundation
Calgary Foundation
Center for Prevention at Blue Cross
and Blue Shield of Minnesota
Charles and Lynn Schusterman Family Philanthropies
China Donors Roundtable
ClimateWorks Foundation
Co-Impact
Community Foundation Boulder County
Community Foundation for Greater Buffalo
Community Foundation for Southern Arizona
Community Foundation of Elkhart County
Community Foundation of Greater Greensboro
Community Foundation of Greater Memphis
Daniels Fund
Energy Foundation
Episcopal Health Foundation
Equipop.org
Fremont Area Community Foundation
Fundors for Housing and Opportunity
GHR Foundation
Global Fund For Children
Gordon and Betty Moore Foundation
Greater Kanawha Valley Foundation
Greater Milwaukee Foundation
Groundswell Fund
Grove Foundation
Hampton Roads Community Foundation
Heising-Simons Foundation
Horizons Foundation
Hyde Family Foundations
Ian Potter Foundation
IKEA Foundation
Interact for Health
Latino Community Foundation
Longwood Foundation, Inc.
M. J. Murdock Charitable Trust
Margaret A. Cargill Philanthropies
MassMutual Foundation
Meyer Foundation
Mission Investors Exchange
Moses Taylor Foundation
Office to Monitor and Combat Trafficking in Persons
Omaha Community Foundation
Omidyar Network Fund, Inc.
Open Philanthropy Project
Orange County Community Foundation
Overdeck Family Foundation, Inc.
Saint Paul & Minnesota Foundation
Share Our Strength
St. David's Foundation
Stichting Oxfam Novib
Stolte Family Foundation
SVCreates
The Annie E. Casey Foundation
The Coastal Community Foundation
of South Carolina
The Commonwealth Fund
The Community Foundation for Greater Atlanta
The Community Foundation of Frederick County
The Conservation Alliance
The Conservation Lands Foundation
The Findlay-Hancock County
Community Foundation
The Fund for New Jersey
The John R. Oishei Foundation
The Libra Foundation
The Minneapolis Foundation
The Oregon Community Foundation
The Robert Wood Johnson Foundation
The Walmart Foundation
The William and Flora Hewlett Foundation
Weingart Foundation
William Davidson Foundation

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Executive Vice President for Program

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Fay Twersky

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The Arthur M. Blank Family Foundation

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