

Following the Money

An Analysis of Foundation Grantmaking for Community and Economic Development

The Federal Reserve Banks of Philadelphia and Atlanta recently investigated the way in which grants to support community and economic development activities were distributed across 366 metropolitan areas in the U.S. The research relied on data provided by the Foundation Center that captured grants of at least \$10,000 made by the 1,000 largest foundations between 2008 and 2013. Here's what we found.

TOTAL GRANTMAKING

Nearly 169,000 grants to support local community and economic development efforts were made by the largest foundations during the study period. These grants totaled almost \$15 billion.



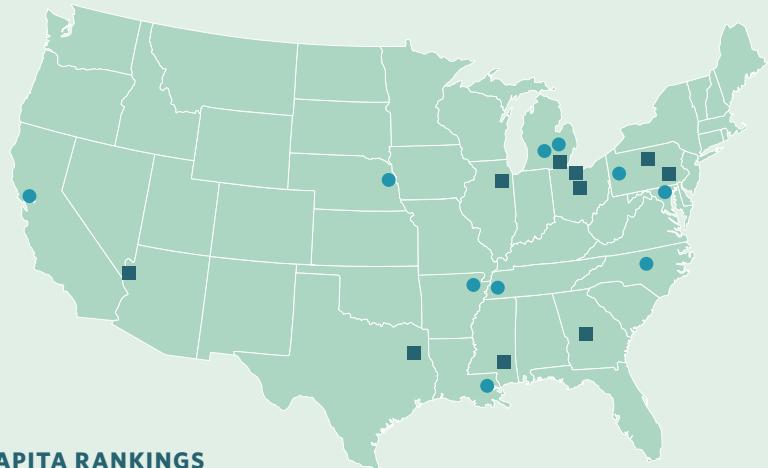
169,000
TOTAL GRANTS



\$15 billion

VARIATION ACROSS METRO AREAS

The typical metro area received roughly \$3.3 million in community and economic development grant capital during the study period, or about \$12.35 for every resident. In 18 metro areas, this figure fell below \$1.00 per capita, while in another 18, it exceeded \$100 per capita.



PER CAPITA RANKINGS

TOP 10

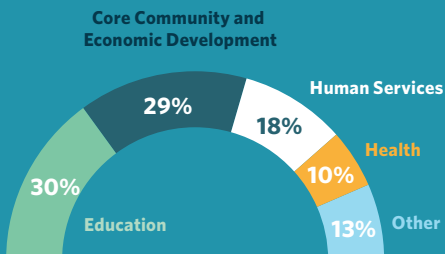
1	Battle Creek, MI	\$392.59
2	San Francisco–Oakland–Fremont, CA	\$216.79
3	Omaha–Council Bluffs, NE–IA	\$214.78
4	Jonesboro, AR	\$157.80
5	Pittsburgh, PA	\$157.13
6	Flint, MI	\$150.75
7	New Orleans–Metairie–Kenner, LA	\$144.63
8	Washington–Arlington–Alexandria, DC–VA–MD–WV	\$142.64
9	Durham–Chapel Hill, NC	\$140.81
10	Memphis, TN–MS–AR	\$132.68

BOTTOM 10

357	Monroe, MI	\$0.56
358	Mansfield, OH	\$0.49
359	Lebanon, PA	\$0.47
360	Warner Robins, GA	\$0.32
361	Kankakee–Bradley, IL	\$0.32
362	Sandusky, OH	\$0.31
363	Longview, TX	\$0.24
364	Williamsport, PA	\$0.18
365	Hattiesburg, MS	\$0.17
366	Lake Havasu City–Kingman, AZ	\$0.17

ACTIVITIES FUNDED

Grants were directed to a wide variety of activities to promote community and economic development, enhance human capital, and improve residents' quality of life. Educational activities accounted for roughly 30 cents of every dollar granted.

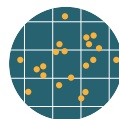


WHAT ATTRACTS GRANT CAPITAL?

Our research shows that metro areas that received a greater level of per capita grant support:



are home to a large foundation



have a dense nonprofit sector



have 250,000 residents or more



are more impoverished



are located in the West

Dollar amounts are inflation-adjusted to 2013. For more information, read "Following the Money: An Analysis of Foundation Grantmaking for Community and Economic Development," written by Keith Wardrip, Will Lambe, and Mels de Zeeuw and published by *The Foundation Review* (2016, forthcoming). An interactive tool to explore the results of this research can be found at <https://www.frbatlanta.org/followingthemoney>. The views expressed here are those of the authors and do not necessarily represent the views of the Federal Reserve Banks of Philadelphia or Atlanta or the Federal Reserve System.



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