Private Foundations, 1988

By Margaret Riley and Alicia Meckstroth*

Total assets of private foundations increased markedly between 1987 and 1988, while total revenues continued to decline [1]. Total assets increased by 13 percent for 1988, to $128.9 billion [2]. Total foundation revenues, however, fell at a rate of 5 percent, to $16.3 billion. Foundation net investment income fell by a greater rate, 8 percent, to $10.4 billion. Despite falling revenues and investment income, the amount of charitable grants made by foundations increased by 9 percent from 1987 to 1988, to $7.4 billion. In comparison, between 1986 and 1987, private foundations, while continuing to increase the total amount of grants distributed, experienced a decline in total revenues and only a 1 percent increase in total assets.

CHANGES IN FOUNDATION REVENUE, ASSETS, AND GRANTS, 1987 TO 1988

A sizable decrease in net gain (less loss) from sales of assets, 34 percent, and a smaller decrease in the amount of contributions, gifts, and grants received by foundations, 0.3 percent, both contributed largely to the continued decline in total foundation revenue from 1987 to 1988. Although net gain from sales of assets and contributions received both declined, the combined total of interest and dividend income increased by 16 percent over the same time period [3].

While revenues declined, total foundation expenses continued to increase at a relatively constant rate in comparison to past years, 8 percent, from $9.1 billion for 1987 to $9.8 billion for 1988. Increasing amounts of charitable grants distributed by foundations largely explain the growth in total expenses. Declining revenues and increasing expenses led to an overall decline of 19 percent in net revenue or "excess of revenue (less loss) over expenses." Figure A depicts percentage changes for various revenue items as well as for other selected data for the periods 1986 to 1987 and 1987 to 1988.

Foundations continued to react to the October 1987 stock market decline that contributed to the decreasing net gains from sales of assets and the drop in both total revenue and net investment income. The low market values of many stocks through much of 1988 may have led to the lower gains from sales of assets and may also have discouraged foundations from selling stocks and instead encouraged them to defer sales of stock until market values had risen. This reaction, in effect, may have contributed to the 34-percent decrease in the net gain from sales of assets from 1987 to 1988, from $5.6 billion to $3.7 billion. A closer examination of changes in the net gain (less loss) from sales of assets reveals that total gains from sales of assets fell by 33 percent, from $5.7 billion for 1987 to $3.8 billion for 1988. Likewise, total losses from sales of assets grew by 8 percent, from $147.9 million to $159.5 million. Examining the 1986 to 1988 period shows that the net gain from sales of assets fell by 48 percent.

The amount of contributions, gifts, and grants received by foundations dropped by 26 percent from 1986 to 1987, but only by 0.3 percent from 1987 to 1988. During the 1986 to 1988 period, total contributions fell from $7.2 billion to $5.3 billion. Declines in the amount of contributions received were most prominent in the very small and the very large foundations. The smallest foundations—the group holding less than $1 million in fair market value of total assets—received $910 million in total contribu-

Figure A.--Percentage Changes in Selected Financial Items, 1986 to 1988

Item	Percentage change	
	1986 to 1987	1987 to 1988
Fair market value of total assets	1.0%	12.8%
Investments in securities	0.4	14.0
Total revenue	-14.5	-4.9
Net gain (less loss) from sales of assets	-20.4	-34.4
Contributions, gifts, and grants received	-26.1	-0.3
Total expenses	9.6	7.5
Contributions, gifts, and grants paid	9.1	9.0
Excess of revenue (less loss) over expenses	-31.6	-18.9

*Foreign Special Projects Section. Prepared under the direction of Michael Alexander, Chief.

tions, 15 percent less than in 1987. Likewise, the largest foundations—the group holding $100 million or more in fair market value of total assets—received $704 million in total contributions, 12 percent less than in 1987. Contributions received typically comprise a much greater percentage of total revenue for the smallest foundations compared to the largest foundations, for instance, 65 percent for the small compared to 11 percent for the large for 1988. While the larger foundations, in order to fund charitable giving, tend to rely extensively on the growth of their endowments, the smaller foundations depend largely on contributions that they receive in a given year or in prior years.

Changes in the Tax Reform Act of 1986 (TRA86) relating to contributions of appreciated property may have discouraged donors from making contributions of stock or other appreciated property to foundations. After implementation of TRA86, donations of appreciated stock to "nonoperating foundations" (defined below) could still be deducted at fair market value, although donors could be subjected to the revised "alternative minimum tax" (as a "tax preference item") on the difference between the fair market value and the actual cost (or book value) of the donated stock or property. Furthermore, the lower values of stock after the October 1987 market decline potentially limited both the size of a donor's charitable gift and the value of the tax deduction for the charitable gift. These same factors may also have affected corporate giving, which continued to decline from 1987 to 1988, by 2 percent [4]. To further explain the drop in contributions from 1986 to 1988, donors, in anticipation of the TRA86 changes, may have contributed relatively large amounts in 1985 and 1986, thereby making the 1987 and 1988 contributions small in comparison.

Although revenues and net investment income declined, at the end of the 1988 tax year foundation assets had rebounded from the minimal 1987 gain by increasing 13 percent from 1987, to $128.9 billion. The largest foundations—those holding $100 million or more in assets—realized an increase in assets of 15 percent compared to only 4 percent for the smallest foundations—those holding less than $1 million in assets. The 14 percent gain from 1986 to 1988 in the value of total foundation investments in securities, to $99.6 billion, explains much of the growth in total assets. "Rates of total return" on assets (defined in the Rate of Total Return section) increased markedly from 1987 to 1988, thereby explaining much of this growth.

Despite the revenue losses, the amount of grants that foundations distributed increased by 9 percent from 1987 to 1988, to $7.4 billion. Increases in grants were particularly prominent in the larger asset-size groups. For instance, for the largest foundations, grants increased by 9 percent from 1987 to 1988, to $2.7 billion, while for the smallest group, grants increased by only slightly less than 1 percent, to $912 million. (For explanations of the disparity between the large and small foundations see The Distribution Requirement and the Payout Rate section and the Asset Growth, Distribution Goals, and Decision-Making section.)

OVERVIEW AND EXPLANATION OF PRIVATE FOUNDATIONS

Statistics of Income Studies

The statistics presented in this article are based on data from Form 990-PF, *Return of Private Foundation*, the annual information return filed by private foundations [5]. Statistical studies on private foundations have previously been conducted for tax years 1974, 1979, 1982, 1983, and 1985 through 1987. A study for tax year 1989 is currently in progress and will cover both private foundations and nonexempt charitable trusts treated as private foundations under the Internal Revenue Code [6].

Data for 1987 and earlier years have been published in the *Statistics of Income Compendium of Studies of Tax-Exempt Organizations, 1974-87* [7]. Except for tax year 1974, data for the above-cited years have also been published in the *Statistics of Income Bulletin* [8]. Some of the data discussed in this article are based on previously unpublished statistical tabulations.

Organizations and Activities

A private foundation is a nonprofit, tax-exempt corporation, association or trust which is narrowly supported and controlled, usually by an individual, family, or corporation, as opposed to an organization receiving broad support from a large number of sources within the general public. It is this narrow base of support and control which differentiates a private foundation from a publicly supported tax-exempt charitable organization, although both receive tax exemption under Internal Revenue Code section 501(c)(3) [9]. Because of the centralized support and control, private foundations are more strictly regulated than other section 501(c)(3) organizations.

The two types of private foundations, "operating" and "nonoperating," are distinguished by the form of charitable support they provide. Nonoperating foundations generally provide indirect charitable support by making grants to other section 501(c)(3) organizations that actually conduct charitable programs [10]. Nonoperating foundations are required each year to expend or distribute (normally through grants or related expenses), by the end of the following year, a minimum amount for charitable purposes, based on the value of their net investment assets (also known as net noncharitable-use assets). Individual income tax deductions for contributions to nonoperating foundations are generally more restrictive than deductions for contributions made to operating foundations or other section 501(c)(3) organizations.

If an organization can show that the level of its direct involvement in charitable activities is sufficiently high, then it qualifies as an operating foundation and is excepted from the income distribution requirement and related excise taxes that would otherwise be applicable. Operating foundations are required to provide direct charitable support by expending substantially all (85 percent) of the lesser of their "adjusted net income" or 5 percent of "net investment assets" to actively carry on tax-exempt charitable programs (as opposed to the payout of grants in support of such programs). In addition to satisfying this "income" test, they also must meet one of three tests based on assets, endowment, or sources of support, to continue to qualify as operating foundations [11]. Although operating foundations are not subject to the annual payout requirement, many choose to make grants in addition to carrying on charitable programs of their own.

Passage of the Tax Reform Act of 1969 for the first time subjected foundations to an excise tax on net investment income. The tax was imposed so that private foundations would share the cost of more extensive and vigorous IRS enforcement of tax laws relating to exempt organizations. Most private foundations pay the excise tax on net investment income, while some operating foundations are exempt from this tax (see the section, Excise Tax on Net Investment Income). The 1969 Act also imposed a two-tier system of penalty taxes on foundations that engaged in prohibited activities (deemed not to be in the public interest); e.g., failure by nonoperating foundations to distribute the required minimum payout after a one-year grace period, attempts to influence legislation, such as lobbying or participating in the campaign of a candidate for public office, or engaging in certain financial transactions with persons having a relationship with the foundation, such as substantial contributors to the foundation and officers, directors or trustees of the foundation.

Of the 37,141 active organizations filing private foundation information returns for 1988, 91 percent were nonoperating foundations and the remaining 9 percent were operating foundations, virtually the same percentages as for 1987. Approximately 31,300 were grantmaking foundations. About 88 percent of the nonoperating foundations and 47 percent of the operating foundations made grants for 1988.

About 29 percent of the 5,833 nongrantmaking foundations were operating foundations. Another 17 percent were nonoperating foundations that had no "distributable amount" and, therefore, were not required to make a minimum distribution (see the Explanation of Selected Terms section for a definition of the distributable amount). An additional 28 percent of the nongrantmakers were nonoperating foundations that made other types of charitable distributions to satisfy the minimum distribution requirement (for a further explanation of these other types of "qualifying distributions," see the section, Charitable Distributions). The remaining nonoperating, nongrantmaking foundations that did not fully make the required distribution for 1988 had, by law, until the end of their 1989 accounting periods to do so without any tax penalty. Some nongrantmaking foundations were "failed public charities" that had been reclassified as nonoperating foundations. Many failed public charities continued to operate direct charitable programs rather than make grants to other tax-exempt organizations [12].

The largest foundations—those having assets with fair market value of $100 million or more—numbered less than 0.5 percent of all foundations for 1988, but held slightly more than half of all foundation assets. Only 4 percent of all private foundations had assets worth $10 million or more, but they accounted for 80 percent of all assets. The group of foundations considered to be small in size—with less than $1 million in assets—accounted for 79 percent of all foundations, but only 4 percent of total assets.

Top Ten Domestic Foundations

The assets of the 10 largest domestic foundations totaled $27.5 billion, or 21 percent of all foundation assets (Figure B). These foundations accounted for 10 percent of the total $7.4 billion in grants paid out by all foundations.

The J. Paul Getty Trust is the only organization listed that is an operating foundation. It actively operates programs that are mainly related to the arts and humanities (most notable is the J. Paul Getty Museum, an art museum located in California). Therefore, it is not surprising that the Getty Trust made the smallest amount of grants of the organizations listed.

Figure B
Top Ten Domestic Private Foundations Ranked by Size of Fair Market Value of Total Assets, 1988[1]
[Money amounts are in millions of dollars]

Name	Total assets	Total grants paid
1. Ford Foundation	$5,882	$218
2. J. Paul Getty Trust[2]	4,520	6
3. W. K. Kellogg Foundation Trust/W.K. Kellogg Foundation[3]	3,875	104
4. John D. and Catherine T. MacArthur Foundation	3,135	95
5. Robert Wood Johnson Foundation	2,056	44
6. Lilly Endowment, Inc.	1,934	80
7. Rockefeller Foundation	1,829	56
8. Andrew W. Mellon Foundation	1,641	60
9. Pew Memorial Trust	1,562	88
10. Kresge Foundation	1,097	9
Total	**$27,532**	**$760**

[1] A foundation is considered "domestic" if it is organized in the United States; however, this does not necessarily imply that all of its activities or grant recipients are domestic.
[2] J. Paul Getty Trust is an operating foundation. All other foundations listed are nonoperating foundations.
[3] The W. K. Kellogg Foundation Trust, located in New York, has a "pass-through" relationship with the W. K. Kellogg Foundation, located in Michigan. Typically, the entire amount of the annual "qualifying distributions" of the W. K. Kellogg Foundation Trust are made in the form of a grant to the W. K. Kellogg Foundation, which redistributes the grant for charitable purposes (and does not count the redistribution as a qualifying distribution of its own). The combined total assets of the two organizations are shown in the "Total assets" column, but the "pass-through" grant of the W. K. Kellogg Foundation Trust is excluded from the "Total grants paid" column.
Note: Detail may not add to totals because of rounding.

While the grants of the Kresge Foundation may appear to be relatively low compared to those of the other nonoperating foundations shown in Figure B, that foundation set aside over $43.4 million to use for future charitable funding or projects. This type of "set-aside" can be counted toward satisfying the annual minimum distribution requirement.

The assets of The Ford Foundation by far exceeded those of any other organization in the top ten. Ford Foundation's $5.9 billion in total assets accounted for 5 percent of all foundation assets, and its $217.7 million in grants accounted for 3 percent of all grants made by foundations for 1988.

Distribution of Larger Foundations by State

Table 4, at the end of this article, depicts foundation data by State for all those foundations with $10 million or more in book value of total assets [13]. The data indicate that of the largest foundations—those with fair market value of assets of $100 million or more—22 percent were based in New York, and 14, 9 and 8 percent in California, Pennsylvania, and Texas, respectively. The larger foundations in these four states (as included in the table) accounted for 43 percent of total foundation assets.

COMPOSITION OF REVENUE

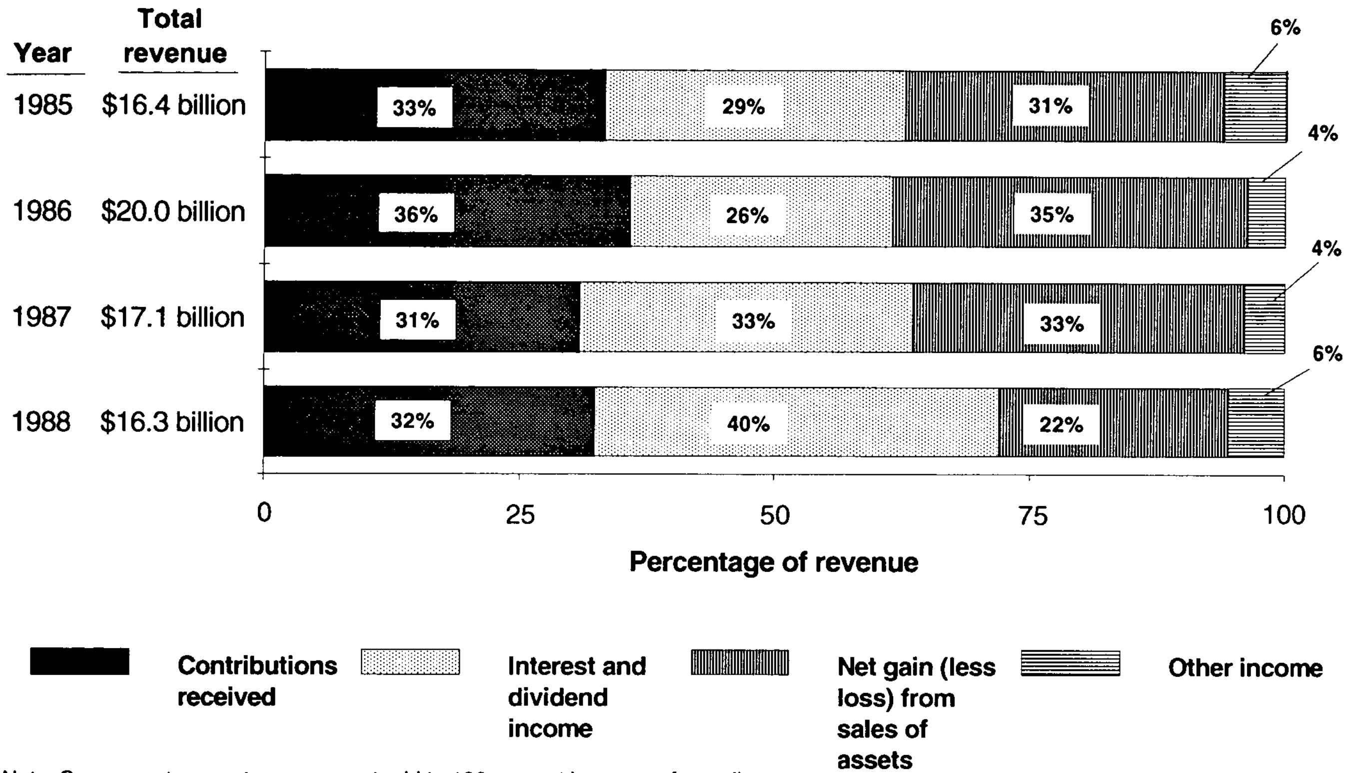
Dividend and interest income, contributions (received), and net gain (less loss) from sales of assets are the three primary components of revenue for private foundations (Figure C). Together, these components accounted for 94 percent of total revenue for 1988.

Throughout the period 1985-1988, contributions as a percentage of total revenue were relatively constant, ranging between 31 and 36 percent. For 1985 and 1986, net gain (less loss) from sales of assets was a larger source of foundation revenue than was the combined total of interest and dividend income. Revenue from these two sources, e.g., gains from sales of assets and the combination of interest and dividends, was just about equal for 1987, with each accounting for one-third of the total. However, for 1988 the proportion of revenue attributed to net gain (less loss) from sales of assets decreased while that attributed to interest and dividend income increased.

Net gain (less loss) from sales of assets sharply declined for both 1987 and 1988 (in comparison to the preceding years), by 20 percent and 34 percent, respectively, a net drop of 48 percent between 1986 and 1988. As indicated earlier, the stock market crash of October 1987 explains much of the drop that occurred during 1987 and continued into 1988. The lower market value of many foundations' stocks may have either induced these organizations to postpone selling certain securities or resulted in smaller gains (or larger losses) on sales that they chose (or had) to make.

Another factor could be that in the years following 1981, when nonoperating foundations were no longer required to distribute their adjusted net income if it was larger than

Figure C
Composition of Total Revenue, 1985-1988



Note: Component percentages may not add to 100 percent because of rounding.

5 percent of their net investment assets, sales of assets increased appreciably as many foundations restructured their investment portfolios to change the mix of high-income-yield and high-appreciation securities. Between 1982 and 1986, sales of foundation assets increased almost 300 percent.

The percentage distribution of major revenue sources varies extensively when the size of the foundation is considered. As already mentioned, smaller organizations rely more heavily on charitable contributions for revenue than do larger foundations. For example, for 1988, contributions reported by foundations with assets under $1 million accounted for 66 percent of their total revenue, while a combined total of interest, dividends, and net gain (less loss) from sales of assets accounted for 31 percent. Organizations with assets of $1 million under $25 million reported nearly equal portions of contributions and a combined total of interest, dividends, and net gain (less loss) from sales of assets. As a proportion of total revenue, each represented a 47-percent share. Receipts of charitable contributions played a much less important role in the revenue of foundations with assets of $25 million or more, equaling only 19 percent of the total. By comparison, a combined total of interest, dividends and net gain (less loss) from sales of assets accounted for 76 percent.

EXCISE TAX ON NET INVESTMENT INCOME

The excise tax on net investment income is a type of "audit" tax originally levied on private foundations by the Tax Reform Act of 1969 to provide funds for Internal Revenue Service (IRS) oversight of foundation activities and the enforcement of laws governing their exempt status. Domestic foundations generally paid a tax equal to 2 percent of their net investment income and foreign foundations paid a tax equal to 4 percent of their gross investment income. Domestic organizations computed the excise tax based on investment income from all sources, while foreign organizations computed the tax based on investment income from U.S. sources only.

Effective with tax years beginning in 1985, a provision of the Deficit Reduction Act of 1984 altered the excise tax payment requirements. Under these 1985 rules, the excise tax was waived for certain operating foundations which had been publicly supported for at least 10 years (or which were classified as operating foundations as of January 1, 1983); had a governing body broadly representative of the general public, as opposed to substantial contributors to the foundation or members of their family (called "disqualified persons"); and had no disqualified persons as officers of the foundation.

Since 1985, the annual 2-percent excise tax could be reduced to 1 percent for any domestic operating or nonoperating foundations that had current qualifying distributions that exceeded a 5-year average of charitable distributions plus 1 percent of the current tax year's net investment income. The 4-percent excise tax levied on the gross investment income of foreign foundations has remained unchanged. For 1988, foreign foundations accounted for only 1 percent of the organizations reporting the tax and only 1 percent of the total amount of tax reported.

Figure D presents excise tax information for 1985-1988. Foundations reported less total excise tax for 1988 than for each of the three preceding years. One contributing factor to the drop in the tax reported was the rise in the number of organizations qualifying for the 1-percent tax reduction over the 1985-1988 period. Another factor was the relatively low amount of net investment income base on which the 2-percent tax was computed for 1988. The decreases in net gain from sales of assets for both 1987 and 1988 contributed to the decline in net investment income for those two years.

About 10,300 foundations (about a third of all organizations reporting the excise tax) were able to take advantage of the 1-percent tax reduction, totaling $56.8 million for 1988. The number of organizations qualifying for the reduction has nearly doubled between 1985 and 1988. An examination of the various asset-size classes of foundations shows that the proportion of foundations qualifying to use the 1-percent excise tax rate increased as the fair market value of assets increased, ranging from 26 percent of foundations with assets under $1 million up to 54 percent of foundations with assets of $100 million or more. Approximately 20,700 domestic foundations together reported an aggregate total of $84 million under the 2-percent excise tax. This amount was lower than the 2-percent tax reported for each of the 3 preceding years.

Figure D.--Excise Tax on Net Investment Income, 1985-1988

[Money amounts are in millions of dollars]

Item	1985	1986	1987	1988
	(1)	(2)	(3)	(4)
FOUNDATIONS REPORTING EXCISE TAX				
Number of returns	25,805	28,051	29,823	31,058
Net investment income	$9,437.7	$11,507.4	$10,706.7	$9,893.6
Excise tax	169.5	195.8	174.3	141.6
1-percent tax				
Number of returns	5,270	6,429	8,177	10,301
Net investment income	2,018.3	3,481.4	4,030.7	5,667.2
Excise tax	20.2	34.8	40.3	56.8
2-percent tax				
Number of returns	20,489	21,552	21,600	20,719
Net investment income	7,371.4	8,001.4	6,654.8	4,198.0
Excise tax	147.4	160.0	133.1	84.0
4-percent tax				
Number of returns	46	70	46	38
Net investment income	48.0	24.6	21.2	18.3
Excise tax	1.9	1.0	0.8	0.7
FOUNDATIONS REPORTING AN EXEMPTION FROM EXCISE TAX				
Number of returns	283	830	532	494
Net investment income	602.7	765.6	546.6	472.1

The number of operating foundations reporting an exemption from the excise tax on net investment income has fluctuated over the 1985-1988 period. The 494 organizations claiming the exemption for 1988 were 20 percent of all operating foundations reporting net investment income.

The remaining 5,600 foundations which reported no excise tax on net investment income, and therefore were excluded from Figure D, mostly were organizations that had no investment income for 1988. However, a small number (3 percent) of these organizations did have investment income but did not report the excise tax, and a few organizations were Canadian foundations which, under a treaty with the United States, did not have to pay the excise tax.

COMPOSITION OF ASSETS

Investments form the largest portion of the total assets of private foundations, with securities being the most frequently used investing option of these organizations (Figure E). Between 1987 and 1988, total assets of all foundations increased 13 percent, from $114.3 billion to $128.9 billion, and investments in securities rose 14 percent, from $87.4 billion to $99.6 billion. While investments play an important role in the operations of most foundations, their importance is less for smaller-size foundations.

Investments in securities ranged from 56 percent of total assets for the smaller-size foundations (less than $1 million in total assets) to 82 percent of total assets for the larger-size foundations (total assets of $100 million or more). Assets held in the form of non-interest-bearing cash and also savings and temporary cash investments (interest-bearing accounts) played a more prominent role in the balance sheets of the smaller-size organizations. The larger-size organizations are more likely to maintain higher-risk investment portfolios with a higher proportion

Figure E.--Percentage Distribution of Asset Components, by Size of Fair Market Value of Total Assets, 1988
[Money amounts are in billions of dollars]

Item	All foundations	Size of fair market value of total assets			
		Under $1,000,000	$1,000,000 under $25,000,000	$25,000,000 under $100,000,000	$100,000,000 or more
	(1)	(2)	(3)	(4)	(5)
Fair market value of assets, total	$128.9	$5.7	$32.1	$23.1	$68.0
Cash, non-interest-bearing accounts	0.9%	6.6%	1.4%	0.7%	0.2%
Receivables[1]	1.3	3.0	1.5	1.6	0.9
Investments, total	93.4	85.3	90.9	91.2	95.9
Securities	77.3	55.7	70.7	77.2	82.2
Savings and temporary cash investments	8.6	21.9	12.4	8.0	5.9
Land, buildings, and equipment (less accumulated depreciation)	2.4	2.1	2.1	2.6	2.4
Other investments	5.1	5.6	5.7	3.4	5.3
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	2.0	3.1	3.6	3.1	0.8
Other assets	2.3	1.9	2.6	3.3	2.2

[1] Receivables include accounts receivable, pledges receivable, grants receivable, receivables due from disqualified persons, and other notes and loans receivable (excluding mortgages).
Note: Percentages may not add to 100 percent because of rounding.

of long-term investments compared to the relative safety and liquidity of non-interest-bearing cash, savings, or temporary cash investments.

The $3.2 billion in securities owned by the smaller-size foundations and the $56.0 billion in securities owned by the larger-size foundations represented respective increases of 5 percent and 15 percent between 1987 and 1988. Savings and temporary cash investments of the smaller-size foundations increased 2 percent from 1987, to $1.2 billion; for the larger-size foundations, savings and temporary cash investments decreased 2 percent, to $4.0 billion. After total investments, non-interest-bearing cash was the second largest asset component in the portfolios of the smaller-size foundations, but a much smaller part of the assets of the larger-size foundations. As shown in Figure E, the ratio of non-interest-bearing cash to total assets decreases as each asset-size group increases, from 7 percent down to less than 1 percent.

Asset components other than investments and non-interest-bearing cash that were reported by foundations included charitable-use land, buildings and equipment, various receivables, and "other assets" (which included items not reported elsewhere in the balance sheets, such as deferred income, interest-free or low-interest loans made for charitable purposes, and escrow deposits). These assets collectively accounted for 6 percent of aggregate foundation assets, and comprised 8 percent or less of the total assets within each of the asset-size groups shown in Figure E.

CHARITABLE DISTRIBUTIONS

Components of Qualifying Distributions

In addition to the $7.4 billion in grants made for 1988, foundations disbursed or "set aside" (for future distribution) $1.6 billion in support of charitable activities. All of these disbursements and set-asides made up the total $9.0 billion that foundations reported as "qualifying distributions," $0.9 billion of which were reported by operating foundations and $8.1 billion of which were reported by nonoperating foundations. The qualifying distributions of nonoperating foundations could be counted toward meeting the required annual payout for charitable purposes, called the "distributable amount" (see The Distribution Requirement and the Payout Rate, below) [14].

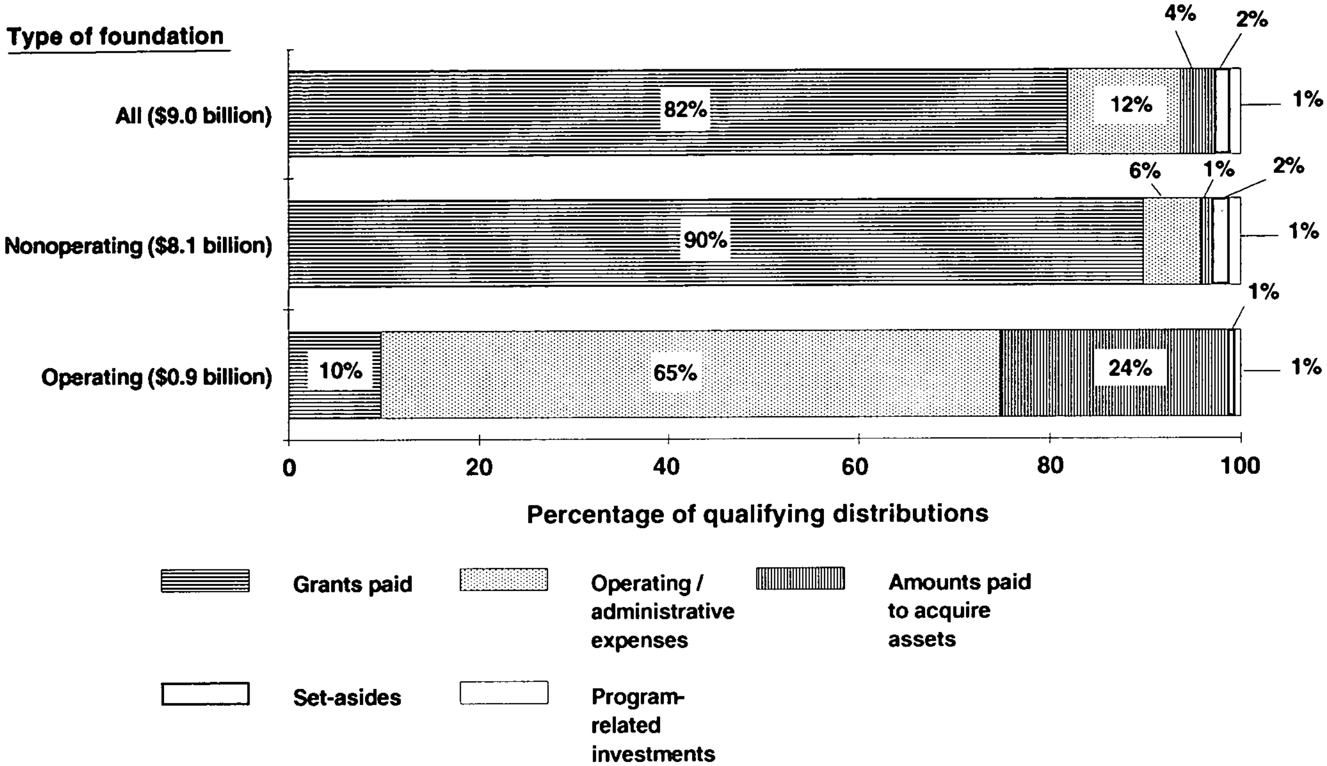
As illustrated in Figure F, qualifying distributions specifically consisted of grants (82 percent); operating and administrative expenses (which included amounts paid for direct charitable activities, such as operating a museum or nursing home, plus both charitable operations-related and allowable grantmaking-related administrative expenses) (12 percent); amounts paid to acquire assets used for charitable purposes (4 percent); amounts set aside to fund future charitable projects (2 percent); and amounts used for charitable program-related investments (such as low-interest loans to tax-exempt community organizations) (1 percent).

The percentage distribution of these components of qualifying distributions changes significantly when the two classifications of foundations, operating and nonoperating, are considered. As mentioned previously, and as would be expected by the nature of their classifications, nonoperating foundations fulfill their exempt purpose in an indirect manner, primarily by making grants to other charitable organizations, while operating foundations generally expend their income for direct, active involvement in charitable activities and operations.

As discussed in the Overview and Explanation of Private Foundations section, nonoperating foundations have a legal requirement to distribute a minimum amount for charitable purposes each year. Operating foundations are not subject to the same minimum payout require-

Figure F

Composition of Qualifying Distributions, 1988



Note: Component percentages may not add to 100 percent because of rounding.

ment, but they must still expend a minimum amount each year (under rules different from those governing nonoperating foundations) on direct support by actively conducting charitable programs. Although the two types of organizations usually operate according to their respective distribution requirements, some nonoperating foundations are actively involved in charitable programs, in addition to making grants, and some operating foundations make grants, in addition to operating charitable programs.

It is not surprising, then, that Figure F shows that grants as a percentage of qualifying distributions were 90 percent for nonoperating foundations, but only 10 percent for operating foundations. In contrast, operating expenses plus allowable administrative expenses were 65 percent of qualifying distributions for operating foundations, but only 6 percent for nonoperating foundations. Because operating foundations generally conduct their own charitable programs (as opposed to making grants to other organizations), it is typical for them to include in their qualifying distributions relatively large amounts for assets used in conducting their activities. Amounts paid to acquire charitable-use assets (such as equipment, supplies or buildings, to the extent that they are used for the foundation's tax-exempt purpose) were 24 percent of operating foundations' qualifying distributions; for nonoperating foundations, the corresponding proportion was only 1 percent.

The Distribution Requirement and the Payout Rate

The following discussion of the distribution requirement and the payout rate excludes operating foundations because they are not subject to the same distribution (payout) requirement as nonoperating foundations. Therefore, all references to foundations in this section, and in following sections, are to nonoperating foundations, unless otherwise indicated.

Each tax year, nonoperating foundations must calculate a "distributable amount" which is the minimum amount that they must distribute for charitable purposes by the end of the next full tax year. The distributable amount is 5 percent of the fair market value of net investment assets (called the "minimum investment return"), plus or minus certain adjustments, either allowed or required [15]. (See "distributable amount," "net investment assets," "minimum investment return," and "net adjustments to distributable amount" in the Explanation of Selected Terms section.)

To fulfill the payout requirement, foundations can apply their current year's qualifying distributions and any carryovers of qualifying distributions (amounts paid out in excess of the minimum amount required) from the last 5 previous years. Collectively, nonoperating foundations paid out $8.1 billion in qualifying distributions and had an annual payout requirement (distributable amount) of $5.3 billion for 1988. Of the 33,913 nonoperating foundations, 95 percent were required to make a distribution for 1988. About four out of every five organizations required to make a distribution met or exceeded the required amount for 1988, while one out of every five did not, although these latter organizations had until the end of their 1989 reporting periods to satisfy the requirement. (After applying current-year qualifying distributions and any carryovers from previous years, the amount by which foundations fell short of meeting the annual payout requirement is called "undistributed income.")

Given that the annual required payout is not calculated until the end of an organization's reporting period and that it is based on the current period's monthly average of investment assets, many foundations choose to take advantage of the 1-year tax- and penalty-free "grace period" for making required distributions. This lag time gives foundations an opportunity to consider the result of the current year's required payout calculation when preparing their grantmaking budgets for the following year.

Foundations that had no undistributed income (meaning that they met or exceeded the required amount) for 1988 had a distributable amount of $3.0 billion and made qualifying distributions of $5.8 billion. In aggregate, these foundations applied $2.9 billion of the current year's qualifying distributions and $0.1 billion in carryovers from previous years to satisfy the payout requirement. (In some cases, carryovers were used in total; in other cases, they were used in combination with current-year qualifying distributions to meet the requirement.)

In addition to the $3.0 billion (i.e., the $2.9 billion distributed for 1988 plus the $0.9 billion carried over from previous years) that was applied toward the 1988 distributable amount, foundations that had no undistributed income reported another $2.9 billion of current-year (1988) qualifying distributions, some of which was applied to undistributed income of the previous year (or previous years), some of which was considered "excess distributions" carried forward to use within the next 5 years (if needed), and some of which was considered pass-through redistributions (amounts received from, and claimed as qualifying distributions by, another private foundation and therefore subtracted out of the recipient foundation's current-year qualifying distributions).

The foundations that reported undistributed income for 1988 applied, in aggregate, $865.2 million of qualifying distributions plus $32.8 million of carryovers against distributable amounts totaling $2.3 billion, resulting in $1.4 billion of undistributed income. These organizations had an additional $1.3 billion of qualifying distributions that they were unable to apply toward meeting the current year's requirement because they either were applied to the previous year's (or years') undistributed income or were considered pass-throughs.

Five percent of all nonoperating foundations had no payout requirement for 1988, primarily because they had no investment assets on which the computation of the payout requirement was based. Nonetheless, these organizations made qualifying distributions totaling almost $1 billion.

Figure G shows foundation median payout rates for 1986 to 1988 [16]. While the payout rates of the small-size foundations fluctuated during the 1986-88 period, rates for the medium- and large-size foundations remained the same or increased. Except for the group of foundations with assets of $100,000 under $1 million, median payout rates increased between 1987 and 1988. Partially responsible might be the incentive offered by the 1-percent reduction in the excise tax for those organizations which had current-year qualifying distributions that equaled or exceeded the sum of a 5-year average payout amount plus the 1-percent reduced tax amount (see the Excise Tax on Net Investment Income section, including Figure D). The data shown in Figure D are consistent with

Figure G.--Nonoperating Foundation Median Payout Rates, by Size of Fair Market Value of Total Assets, 1986-1988

Size of fair market value of total assets	Median payout rates 1986	1987	1988
	(1)	(2)	(3)
All foundations	**6.9%**	**7.0%**	**7.2%**
Small foundations			
$1 under $100,000	10.2	9.6	10.7
$100,000 under $1,000,000	6.5	6.7	6.6
Medium foundations			
$1,000,000 under $10,000,000	5.6	5.7	5.9
$10,000,000 under $50,000,000	5.4	5.4	5.5
Large foundations			
$50,000,000 under $100,000,000	5.1	5.2	5.3
$100,000,000 or more	5.0	5.0	5.3

this proposition; the number of foundations claiming the 1-percent excise tax reduction increased between 1987 and 1988 by 26 percent.

Payout rates for the largest foundations were very close to the required rate, in contrast to those of the smaller foundations, which were much higher than the required rate. This is not unexpected because of changes in the grantmaking strategies that seem to occur as the asset size of a foundation grows. Small organizations generally make qualifying distributions which are much larger than those required. They focus more on distributing charitable dollars currently than on long-term endowment growth. Many of these small foundations traditionally distribute virtually all of the contributions they receive, which comprise the largest part of their income, and they pay out income from other sources as well.

Contributions received are a much less important revenue source for the large foundations. The principal source of income for these foundations is the yield on investments. Since the required payout amount is 5 percent of investment assets, it is not surprising that larger foundations make qualifying distributions that are relatively close to the required 5-percent payout amount and, generally, reinvest any remaining portion of the return on their investments to ensure endowment growth. (A further discussion of the different investing goals and distribution patterns of large and small foundations appears in the sections, Investing Behavior and Asset Growth, Distribution Goals, and Decision-making.)

It may prove to be significant that the median payout rate for the largest foundations shown in Figure G increased to 5.3 percent, the highest level on record since 1982, which was the first year of a legislated change in the payout requirement [17]. An examination of data from future years will be necessary to form any conclusions regarding actual causes for the increase, or to see if, in fact, a trend becomes apparent.

Seventy-seven percent of the 32,330 nonoperating foundations which reported a distributable amount for 1988 had actual payout rates of 5 percent or more; 36 percent had actual payout rates of 10 percent or more; and 14 percent had payout rates of 50 percent or more. As would be expected, small foundations more often exceeded the payout requirement than did larger foundations. For example, 77 percent of foundations with assets of $1 under $1 million realized payout rates of 5 percent or more, 40 percent realized payout rates of 10 percent or more, and 17 percent realized payout rates of 50 percent or more. In contrast, 68 percent of foundations with assets of $50 million or more realized payout rates of 5 percent or more, 7 percent realized payout rates of 10 percent or more, and less than 1 percent realized payout rates of 50 percent or more.

INVESTING BEHAVIOR

Since many foundations rely extensively on the management and growth of their investments as a means by which to fund long-run charitable giving, a discussion of foundation investing behavior follows naturally from the discussion of the payout rate. Private foundations represent a unique entity within the American market economy. Grantmaking, the primary function of (nonoperating) foundations, distinguishes this type of organization from other nonprofit organizations and from profit-making firms. Foundations possess a great deal of latitude in the manner in which they distribute and manage their money. In order to fund charitable activity and to maximize the size of their endowments, it is optimal for foundations to realize a rate of total return on assets that equals at least 5 percent plus investment costs and the rate of inflation. This makes it possible for them to fulfill the charitable payout requirement without eroding their endowments.

Different sizes of foundations seem to have different charitable distribution and investment objectives and different methods by which to attain these objectives [18]. For example, the larger foundations may tend to operate with more of a long-term focus. They seem to invest and manage their assets in order to maintain or increase the size of their endowments. Many of these foundations invest in order to earn income and a return (after accounting for inflation) that will allow them to meet the annual 5-percent payout requirement. The larger foundations hold a greater proportion of assets as investments in securities, as well as a greater proportion of lower-income yield, higher-risk, and higher growth common stock that has greater appreciation potential [19]. They also may tend to possess the resources needed to utilize the expertise of investment managers. For these reasons, the larger foundations typically earn higher rates of total return (defined below) than do the smaller foundations. In fact, the rate of return tends to increase as the size of the foundation increases.

Many of the smaller foundations, conversely, may tend to operate with more of a short-term focus and with the intention of distributing large contributions currently. Oftentimes many of the smaller foundations act as conduit or "pass-through" organizations. In this role, they often receive contributions in 1 year and then distribute them as qualifying distributions in that same year or in the next year. These smaller foundations, compared to the larger ones, often do not possess the resources necessary to devote to sophisticated investment and risk management and may not have the same incentives to perpetuate the endowment of the foundation. Moreover, certain foundations, typically the smaller ones, operate with the intention of existing for only a short-term period and distributing all assets within a pre-determined timeframe. In terms of investment assets, the smaller foundations tend to hold fewer assets as securities. Of their investment holdings, they tend to hold lower risk and higher fixed-income yield assets that do not appreciate as rapidly, thereby resulting in lower returns compared to the larger foundations [20].

Rate of Total Return

A comparison of the payout rate and the rate of total return helps to explain differences in the behavior of the different sizes of private foundations. The rate of total return is a measurement of the total capital appreciation of the endowment of a foundation. The rate of return formula used here measures the change in the value of the entire asset base with considerations for inflows and outflows of money [21]. The formula adjusts for inflation and measures the realized income from assets, investment and otherwise, as well as the unrealized appreciation or depreciation in the fair market value of assets.

Foundations realized increases in the value of both total assets and investments in securities from 1987 to 1988, 13 percent and 14 percent, respectively. Along with these increases, rates of total return increased across size classes from the unusually low 1987 returns. For 1987, largely due to the October stock market decline that lowered the end-of-year asset values, the median foundation realized a real rate of return that fell below the desired 5 percent needed to fulfill the payout requirement without a decline in asset value. For instance, for 1987, the largest foundations —those holding $100 million or more in total assets—realized only a 1.4 percent real return. For 1988, however, median returns ranged from 7.4 percent for those foundations holding from $1 million to under $10 million in total assets, to 9.6 percent for the largest foundations. Median figures for real rates of total return for nonoperating foundations during the years 1986 to 1988 are shown in Figure H.

Foundations tend to realize higher total returns as the asset size of the foundation increases. Since the total return figures account for inflation, it is apparent that foundations (at least those holding $1 million or more in assets) realized a degree of asset appreciation for 1988 that enabled them to exceed the 5-percent charitable payout requirement. The distribution of the rate of return data is positively skewed since the mean returns are

Figure H.--Nonoperating Foundation Rates of Total Return on Assets, by Size of Fair Market Value of Total Assets, 1986-1988

Size of fair market value of total assets	Median rates of return[1]		
	1986	1987	1988
	(1)	(2)	(3)
All foundations	**n.a.**	**n.a.**	**n.a.**
Small foundations			
$1 under $1,000,000	n.a.	n.a.	n.a.
Medium foundations			
$1,000,000 under $10,000,000	9.0%	1.3%	7.4%
$10,000,000 under $50,000,000	11.4	0.9	8.5
Large foundations			
$50,000,000 under $100,000,000	11.8	1.1	8.9
$100,000,000 or more	13.9	1.4	9.6

n.a.-not available

[1] The GNP implicit price deflator was used to adjust for inflation.

higher than the medians for all of the foundation size groups for each of the years studied. The considerable increase in total returns from 1987 to 1988 helps to explain the increase in the value of foundation assets for 1988.

Income Yield

While the rate of total return measures the change in the value of the entire endowment of a foundation, the income yield measures only realized investment income earned by a foundation each year. Due to the nature of the data that are collected, the most appropriate way in which to calculate the net investment income yield, or the NII yield, is by dividing net investment income by the end-of-year fair market value of investment assets. Investment assets include savings and temporary cash investments; securities (such as corporate stock, corporate bonds, Government bonds, and Treasury bills); land, buildings and equipment; mortgage loans; and "other investments". Net investment income is comprised of income not considered to be related to a foundation's charitable purpose, such as interest, dividends, and capital gain net income. Figure I displays the median NII yields for nonoperating foundations for the years 1986 to 1988.

Figure I.--Nonoperating Foundation Net Investment Income Yields, by Size of Fair Market Value of Total Assets, 1986-1988

Size of fair market value of total assets	Median net investment income yields		
	1986	1987	1988
	(1)	(2)	(3)
All foundations	**7.5%**	**7.2%**	**7.2%**
Small foundations			
$1 under $100,000	6.3	6.4	6.6
$100,000 under $1,000,000	7.8	7.4	7.3
Medium foundations			
$1,000,000 under $10,000,000	8.7	8.1	7.6
$10,000,000 under $50,000,000	11.1	9.4	7.6
Large foundations			
$50,000,000 under $100,000,000	11.2	9.0	7.4
$100,000,000 or more	9.9	8.9	7.3

As in the case of the rate of total return, the large foundations typically tend to earn higher NII yields than the smaller foundations. For the small foundations, NII yields remained relatively constant over the entire 1986 to 1988 period. However, for both the large and medium foundations, all those holding $1 million or more in total assets, NII yields declined in both years following 1986. For instance, the median NII yields for the largest foundations fell from 9.9 percent for 1986 to 7.3 percent for 1988. The distribution of the NII yield data is positively skewed since the mean yields are higher than the medians for all of the foundation size groups for each of the years studied. The smaller the size of the foundation the greater the difference tends to be between the mean yield and the median yield.

The declining NII yields for the large- and medium-size groups most likely resulted, in part, from declining foundation revenue and increasing investment assets. Realized nonoperating foundation income, in the form of net investment income, declined by 7 percent from 1987 to 1988. The significant decrease in net gain (less loss) from sales of assets helps to explain much of the decline in net investment income. The large and medium-size foundations, as a combined group, realized a somewhat greater decline in net investment income for 1988 compared to the small foundations, 8 percent compared to 7 percent. More importantly, investment assets for the large- and medium-size foundations, as a combined group, increased significantly faster than for the small foundations, 14 percent compared to 3 percent. These factors both help to explain the difference in yields for the different sizes of foundations from 1987 to 1988. The considerable growth in the rates of total return for 1988 compared to the declines in the NII yields (for many foundations), shows that foundations attained greater growth from unrealized appreciation of assets than from realized income.

ASSET GROWTH, DISTRIBUTION GOALS, AND DECISION-MAKING

During the early-to-mid 1980's, foundations benefited from favorable stock market conditions that, coupled with low inflation and interest rates, allowed many of them to realize rates of return and income yields high enough to easily meet the 5-percent charitable payout requirement. This favorable environment, for instance, during the 1982 to 1986 period, enabled many foundations to increase their charitable grants and distributions and at the same time expand the size of their endowments. As the value of foundation assets increased, so did the required distributable amounts, thereby leading to increased grants paid out by foundations. In the case of the smaller foundations, growth in the amount of contributions that they received was steady and significant. This factor helped contribute largely to the increases in the charitable distributions made by this group.

Foundations realized growth in asset value and distributed charitable dollars during the years 1986 to 1988 in patterns that differed from those evident during the 1982 to 1986 period. From 1982 to 1986 the large- and medium-size foundations realized asset growth that exceeded the increases in their qualifying (charitable) distributions. The smallest foundations, on the other hand, paid out more charitable distributions during these years than the amount of growth in their total assets.

During the years 1986 to 1988, however, the large- and medium-size foundations paid out charitable dollars at a rate that exceeded their increase in assets. Largely due to the October 1987 stock market decline, the largest (nonoperating) foundations, for instance, realized unusually low total returns for 1987 and a relatively slow rate of asset growth during the entire 1986 to 1988 period, 18 percent. Despite this slower rate of asset growth and a 20 percent decline in revenue, charitable distributions made by the largest foundations increased by 30 percent from 1986 to 1988. Conversely, the smallest foundations, which had slower rates of growth for both assets and distributions, realized a higher rate of asset growth from 1986 to 1988 than the rate at which they distributed charitable dollars, 11 percent compared to only 6 percent. At the same time, however, they realized declining revenue of over 25 percent. It seems that the decreases in revenue may have influenced the grantmaking behavior of the small foundations much more than the large foundations.

Larger foundations historically have realized greater returns on total assets than smaller foundations. The larger foundations typically rely heavily on the appreciation of their endowments to fund charitable programs and, therefore, have distributed dollars in such a way as to promote long-run asset growth. For instance, the significant asset growth of the largest foundations during the 1980s allowed them to increase distributions through 1988 at a rate faster than any of the other size groups [22]. These foundations typically pay out qualifying distributions at a rate very near the 5-percent requirement. During the entire 1982 to 1988 period, foundation endowments, especially those of the largest foundations, increased significantly in value, thereby leading to higher required payout amounts, and then, increased distributions. A growing endowment will fund charitable grants at the same or at an increased value in the future.

Smaller foundations, on the other hand, typically realize lower income yields and lower returns and tend to payout a greater percentage of their assets than the larger foundations. From 1986 to 1988 the smaller foundations distributed charitable dollars at slower rates of increase than in prior years. In planning charitable distributions, the smaller foundations tend to depend largely on the amount of contributions that they receive. It seems that the large drop in the amount of contributions received by these foundations during the 1986 to 1988 period helped to reduce the growth of their grantmaking during this period.

The differences in foundation total returns, income yields, contributions received, and charitable payout practices raise questions regarding the investment and distribution behavior of the different sizes of foundations. For instance: how does the rate of total return (and possibly the NII yield) in one year affect the grantmaking budgets and the payout rates of the following year or years? In other words, do certain foundations respond to relatively low returns with low payout rates or to high returns with high payout rates? And, do these patterns differ with the size of the foundation? Data from 1989, a relatively strong year in terms of growth of the stock market and the economy, may provide further insight into the interplay of all of these factors.

SUMMARY

Total private foundation revenue continued to decline from 1987 to 1988, by 5 percent, or $837 million. During the entire 1986 to 1988 period, total foundation revenue fell by 19 percent, to $16.3 billion. The two largest components of revenue, contributions received and net gain (less loss) from sales of assets, declined from 1987 to 1988 by 0.3 percent and 34 percent, respectively, to $5.3 billion and $3.7 billion. Likewise, net investment income fell by 8 percent, to $10.4 billion, from 1987 to 1988.

Despite decreases in total revenue, foundation end-of-year fair market value of total assets increased by 13 percent from 1987 to 1988, to $128.9 billion. The largest foundations realized the greatest gains in assets. By year's end, foundations seemed to have recovered from much of the effect of the October 1987 stock market decline. As an indication of recovery, foundation rates of total return increased markedly from the unusually low 1987 returns. Rates of total return ranged from 7.4 to 9.6 percent. For instance, the largest foundations—those holding assets with fair market value of $100 million or more—realized a real rate of total return of 9.6 percent for 1988, compared to only 1.4 percent for 1987.

Despite the decline in total revenue and the unusually low rates of total return for 1987, foundation grant payments increased by 9 percent from 1987 to 1988, to $7.4 billion. Similarly, qualifying distributions for all foundations increased by 10 percent, to $9.0 billion, and charitable payout rates tended to increase slightly as well. While the largest nonoperating foundations—those holding $100 million or more in assets—increased distributions by 13 percent from 1987 to 1988, the smallest foundations—those holding less than $1 million in assets—increased their distributions by only 1 percent. Approximately one-third of all foundations were able to take advantage of the 1-percent excise tax reduction for 1988 since they distributed charitable dollars for that year at a rate that exceeded their most recent 5-year average charitable payout amount plus 1 percent of their current-year net investment income.

These changes in revenues, assets, and charitable giving for 1988 help to further depict variations in the investment and distribution behavior of the various sizes of foundations. The largest foundations, which typically rely more heavily on the appreciation of their endowments in order to fund charitable programs, increased both assets and charitable distributions at the greatest rate from 1982 to 1988. In order to fund charitable giving at an increased rate in both the present and the future, many foundations rely heavily on the growth of their endowments, while others rely largely on the amount of contributions that they receive currently.

DATA SOURCES AND LIMITATIONS

The statistics in this article are based on a sample of Tax Year 1988 private foundation returns, Forms 990-PF, filed with the IRS. IRS required organizations having accounting periods beginning in that year (and therefore ending, in general, in December 1988 through November 1989) to file a 1988 Form 990-PF. Some part-year returns were included in the sample for organizations that changed their accounting periods, or filed initial or final returns. Approximately 60 percent of the foundations' accounting periods cover Calendar Year 1988 or, in some cases, part-year periods that ended December 1988. The remaining 11 noncalendar-year accounting periods, when grouped together, include a period of time that ranges from February of 1988 to November of 1989 (and may also include some part-year periods). While the majority of the 1988 data are for Calendar Year 1988, approximately 40 percent of the data were reported for noncalendar-year periods that go beyond the end of Calendar Year 1988. In total, however, most of the financial activity is associated with Calendar Year 1988.

The 1988 sample was stratified based on size of book value of total assets and was selected at rates that ranged from 7.1 percent (for the more numerous but very small asset-size returns) to 100 percent (for the relatively few returns with large amounts of assets) [23]. The 5,111 returns in the 1988 sample were drawn from an estimated population of 37,141. Returns filed by nonexempt charitable trusts and certain taxable foundations were excluded from the statistics for 1988. Beginning with Tax Year 1989, however, SOI will provide data on Code section 4947(a)(1) charitable trusts that filed Form 990-PF.

The 1988 study was designed to provide reliable estimates of total assets and total revenues based on a sample of returns. To accomplish this, 100 percent of returns with assets (book value) of $10 million or more were included in the sample, since these were the returns that, dollar-wise, accounted for the majority of foundation activity. For example, the 1,262 returns in this sample with $10 million or more in assets accounted for approximately 25 percent of all sample returns and 77 percent of the estimated (book value of) total assets of all foundations. The remaining 3,849 returns in the 1988 sample were randomly selected at various rates depending on the asset size, 7.1 percent for those returns with assets under $100,000; 9.1 percent for those returns with assets of $100,000 under $1,000,000; and 23.8 percent for those returns with assets of $1,000,000 under $10,000,000.

The population from which the 1988 sample was drawn consisted of private foundation records posted to the IRS Business Master File during 1988 and 1989. Some of the records designated were for organizations that were deemed inactive or terminated. Inactive and terminated private foundations are not reflected in the estimates. For the small number of large private foundations for which the return for the 1988 Tax Year had not yet been filed or was otherwise unavailable for inclusion in the study, data were estimated using other returns having similar characteristics.

The data presented were obtained from returns as originally filed. In most cases, changes made to the original return as a result of either administrative processing or a taxpayer amendment were not incorporated into the data base. A discussion of the reliability of estimates based on samples and methods for evaluating both the magnitude of sampling and non-sampling error and the precision of sample estimates can be found in the general Appendix to this report. Estimates of the coefficients of variation (CV's) or other sampling information can be obtained by writing to the authors at the following address: Internal Revenue Service, Statistics of Income Division (R:S:F), P.O. Box 2608, Washington, DC 20013-2608.

EXPLANATION OF SELECTED TERMS

The following explanations describe terms as they applied to private foundations for 1988.

Adjusted Net Income.—In general, this was the amount by which a private foundation's gross income exceeded the expenses associated with earning the income. Included were all amounts derived from, or connected with, property held by the foundation, such as net short-term capital gain, ordinary investment income (dividends and interest, rents and royalties), and income from amounts set aside for future charitable use, from all charitable functions, or from unrelated trade or business activities. Excluded were contributions received and long-term capital gains. Long-term capital losses could be reported as "other expenses." This item was reported on Form 990-PF, Part I, line 27c, column (c).

Assets Zero or Unreported.—Included in this asset size category were: (1) final returns of liquidating or dissolving foundations which had disposed of all assets; and (2) returns of foundations not reporting end-of-year assets that had apparently distributed (or disposed of) all assets and income received during the year.

Capital Gain Net Income.—This was the amount of net gain from the sale or disposition of property used for investment purposes (property used for exempt purposes was excluded). Capital losses from the sale or other disposition of property could be subtracted from capital gains only to the extent of such gains. Capital gain net income was used to compute "net investment income" (on which an excise tax generally must be paid). This item was reported on Form 990-PF, Part 1, line 7, column (b).

Disbursements for Charitable Purposes.—These deductions comprised the largest component of qualifying distributions and were represented by grants paid, operating expenses, and necessary and reasonable administrative expenditures for activities that were directly related to the tax-exempt purposes of the foundation. These amounts were determined solely on the cash receipts and disbursements method of accounting, as required by law and regulations. This item was reported on Form 990-PF, Part I, line 26, column (d).

Disqualified Persons.—With respect to engaging in prohibited transactions with a private foundation, such as "self-dealing," the following were considered disqualified persons: (1) all substantial contributors to the foundation (generally, those who contributed an amount over $5,000 which was more than 2 percent of total contributions received by the foundation); (2) foundation officers, directors, trustees, or managers; (3) an owner of more than a 20 percent interest (voting power, profits interest, or beneficial interest) in an organization which was a substantial contributor to the foundation; (4) a member of the family of any individual described above (including spouse, ancestors, children, grandchildren, great-grandchildren, and spouses of children, grandchildren and great-grandchildren, but not brothers or sisters); (5) organizations in which persons described above held more than a 35-percent interest; (6) another private foundation, for purposes of the tax on excess business holdings, which was effectively controlled by a person or persons in control of the foundation in question; and (7) a government official, for purposes of the tax on "self-dealing."

Distributable (Payout) Amount.—This was the minimum payout amount which was required to be distributed by the end of the year following the year for which the return was filed in order to avoid an excise tax for failure to distribute income currently. The distributable amount was computed as 5 percent of net investment assets, called the "minimum investment return," minus taxes on both net investment income and unrelated business income, plus or minus other adjustments, either allowed or required (see "Net Adjustments to Distributable Amount"). This item was reported on Form 990-PF, Part X, line 7.

Excess Distributions Carryover.—This was the amount distributed, after fulfilling the charitable payout requirement, that equaled the excess of qualifying distributions over the distributable amount. Amounts from the current year and the 4 prior years could be carried forward in order to be applied to the distributable amount for following years. This item was reported on Form 990-PF, Part XIV, line 9.

Excess Grant Administrative Expenses.—This was the amount of grantmaking administrative expenses, incurred by a foundation in the charitable grantmaking process, that exceeded the amount which could be applied to either the charitable payout requirement (imposed on nonoperating foundations) or the income test (imposed on operating foundations, defined below). The 1984 Deficit Reduction Act required that only the portion of grant administrative expenses incurred by a foundation that did not exceed 0.65 percent of a 3-year average of net investment assets could be treated as qualifying distributions. Any grant administrative expenses in excess of the 0.65 percent calculation could not be treated as qualifying distributions. This temporary limitation on grantmaking expenses expired on December 31, 1990. Beginning with the 1991 tax year, foundations were no longer subject to this requirement. This item was reported on Form 990-PF, Part XIII, line 5.

Inventories.—The value of materials, goods, and supplies purchased or manufactured by the organization and held for sale or use in some future period. This item was reported on Form 990-PF, Part II, line 8, columns (a) (beginning-of-year book value), (b) (end-of-year book value), and (c) (end-of-year fair market value).

Land, Buildings, and Equipment, Charitable-use.—The book value or fair market value (less accumulated depreciation) of all land, buildings and equipment not held for investment purposes. Included was any property, plant or equipment owned and used by the organization in conducting its charitable activities. This item was reported on Form 990-PF, Part II, line 14, columns (a) (beginning-of-year book value), (b) (end-of-year book value), and (c) (end-of-year fair market value).

Land, Buildings, and Equipment, Investment-use.—The book value or fair market value (less accumulated depreciation) of all land, buildings and equipment held for investment purposes, such as rental properties. This item was reported on Form 990-PF, Part II, line 11, columns (a) (beginning-of-year book value), (b) (end-of-year book value), and (c) (end-of-year fair market value).

Minimum Investment Return.—This was the aggregate fair market value of assets not used for charitable purposes, less both the indebtedness incurred to acquire them and cash held for charitable activities, multiplied by 5 percent. The minimum investment return was used as the base for calculating the "distributable amount." This item was reported on Form 990-PF, Part IX, line 6.

Net Adjustments to Distributable Amount.—Adjustments that increased the "distributable amount" consisted of increases attributable to the income portion (as distinct from the principal portion) of distributions from split-interest trusts on amounts placed in trust after May 26, 1969. (A split-interest trust is a trust which is not exempt from tax; not all of whose interests are devoted to charitable, religious, educational, and like purposes; but which has amounts in trust for which a charitable contribution deduction is allowed.) Recoveries of amounts previously treated as qualifying distributions also had to be added back to the distributable amount.

Adjustments that decreased the distributable amount were the result of income required to be accumulated as part of an organization's governing instrument. These adjustments were allowed only for foundations organized before May 27, 1969, whose governing instrument continued to require the accumulation, since State Courts would not allow the organization to change its governing instrument. These items were reported on Form 990-PF, Part X, lines 4a, 4b, and 6.

Net Gain (or Loss) from Sale of Assets.—Included was profit or loss from sales of items such as securities, land, buildings, or equipment. Gain or loss reflected the amount shown on the books of the foundation and included any amount from the sale of property used for both investment and tax-exempt purposes. Most of the gain or loss was from sales of stocks and bonds. Profit or loss from the sale of inventory items was included in gross profit (loss) from business activities. This item was reported on Form 990-PF, Part I, line 6, column (a).

Net Investment Assets (Noncharitable-use Assets).—For purposes of calculating "minimum investment return," only the average, rather than end-of-year, fair market value of assets that were not used or held for use for tax-exempt purposes entered into the computation. An asset was not used directly in carrying out the foundation's exempt purpose if it was not used in carrying out a charitable, educational, or other similar function which gave rise to the exempt status of the foundation. Examples include the fair market value of securities and rental property owned by the foundation for investment purposes. This item was reported on Form 990-PF, Part IX, line 5.

Net Investment Income.—This was the amount by which gross investment income, including capital gain net income, exceeded allowable deductions. Included in investment income were interest, dividends, rents, payments with respect to securities loans, and royalties. Excluded were tax-exempt interest on governmental obligations and any investment income derived from unrelated trade or business activities that were subject to the unrelated business income tax reported on Form 990-T. This item was reported on Form 990-PF, Part I, line 27b, column (b).

Net Short-term Capital Gain.—This was the amount of net gain from the sale or disposition of property (used for both investment and charitable purposes) that was held not more than 12 months. Short-term capital losses from the sale or disposition of property could be subtracted from short-term capital gains only to the extent of such gains. Net short-term capital gain was used to compute "adjusted net income". This item was reported on Form 990-PF, Part I, line 8, column (c).

Nonoperating Foundations.—These were organizations that generally carried on their charitable activities in an indirect manner by making grants to other organizations that were directly engaged in charitable activities, in contrast to those (operating foundations) engaged in charitable activities themselves. However, some nonoperating foundations were actively involved in charitable programs, in addition to making grants. Nonoperating foundations were subject to an excise tax (and possible additional penalties) for failure to distribute an annual minimum amount for charitable purposes within a required time period.

Operating Foundations.—These foundations generally expended their income for direct, active involvement in a tax-exempt activity, such as operating a library or museum, or conducting scientific research. To qualify as an operating foundation for a particular taxable year, a private foundation had to spend at least 85 percent of the lesser of its adjusted net income or minimum investment return on the direct, active conduct of exempt-purpose activities (the "income test") and satisfy one of three other tests termed the "assets test," the "endowment test," and the "support test." Operating foundations were excepted from the income distribution requirement and related excise taxes that were applicable to nonoperating foundations.

Distributions made by a private nonoperating foundation to an operating foundation qualified toward meeting the nonoperating foundation's distribution requirement. (Distributions made by one nonoperating foundation to another were subject to a number of conditions and restrictions requiring a "pass-through" of the distribution, whereby the donor foundation received credit for a qualifying distribution but the donee foundation did not.) Additionally, contributions to operating foundations were deductible on individuals' income tax returns, up to 50 percent of their adjusted gross income (as opposed to 30 percent for contributions to nonoperating foundations).

Other Assets.—Assets reported as "Other" included (1) those assets not allocable to a specific asset item on the Form 990-PF balance sheet or not included elsewhere on the return; and (2) certain amounts given special treatment in the course of statistical processing. The first category included such items as construction reserve land, deferred income, dividends receivable, escrow deposits, income tax refunds, interest discounts, interest-free loans, overdraft protection, and program-related investments. The second category included amounts reported by the return filer as negative liabilities. This item was reported on Form 990-PF, Part II, line 15, columns (a) (beginning-of-year book value), (b) (end-of-year book value), and (c) (end-of-year fair market value).

Other Investments.—Investments reported as "Other" included such items as advances, bank certificates, cash values of life insurance, certificates of investment, investments in art, coins, gold, gems, and paintings, miscellaneous loan income, and patronage dividends. This item was reported on Form 990-PF, Part II, line 13, columns (a) (beginning-of-year book value), (b) (end-of-year book value), and (c) (end-of-year fair market value).

Private Foundation.—This type of organization was defined under the Internal Revenue Code as a nonprofit corporation, association, or trust with a narrow source of funds which operated or supported social, educational, scientific, charitable, religious, and other programs dedicated to improving the general welfare of society. A private foundation was an organization which qualified for tax-exempt status under Code section 501(c)(3) and was not a church, school, hospital, medical research organization, an organization with broad public support in the form of contributions or income from tax-exempt activities, an organization which was operated by, or in connection with, any of the above described organizations, or an organization which conducted tests for public safety. The primary difference between a private foundation and a public charity lay in the sources of each type of organization's funding. A foundation usually received its funds from an individual, a family, or a corporation, while, as the name implies, a public charity received its funds mainly from a large number of sources within the general public.

Qualifying Distributions.—Included were disbursements for charitable purposes (grants, direct expenditures to accomplish charitable purposes, and charitable-purpose operating and administrative expenses); amounts paid to acquire assets used directly to accomplish tax-exempt functions; charitable program-related investments; and amounts set aside for future charitable projects. Qualifying distributions could be credited against the foundation's obligation to pay out its "distributable amount." This item was reported on Form 990-PF, Part XIII, line 6.

Total Assets.—This was the sum of all assets reported in the foundation's end-of-year balance sheet, shown at both book value and fair market value. This item was reported on Form 990-PF, Part II, line 16, columns (a) (beginning-of-year book value), (b) (end-of-year book value), and (c) (end-of-year fair market value).

Total Expenses.—This was the sum of contributions, gifts, and grants paid plus various operating and administrative expenses related to both investment and charitable-purpose activities. Total expense items were reported as shown on the books and records of the foundation and were based on either the cash receipts or the accrual method of accounting. This item was reported on Form 990-PF, Part I, line 26, column (a).

Total Revenue.—This was the sum of gross contributions, gifts and grants received; interest and dividends from securities, savings, and temporary cash investments; net gain (less loss) from sales of assets (mostly investment assets, but also charitable-use assets); gross rents and royalties; gross profit (or loss) from business activities; and other miscellaneous income. Total revenue items were reported as shown on the books and records of the foundation and were based on either the cash receipts or the accrual method of accounting. This item was reported on Form 990-PF, Part I, line 12, column (a).

Undistributed Income.—The portion of the required "distributable amount" still undistributed after applying against it the sum of current-year qualifying distributions and any excess distributions carryover from prior years. Sanctions were imposed in the form of penalty taxes on private foundations that did not pay out an amount equal to the "distributable amount" by the end of the following tax year. This item was reported on Form 990-PF, Part XIV, line 6f, column (d).

NOTES AND REFERENCES

[1] The Explanation of Selected Terms section at the end of this article defines total assets, total revenue and other selected items reported on the IRS Form 990-PF, *Return of Private Foundation.*

[2] Unless otherwise indicated, dollar amounts and percentages are not adjusted for inflation. Inflation-adjusted real values were calculated using the implicit price deflators for the Gross National Product contained in the Council of Economic Advisors, *Economic Report of the President*, February 1990, Table C-3. Also, all references to assets are stated at fair market values unless book value is specifically noted.

[3] Dividend and interest income is reported on the Form 990-PF as two items: "interest on savings and temporary cash investments," and "dividends and interest from securities."

[4] *Source Book: Statistics of Income—1988, Corporation Income Tax Returns,* U.S. Department of the Treasury, Internal Revenue Service, Pub. 1053, 1991.

[5] The data presented in this article are from the tax year 1988 Form 990-PF, required to be filed by organizations which had accounting periods *beginning* in 1988. Therefore, the statistics for tax year 1988 generally include organizations with accounting periods that ended within the period December 1988 to November 1989.

[6] A nonexempt charitable trust, described in Internal Revenue Code section 4947(a)(1), is a trust (1) that is not considered tax-exempt under Internal Revenue Code section 501(a); (2) which has exclusively charitable interests; and (3) for which a charitable tax deduction is allowed for contributions received. Nonexempt charitable trusts that are not publicly supported are subject to the excise tax provisions for private foundations and are required to file a Form 990-PF, *Return of Private Foundation.* (Publicly supported nonexempt charitable trusts are required to file Form 990, *Return of Organization Exempt From Income Tax.*) Nonexempt charitable trusts must pay an annual tax on income (usually from investments) that is not distributed or set aside for charitable purposes, and they must report such income and tax on Form 1041, *U.S. Fiduciary Income Tax Return.*

[7] Internal Revenue Service, *Statistics of Income—Compendium of Studies of Tax-Exempt Organizations, 1974-1987,* U.S. Department of the Treasury, Internal Revenue Service, Pub. 1416, 1991. (Available from the Statistics of Income Division, Internal Revenue Service, Washington, DC.)

[8] Results of private foundation studies for 1982, 1983, 1985 and 1986-87 have been published in various issues of the *Statistics of Income Bulletin*: Fall 1985, Volume 5, Number 2 (1982 data); Winter 1986-1987, Volume 6, Number 3 (1983 data); Summer 1989, Volume 9, Number 1 (1985 data); and Spring 1991, Volume 10, Number 4 (1986-87 data).

[9] For an in-depth discussion of organizations other than private foundations, which are tax-exempt under Internal Revenue Code section 501(c)(3), see Hilgert, Cecelia, and Mahler, Susan J., "Nonprofit Charitable Organizations, 1986 and 1987," *Statistics of Income Bulletin,* Fall 1991, Volume 11, Number 2.

[10] Programs termed "charitable" refer to tax-exempt activities which are charitable, educational, scientific, social, literary, or religious in nature.

[11] Generally, the assets test was met if 65 percent or more of the foundation's assets were used directly for the active conduct of charitable activities. The endowment test was met if the foundation normally made distributions for the active conduct of charitable activities in an amount not less than two-thirds of its "minimum investment return." The support test was met if substantially all of its support (other than from gross investment income) was normally received from the public or from five or more qualifying exempt organizations, and (a) no more than 25 percent of its support (other than from gross investment income) was normally received from any one such qualifying exempt organization; and (b) no more than half of its support was normally received from gross investment income.

[12] Some of the foundations classified as "nonoperating" for 1988 were "failed public charities," organizations that were originally classified as public charities but could no longer qualify for that favored status because they failed to maintain the required minimum of support from public sources. Most often, the reclassified nonoperating foundations continued to operate like public charities, conducting programs or providing direct services, as opposed to making grants to accomplish a charitable purpose. Many of these organizations may have qualified as operating foundations, but did not request such status from the Internal Revenue Service.

[13] Since only those foundations holding $10 million or more in book value of total assets were sampled at a rate of 100 percent, only those foundations were included in Table 4. Those foundations sampled at rates of less than 100 percent were not sampled to match the distribution of foundations by geographic region. Therefore, State data for foundations holding under $10 million in book value of assets were not necessarily representative of State populations and were not included in the table. However, in order to remain consistent with Tables 1 and 3, assets in the table were presented in fair market value.

[14] The item, "qualifying distributions," as defined in the Internal Revenue Code and as used on the Form 990-PF, may be slightly misleading because it includes not only amounts that were actually distributed, but other amounts spent or set aside for charitable purposes as well.

[15] In addition to reductions in the fair market value of net investment assets allowed for the excise tax on net investment income and the unrelated business income tax imposed under Internal Revenue Code section 511, reductions for "blockage" or other marketability discounts are permitted. These discounts (limited to 10 percent in the case of securities, but statutorily unlimited in other cases, such as land holdings) can effectively reduce the net investment asset base and, thus, result in a minimum payout level of less than 5 percent of full fair market value in many cases. An example of this type of discounting would be a foundation that owns 15 percent of the stock of a publicly held corporation. This percentage represents a block of securities so large in relation to the volume of actual sales on the existing market that it could not be liquidated in a reasonable time without depressing the market. Because of this situation, the foundation is allowed to discount the fair market value of the stock for the purposes of reporting it on the Form 990-PF.

[16] To calculate the payout rate, the amount of (adjusted) qualifying distributions was divided by the amount of the monthly average of net investment (or noncharitable-use) assets. This payout formula adjusts qualifying distributions with additions and subtractions that are made to the required "distributable amount" on the Form 990-PF, *Return of Private Foundation*. The numerator of the formula also includes excess distributions made in the past and applied to the requirement of the current filing year.

[17] The median payout rate for these foundations was 6.5 percent for 1982. It then dropped to 5.0 percent for 1983, and ranged between 5.0 to 5.1 for the period 1983 to 1987 (except for 1984, for which statistics are unavailable). The Economic Recovery Tax Act of 1981 (ERTA) changed the method of computing the payout requirement, effective with 1982 reporting periods. Prior to 1982, foundations had to pay out the higher of "adjusted net income" (defined in the Explanation of Selected Terms) or the minimum investment return (5 percent of the fair market value of net investment assets) minus taxes on both net investment income and unrelated business income, plus other relatively small net adjustments. Because of high inflation rates in the early 1980's, it was thought that the requirement to pay out all of a foundation's current income if it was higher than the minimum investment return would have a gradual eroding effect on the real value of investment assets. The change under ERTA was intended to provide relief to foundations from such a payout requirement. Beginning with 1982, the payout requirement was limited to the minimum investment return without regard to adjusted net income.

The payout rates of foundations remained relatively high (well above the 5-percent level) for 1982 either because of previous grantmaking commitments or because it was a period of transition whereby foundations started to adjust to the new rule. For 1983, the median payout rates shown in the statistics for all foundation size classes dropped significantly, moving closer to the 5-percent required payout rate. An in-depth explanation of the effects of ERTA on the payout rates of private foundations is contained in Meckstroth, Alicia and Riley, Margaret, "Private Foundation Returns, 1986-87," *Statistics of Income Bulletin*, Spring 1991, Volume 10, Number 4, pp. 23-50.

[18] For more detailed information on the investing and distributing behavior of foundations refer to Salamon, Lester M. and Voytek, Kenneth P., *Managing Foundation Assets: An Analysis of Foundation Investment and Payout Procedures and Performance*, The Council on Foundations, 1989.

[19] Salamon and Voytek, *ibid.*

[20] Salamon and Voytek, *ibid.*

[21] The rate of total return formula is the same as that developed and used by Salamon and Voytek in their studies on foundation assets. See: Salamon and Voytek, *ibid.*, p.32. The formula is as follows:

RATE OF TOTAL RETURN =

[(Ending Fair Market Value of Assets
- Beginning Fair Market Value of Assets*)
- (Contributions Received by the Foundation)
+ (Grants Paid by the Foundation
+ Operating and Administrative Expenses
+ Excise Tax Paid on Net Investment Income)]

DIVIDED BY:

[Beginning Fair Market Value of Assets
+ (Contributions Received / 2)]

*The beginning fair market value of assets for any given year equals the ending fair market value reported on the prior year's return. Thus, in order to provide a consistent form of measurement by which to compare rates of return among different years, the ending fair market value of asset amounts (reported for both the year subject to the computation and the prior year) were used to compute the rate of total return. In order to obtain an inflation-adjusted, real rate of return, the figure equaling the beginning of year fair market value of assets was adjusted using the GNP implicit price deflator.

To calculate the rate of total return shown in Figure H, private foundation information returns from data samples for consecutive years were matched in order to analyze both the beginning- and end-of-year fair market value data. The returns in the samples were matched by the employer identification number (EIN).

Due to the lower sampling rates for the smaller foundations, the rate of matching the information returns for consecutive years was not high enough to ensure a proper level of statistical confidence. Therefore, the rate of return was only calculated for the medium- and large-size foundations, those holding $1 million or more in assets.

[22] The largest foundations—those holding $100 million or more in assets—increased assets and qualifying distributions at a rate faster than any other group from 1982 to 1988. This result occurred when stratifying the data using two different measures: current dollar assets (the standard method) and constant dollar assets. Stratifying the asset size groups by constant dollars accounts for those foundations which moved to a larger size group due to an inflationary increase in the value of their assets. Using the method of constant dollar stratification of assets (with 1982 dollars), the largest size group still achieved a greater rate of increase in both distributions and assets than any other size group. The increases equaled 84 percent and 95 percent, respectively.

[23] The sample was stratified based on book value of assets, rather than fair market value, because of testing methods employed by the Internal Revenue Service in the development of its Business Master File data base, from which the SOI sample was drawn. The Master File contains an amount for fair market value of total assets that is not fully tested for accuracy of input because other items necessary for mathematically checking it are not available on the data base. Therefore, it is not reliable for sample selection. Book value of total assets, on the other hand, is fully tested for accuracy because the items necessary to do so are available on the data base.

Table 1.--Number of Private Foundations and Selected Financial Data, by Type of Foundation and Size of Fair Market Value of Total Assets

[All figures are estimates based on a sample--money amounts are in thousands of dollars]

Size of fair market value of total assets	Number of returns	Total revenue		Total expenses		Excess of revenue (less loss) over expenses		Excess of revenue, total		Disbursements for exempt purposes		Contributions, gifts, and grants paid[1]		Grant administrative expenses	
		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
ALL FOUNDATIONS															
Total	**37,141**	**36,386**	**16,280,190**	**36,156**	**9,754,837**	**36,355**	**6,525,352**	**22,344**	**7,840,513**	**34,583**	**8,553,292**	**31,308**	**7,379,690**	**17,566**	**392,393**
Zero or unreported	802	628	63,036	695	181,405	601	-118,369	*107	*1,595	588	173,503	494	170,759	240	1,399
$1 under $100,000	14,206	13,685	289,898	13,580	348,133	13,765	-58,235	7,045	49,138	12,587	332,843	10,786	290,340	5,304	13,118
$100,000 under $1,000,000	14,259	14,204	1,104,892	14,044	774,598	14,124	330,294	9,397	502,056	13,709	716,813	12,874	621,325	6,960	21,945
$1,000,000 under $10,000,000	6,426	6,421	3,468,888	6,391	2,034,403	6,421	1,434,485	4,666	1,829,304	6,264	1,831,336	5,823	1,574,797	3,928	60,281
$10,000,000 under $25,000,000	795	795	1,971,952	793	1,084,359	795	887,594	607	1,025,653	785	970,810	729	825,825	587	35,491
$25,000,000 under $50,000,000	307	307	1,488,890	307	873,259	302	615,631	239	739,676	306	782,801	275	657,429	247	37,948
$50,000,000 under $100,000,000	179	179	1,532,964	179	807,242	179	725,722	149	808,242	179	678,390	167	551,830	148	33,964
$100,000,000 or more	168	168	6,359,670	168	3,651,440	168	2,708,231	134	2,884,849	166	3,066,796	159	2,687,386	152	188,248
Nonoperating foundations															
Total	**33,913**	**33,307**	**14,745,506**	**33,059**	**8,906,635**	**33,285**	**5,838,870**	**20,518**	**7,090,654**	**31,753**	**7,862,728**	**29,780**	**7,292,066**	**16,739**	**372,375**
Zero or unreported	748	588	61,771	641	179,439	561	-117,667	*107	*1,595	534	171,631	468	169,684	240	1,399
$1 under $100,000	12,747	12,346	264,005	12,215	320,858	12,440	-56,853	6,359	45,465	11,400	311,037	10,091	280,690	4,865	10,783
$100,000 under $1,000,000	13,272	13,227	994,184	13,089	691,317	13,147	302,867	8,749	463,459	12,799	644,866	12,332	607,401	6,658	16,947
$1,000,000 under $10,000,000	5,848	5,848	3,106,514	5,818	1,796,049	5,844	1,310,464	4,293	1,686,527	5,732	1,632,201	5,622	1,552,624	3,876	54,131
$10,000,000 under $25,000,000	704	704	1,782,628	702	949,769	704	832,860	538	955,360	697	860,975	687	814,204	563	32,388
$25,000,000 under $50,000,000	277	277	1,313,559	277	766,129	272	547,430	217	663,493	276	712,086	266	653,504	241	37,176
$50,000,000 under $100,000,000	159	159	1,271,017	159	706,860	159	564,157	130	644,899	159	599,297	159	547,204	145	32,987
$100,000,000 or more	157	157	5,951,828	157	3,496,215	157	2,455,613	124	2,629,855	155	2,930,635	154	2,666,755	149	186,563
Operating foundations															
Total	**3,228**	**3,079**	**1,534,684**	**3,097**	**848,202**	**3,070**	**686,482**	**1,826**	**749,859**	**2,831**	**690,564**	**1,528**	**87,624**	**828**	**20,019**
Zero or unreported	*53	*40	*1,265	*53	*1,966	*40	*-701	--	--	*53	*1,873	*27	*1,075	--	--
$1 under $100,000	1,458	1,338	25,893	1,365	27,275	1,325	-1,382	686	3,673	1,187	21,805	695	9,650	439	2,334
$100,000 under $1,000,000	988	977	110,708	955	83,281	977	27,427	648	38,597	910	71,947	542	13,924	302	4,998
$1,000,000 under $10,000,000	577	573	362,374	573	238,353	577	124,021	373	142,777	532	199,135	201	22,173	52	6,150
$10,000,000 under $25,000,000	90	90	189,324	90	134,590	90	54,734	69	70,293	87	109,835	42	11,621	24	3,102
$25,000,000 under $50,000,000	30	30	175,331	30	107,130	30	68,201	22	76,182	30	70,715	9	3,925	6	773
$50,000,000 under $100,000,000	20	20	261,947	20	100,382	20	161,565	19	163,343	20	79,093	8	4,626	3	977
$100,000,000 or more	11	11	407,842	11	155,224	11	252,618	10	254,994	11	136,161	5	20,630	3	1,684
GRANTMAKING FOUNDATIONS															
Total	**31,308**	**31,161**	**14,933,625**	**31,294**	**9,081,054**	**30,972**	**5,852,570**	**18,587**	**7,119,897**	**31,308**	**8,076,302**	**31,308**	**7,379,690**	**16,940**	**380,209**
Zero or unreported	494	428	59,146	494	174,151	414	-115,005	*27	*1,323	494	172,069	494	170,759	227	1,258
$1 under $100,000	10,786	10,705	241,578	10,772	312,209	10,625	-70,631	4,959	31,990	10,786	307,140	10,786	290,340	4,892	10,238
$100,000 under $1,000,000	12,874	12,874	953,444	12,874	703,566	12,783	249,878	8,340	417,109	12,874	660,408	12,874	621,325	6,827	18,953
$1,000,000 under $10,000,000	5,823	5,823	2,974,958	5,823	1,827,851	5,819	1,147,107	4,227	1,527,040	5,823	1,677,771	5,823	1,574,797	3,861	54,110
$10,000,000 under $25,000,000	729	729	1,783,657	729	983,779	729	799,878	553	927,762	729	898,254	729	825,825	586	35,490
$25,000,000 under $50,000,000	275	275	1,310,550	275	774,262	275	536,288	218	652,855	275	711,548	275	657,429	247	37,948
$50,000,000 under $100,000,000	167	167	1,374,315	167	748,898	167	625,417	137	707,937	167	632,816	167	551,830	148	33,964
$100,000,000 or more	159	159	6,235,977	159	3,556,338	159	2,679,639	126	2,853,881	159	3,016,296	159	2,687,386	152	188,248
Grantmaking-nonoperating foundations															
Total	**29,780**	**29,633**	**14,195,202**	**29,766**	**8,746,313**	**29,457**	**5,448,888**	**17,706**	**6,686,378**	**29,780**	**7,798,229**	**29,780**	**7,292,066**	**16,256**	**366,922**
Zero or unreported	468	401	58,658	468	172,982	401	-114,324	*27	*1,323	468	170,993	468	169,684	227	1,258
$1 under $100,000	10,091	10,011	229,377	10,078	298,414	9,931	-69,038	4,598	30,546	10,091	295,060	10,091	280,690	4,544	9,510
$100,000 under $1,000,000	12,332	12,332	903,485	12,332	668,254	12,241	235,231	8,005	393,435	12,332	630,749	12,332	607,401	6,569	16,681
$1,000,000 under $10,000,000	5,622	5,622	2,860,580	5,622	1,757,309	5,618	1,103,270	4,089	1,475,842	5,622	1,619,603	5,622	1,552,624	3,818	50,360
$10,000,000 under $25,000,000	687	687	1,712,944	687	935,087	687	777,857	524	898,394	687	853,981	687	814,204	562	32,388
$25,000,000 under $50,000,000	266	266	1,258,636	266	754,678	266	503,959	212	619,920	266	701,818	266	653,504	241	37,176
$50,000,000 under $100,000,000	159	159	1,271,017	159	706,860	159	564,157	130	644,899	159	599,297	159	547,204	145	32,987
$100,000,000 or more	154	154	5,900,504	154	3,452,729	154	2,447,776	121	2,622,018	154	2,926,729	154	2,666,755	149	186,563
Grantmaking-operating foundations															
Total	**1,528**	**1,528**	**738,423**	**1,528**	**334,741**	**1,515**	**403,682**	**882**	**433,519**	**1,528**	**278,073**	**1,528**	**87,624**	**684**	**13,287**
Zero or unreported	*27	*27	*488	*27	*1,169	*13	*-681	--	--	*27	*1,075	*27	*1,075	--	--
$1 under $100,000	695	695	12,201	695	13,795	695	-1,594	361	1,444	695	12,081	695	9,650	347	728
$100,000 under $1,000,000	542	542	49,959	542	35,312	542	14,647	335	23,674	542	29,659	542	13,924	258	2,272
$1,000,000 under $10,000,000	201	201	114,378	201	70,541	201	43,837	138	51,198	201	58,169	201	22,173	*43	*3,750
$10,000,000 under $25,000,000	42	42	70,713	42	48,693	42	22,020	29	29,367	42	44,274	42	11,621	24	3,102
$25,000,000 under $50,000,000	9	9	51,914	9	19,585	9	32,329	6	32,936	9	9,730	9	3,925	6	773
$50,000,000 under $100,000,000	8	8	103,298	8	42,038	8	61,260	7	63,038	8	33,519	8	4,626	3	977
$100,000,000 or more	5	5	335,473	5	103,610	5	231,863	5	231,863	5	89,567	5	20,630	3	1,684

Footnotes at end of table.

Table 1.--Number of Private Foundations and Selected Financial Data, by Type of Foundation and Size of Fair Market Value of Total Assets--Continued

[All figures are estimates based on a sample--money amounts are in thousands of dollars]

Size of fair market value of total assets	Net investment income		Net gain (less loss) from sale of assets		Excise tax on net investment income					Total assets (book value)		Investments in securities (book value)		Total assets (fair market value)	
					Total	Domestic organizations		Foreign organizations							
	Number of returns	Amount	Number of returns	Amount		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
ALL FOUNDATIONS															
Total	32,384	10,406,914	13,769	3,651,221	141,568	31,020	140,835	38	733	36,379	104,332,081	22,163	78,715,133	36,339	128,889,124
Zero or unreported	254	14,128	*120	*2,161	281	200	281	--	--	*67	*118	--	--	--	--
$1 under $100,000	10,770	37,112	2,117	2,256	589	10,022	589	--	--	14,179	446,005	4,894	162,792	14,206	453,083
$100,000 under $1,000,000	13,695	439,147	5,865	100,305	7,185	13,433	7,183	*13	*2	14,259	4,786,561	10,370	2,615,616	14,259	5,249,973
$1,000,000 under $10,000,000	6,246	1,685,055	4,410	430,217	26,528	6,021	26,509	*15	*19	6,426	16,985,354	5,549	11,411,895	6,426	19,659,500
$10,000,000 under $25,000,000	784	1,098,697	665	393,292	16,479	754	16,479	--	--	795	10,484,467	721	7,580,167	795	12,402,806
$25,000,000 under $50,000,000	293	847,703	268	319,253	12,363	273	12,341	3	22	307	9,037,201	286	6,688,353	307	10,708,086
$50,000,000 under $100,000,000	175	956,367	165	279,053	13,612	163	13,574	2	37	179	10,057,948	175	7,785,898	179	12,376,814
$100,000,000 or more	167	5,328,705	158	2,124,685	64,532	153	63,879	4	652	168	52,534,426	167	42,470,412	168	68,038,862
Nonoperating foundations															
Total	29,861	9,704,429	13,032	3,430,125	138,114	29,136	137,381	38	733	33,204	93,799,113	20,878	72,599,252	33,164	116,414,974
Zero or unreported	240	14,128	*120	*2,161	281	200	281	--	--	*67	*118	--	--	--	--
$1 under $100,000	9,837	35,121	2,064	2,268	556	9,303	556	--	--	12,721	395,747	4,680	156,851	12,747	410,504
$100,000 under $1,000,000	12,763	410,146	5,576	93,986	6,807	12,681	6,804	*13	*2	13,272	4,424,053	9,819	2,504,966	13,272	4,858,040
$1,000,000 under $10,000,000	5,744	1,577,027	4,124	397,709	25,424	5,694	25,404	*15	*19	5,848	15,430,237	5,146	10,752,004	5,848	17,746,801
$10,000,000 under $25,000,000	696	1,026,297	607	363,011	15,722	693	15,722	--	--	704	9,404,897	657	7,074,723	704	11,062,967
$25,000,000 under $50,000,000	266	794,281	245	302,006	12,077	261	12,055	3	22	277	8,156,820	263	6,297,275	277	9,648,445
$50,000,000 under $100,000,000	157	878,939	148	250,860	13,048	152	13,010	2	37	159	8,810,619	155	7,053,831	159	11,019,012
$100,000,000 or more	156	4,968,489	147	2,018,123	64,201	151	63,549	4	652	157	47,176,623	156	38,759,603	157	61,669,204
Operating foundations															
Total	2,524	702,485	737	221,096	3,454	1,884	3,454	--	--	3,175	10,532,968	1,286	6,115,881	3,175	12,474,149
Zero or unreported	*13	*(2)	--	--	--	--	--	--	--	--	--	--	--	--	--
$1 under $100,000	933	1,990	*53	*-12	33	719	33	--	--	1,458	50,259	214	5,941	1,458	42,579
$100,000 under $1,000,000	932	29,001	289	6,318	378	753	378	--	--	988	362,508	551	110,650	988	391,932
$1,000,000 under $10,000,000	502	108,028	286	32,508	1,104	327	1,104	--	--	577	1,555,117	403	659,892	577	1,912,699
$10,000,000 under $25,000,000	87	72,400	58	30,281	757	61	757	--	--	90	1,079,570	64	505,444	90	1,339,839
$25,000,000 under $50,000,000	27	53,422	23	17,247	286	12	286	--	--	30	880,382	23	391,079	30	1,059,641
$50,000,000 under $100,000,000	18	77,428	17	28,192	564	11	564	--	--	20	1,247,329	20	732,067	20	1,357,802
$100,000,000 or more	11	360,216	11	106,561	331	2	331	--	--	11	5,357,803	11	3,710,809	11	6,369,658
GRANTMAKING FOUNDATIONS															
Total	28,899	10,090,040	12,938	3,554,066	138,498	28,094	137,781	37	717	30,827	98,548,593	20,421	76,195,202	30,813	121,792,073
Zero or unreported	240	14,123	*120	*2,161	281	187	281	--	--	*27	*62	--	--	--	--
$1 under $100,000	9,011	33,723	1,930	2,088	525	8,530	525	--	--	10,772	365,001	4,295	149,450	10,786	378,850
$100,000 under $1,000,000	12,578	420,160	5,565	96,372	6,859	12,443	6,857	*13	*2	12,874	4,371,423	9,715	2,515,299	12,874	4,806,564
$1,000,000 under $10,000,000	5,753	1,570,584	4,135	394,216	25,098	5,654	25,079	*15	*19	5,823	15,476,587	5,143	10,747,234	5,823	17,891,423
$10,000,000 under $25,000,000	724	1,059,528	631	371,677	16,107	711	16,107	--	--	729	9,662,586	681	7,226,999	729	11,436,627
$25,000,000 under $50,000,000	268	804,574	248	305,991	12,127	261	12,105	3	22	275	8,238,041	266	6,348,503	275	9,685,704
$50,000,000 under $100,000,000	165	916,585	156	264,201	13,342	158	13,305	2	37	167	9,323,713	163	7,287,732	167	11,544,386
$100,000,000 or more	158	5,270,764	152	2,117,362	64,157	150	63,521	3	636	159	51,111,181	158	41,919,983	159	66,048,519
Grantmaking-nonoperating foundations															
Total	27,583	9,631,914	12,578	3,417,427	136,914	27,058	136,197	37	717	29,326	91,818,827	19,735	71,928,921	29,312	114,295,836
Zero or unreported	227	14,123	*120	*2,161	281	187	281	--	--	*27	*62	--	--	--	--
$1 under $100,000	8,463	32,551	1,904	2,164	507	8,062	507	--	--	10,078	341,687	4,148	144,547	10,091	355,013
$100,000 under $1,000,000	12,059	399,682	5,388	92,434	6,606	12,035	6,604	*13	*2	12,332	4,180,500	9,377	2,446,176	12,332	4,598,671
$1,000,000 under $10,000,000	5,578	1,541,973	4,031	389,134	24,739	5,532	24,720	*15	*19	5,622	14,958,127	4,998	10,543,986	5,622	17,250,942
$10,000,000 under $25,000,000	684	1,017,729	598	360,883	15,596	682	15,596	--	--	687	9,149,059	645	6,958,950	687	10,802,276
$25,000,000 under $50,000,000	261	789,437	242	301,667	11,980	256	11,958	3	22	266	7,961,415	258	6,215,346	266	9,358,104
$50,000,000 under $100,000,000	157	878,939	148	250,860	13,048	152	13,010	2	37	159	8,810,619	155	7,053,831	159	11,019,012
$100,000,000 or more	153	4,957,479	147	2,018,123	64,157	150	63,521	3	636	154	46,417,359	153	38,566,086	154	60,911,819
Grantmaking-operating foundations															
Total	1,316	458,126	360	136,639	1,583	1,037	1,583	--	--	1,501	6,729,766	686	4,266,280	1,501	7,496,237
Zero or unreported	*13	*(2)	--	--	--	--	--	--	--	--	--	--	--	--	--
$1 under $100,000	548	1,172	*27	*-76	18	468	18	--	--	695	23,314	147	4,903	695	23,837
$100,000 under $1,000,000	519	20,478	178	3,937	253	408	253	--	--	542	190,923	338	69,124	542	207,893
$1,000,000 under $10,000,000	175	28,610	104	5,081	359	121	359	--	--	201	518,460	145	203,248	201	640,481
$10,000,000 under $25,000,000	40	41,798	33	10,794	512	29	512	--	--	42	513,527	36	268,049	42	634,351
$25,000,000 under $50,000,000	7	15,137	6	4,324	147	5	147	--	--	9	276,626	8	133,158	9	327,600
$50,000,000 under $100,000,000	8	37,645	8	13,340	295	6	295	--	--	8	513,094	8	233,901	8	525,374
$100,000,000 or more	5	313,285	5	99,239	--	--	--	--	--	5	4,693,822	5	3,353,898	5	5,136,700

Footnotes at end of table.

Table 1.--Number of Private Foundations and Selected Financial Data, by Type of Foundation and Size of Fair Market Value of Total Assets--Continued

[All figures are estimates based on a sample--money amounts are in thousands of dollars]

Size of fair market value of total assets	Investments in securities (fair market value)		Net worth		Minimum investment return		Distributable amount		Qualifying distributions		Excess grant administrative expenses		Undistributed income for 1988		Excess distributions carryover to 1989	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)
ALL FOUNDATIONS																
Total	22,074	99,622,186	36,435	99,904,473	35,259	5,693,018	32,330	5,264,254	34,523	9,013,213	4,431	84,521	7,163	1,400,876	25,477	11,033,249
Zero or unreported	--	--	147	-5,586	374	3,026	347	2,652	561	172,144	*120	*1,370	*13	*6	428	274,235
$1 under $100,000	4,840	173,589	14,165	413,641	12,972	22,174	11,745	20,665	12,520	325,823	2,149	8,718	2,075	2,919	9,884	1,151,652
$100,000 under $1,000,000	10,343	3,003,220	14,248	4,622,863	14,113	236,707	13,169	223,352	13,742	723,246	1,381	11,472	2,866	36,103	10,281	1,702,720
$1,000,000 under $10,000,000	5,541	13,625,209	6,426	16,506,126	6,371	868,605	5,792	826,733	6,268	1,857,491	620	21,636	1,717	170,472	4,096	3,207,747
$10,000,000 under $25,000,000	720	9,031,886	795	10,084,442	788	543,573	697	498,063	784	997,595	87	9,418	239	108,942	461	1,626,981
$25,000,000 under $50,000,000	287	8,001,712	307	8,596,471	299	470,400	268	433,205	305	815,322	45	10,218	114	124,841	155	1,008,730
$50,000,000 under $100,000,000	175	9,831,074	179	9,738,786	175	531,315	155	489,219	178	727,120	21	6,324	64	132,976	91	685,279
$100,000,000 or more	167	55,955,496	168	49,947,730	166	3,017,218	155	2,770,366	165	3,394,472	9	15,364	74	824,618	81	1,375,905
Nonoperating foundations																
Total	20,790	92,898,292	33,260	90,113,719	32,472	5,298,086	32,330	5,264,254	31,667	8,109,883	4,074	70,152	7,163	1,400,876	25,477	11,033,249
Zero or unreported	--	--	147	-5,586	347	2,915	347	2,652	508	170,271	*120	*1,370	*13	*6	428	274,235
$1 under $100,000	4,627	167,238	12,707	366,357	11,852	20,530	11,745	20,665	11,320	305,959	1,977	6,595	2,075	2,919	9,884	1,151,652
$100,000 under $1,000,000	9,793	2,870,192	13,260	4,295,879	13,180	223,350	13,169	223,352	12,821	650,934	1,247	7,215	2,866	36,103	10,281	1,702,720
$1,000,000 under $10,000,000	5,138	12,818,825	5,848	15,114,188	5,814	808,744	5,792	826,733	5,736	1,637,187	581	17,891	1,717	170,472	4,096	3,207,747
$10,000,000 under $25,000,000	657	8,482,755	704	9,110,542	698	507,036	697	498,063	695	862,496	76	7,943	239	108,942	461	1,626,981
$25,000,000 under $50,000,000	264	7,539,832	277	7,866,884	269	436,448	268	433,205	275	706,954	42	9,936	114	124,841	155	1,008,730
$50,000,000 under $100,000,000	155	9,013,284	159	8,585,218	155	492,100	155	489,219	158	621,830	20	3,838	64	132,976	91	685,279
$100,000,000 or more	156	52,006,167	157	44,780,237	155	2,806,963	155	2,770,366	154	3,154,252	9	15,364	74	824,618	81	1,375,905
Operating foundations																
Total	1,285	6,723,894	3,175	9,790,754	2,787	394,931	N/A	N/A	2,856	903,330	358	14,369	N/A	N/A	N/A	N/A
Zero or unreported	--	--	--	--	*27	*111	N/A	N/A	*53	*1,873	--	--	N/A	N/A	N/A	N/A
$1 under $100,000	214	6,351	1,458	47,284	1,120	1,643	N/A	N/A	1,200	19,864	171	2,123	N/A	N/A	N/A	N/A
$100,000 under $1,000,000	551	133,028	988	326,985	932	13,357	N/A	N/A	921	72,312	133	4,257	N/A	N/A	N/A	N/A
$1,000,000 under $10,000,000	403	806,385	577	1,391,937	558	59,861	N/A	N/A	532	220,304	*39	*3,745	N/A	N/A	N/A	N/A
$10,000,000 under $25,000,000	63	549,131	90	973,900	89	36,537	N/A	N/A	88	135,100	10	1,475	N/A	N/A	N/A	N/A
$25,000,000 under $50,000,000	23	461,880	30	729,586	30	33,952	N/A	N/A	30	108,368	3	282	N/A	N/A	N/A	N/A
$50,000,000 under $100,000,000	20	817,790	20	1,153,568	20	39,216	N/A	N/A	20	105,290	1	2,486	N/A	N/A	N/A	N/A
$100,000,000 or more	11	3,949,328	11	5,167,494	11	210,254	N/A	N/A	11	240,220	--	--	N/A	N/A	N/A	N/A
GRANTMAKING FOUNDATIONS																
Total	20,346	96,628,521	30,842	95,356,229	30,649	5,507,332	29,178	5,225,234	31,303	8,421,263	3,867	74,267	5,633	1,380,555	23,710	10,638,788
Zero or unreported	--	--	*53	*55	361	2,947	347	2,652	494	170,870	*94	*1,209	*13	*6	387	270,709
$1 under $100,000	4,242	159,318	10,772	339,114	10,318	19,769	9,677	19,047	10,786	302,113	1,764	6,006	1,156	2,298	8,668	1,071,838
$100,000 under $1,000,000	9,701	2,885,266	12,863	4,248,187	12,840	223,189	12,299	212,800	12,874	659,524	1,259	8,366	2,418	31,759	9,837	1,493,274
$1,000,000 under $10,000,000	5,134	12,830,839	5,823	15,248,875	5,810	816,654	5,600	817,147	5,823	1,682,086	594	19,981	1,569	164,983	4,041	3,185,329
$10,000,000 under $25,000,000	680	8,657,792	729	9,459,595	726	518,771	683	491,152	727	904,651	86	9,355	229	105,253	455	1,592,179
$25,000,000 under $50,000,000	267	7,608,749	275	7,989,787	272	442,942	262	429,707	274	707,348	43	10,148	112	124,533	151	969,409
$50,000,000 under $100,000,000	163	9,269,334	167	9,067,107	163	505,957	155	489,219	166	662,042	20	3,838	64	132,976	91	685,279
$100,000,000 or more	158	55,217,222	159	49,003,509	158	2,977,102	153	2,763,510	158	3,332,628	9	15,364	73	818,746	80	1,370,771
Grantmaking-nonoperating foundations																
Total	19,660	92,183,168	29,341	88,938,300	29,248	5,260,263	29,178	5,225,234	29,775	8,034,638	3,664	68,467	5,633	1,380,555	23,710	10,638,788
Zero or unreported	--	--	*53	*55	347	2,915	347	2,652	468	169,795	*94	*1,209	*13	*6	387	270,709
$1 under $100,000	4,095	154,009	10,078	317,976	9,717	18,857	9,677	19,047	10,091	290,573	1,657	5,389	1,156	2,298	8,668	1,071,838
$100,000 under $1,000,000	9,364	2,800,383	12,321	4,076,036	12,310	214,983	12,299	212,800	12,332	628,791	1,192	7,000	2,418	31,759	9,837	1,493,274
$1,000,000 under $10,000,000	4,989	12,593,211	5,622	14,777,628	5,618	798,476	5,600	817,147	5,622	1,622,859	577	17,890	1,569	164,983	4,041	3,185,329
$10,000,000 under $25,000,000	645	8,363,792	687	8,956,267	684	499,999	683	491,152	685	855,093	75	7,879	229	105,253	455	1,592,179
$25,000,000 under $50,000,000	259	7,443,961	266	7,746,723	263	432,853	262	429,707	265	695,351	41	9,897	112	124,533	151	969,409
$50,000,000 under $100,000,000	155	9,013,284	159	8,585,218	155	492,100	155	489,219	158	621,830	20	3,838	64	132,976	91	685,279
$100,000,000 or more	153	51,814,529	154	44,478,399	153	2,800,080	153	2,763,510	153	3,150,347	9	15,364	73	818,746	80	1,370,771
Grantmaking-operating foundations																
Total	685	4,445,353	1,501	6,417,928	1,401	247,069	N/A	N/A	1,528	386,625	203	5,800	N/A	N/A	N/A	N/A
Zero or unreported	--	--	--	--	*13	*32	N/A	N/A	*27	*1,075	--	--	N/A	N/A	N/A	N/A
$1 under $100,000	147	5,310	695	21,138	601	912	N/A	N/A	695	11,540	*107	*617	N/A	N/A	N/A	N/A
$100,000 under $1,000,000	338	84,884	542	172,151	531	8,206	N/A	N/A	542	30,733	*67	*1,365	N/A	N/A	N/A	N/A
$1,000,000 under $10,000,000	145	237,629	201	471,247	192	18,178	N/A	N/A	201	59,228	*17	*2,091	N/A	N/A	N/A	N/A
$10,000,000 under $25,000,000	35	294,000	42	503,328	42	18,773	N/A	N/A	42	49,558	10	1,475	N/A	N/A	N/A	N/A
$25,000,000 under $50,000,000	8	164,788	9	243,064	9	10,089	N/A	N/A	9	11,997	2	251	N/A	N/A	N/A	N/A
$50,000,000 under $100,000,000	8	256,050	8	481,890	8	13,858	N/A	N/A	8	40,212	--	--	N/A	N/A	N/A	N/A
$100,000,000 or more	5	3,402,693	5	4,525,111	5	177,022	N/A	N/A	5	182,281	--	--	N/A	N/A	N/A	N/A

N/A - not applicable.

*Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] The data shown in columns (12) and (13) are based on the amount of contributions, gifts, and grants that foundations actually disbursed for charitable purposes for 1988 using the cash receipts and disbursements method of accounting. This figure differs somewhat from that reported as contributions, gifts, and grants paid in the income statements of Tables 2 and 3. When reporting the amount used in the income statement, or per the books, foundations have the option of using either the cash receipts and disbursements or the accrual method of accounting. This difference in reporting method, therefore, accounts for the difference in the amount of contributions, gifts, and grants paid as reported in Tables 1, 2, and 3.

[2] Less than $500.

NOTE: Detail may not add to totals because of rounding.

Table 2.--All Private Foundations: Balance Sheets and Income Statements, by Size of Book Value of Total Assets

[All figures are estimates based on a sample--money amounts are in thousands of dollars]

Item	Total	Size of book value of total assets: Assets zero or unreported	$1 under $100,000	$100,000 under $1,000,000	$1,000,000 under $10,000,000	$10,000,000 under $25,000,000	$25,000,000 under $50,000,000	$50,000,000 under $100,000,000	$100,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Number of returns	37,141	762	14,961	14,133	6,023	703	279	142	138
Total assets (book value)	104,332,081	--	482,206	5,136,961	17,973,414	10,771,068	9,554,037	9,642,485	50,771,909
Cash, total	12,235,240	--	233,541	1,452,354	3,170,009	1,373,810	1,135,959	833,035	4,036,531
Non-interest bearing accounts	1,119,192	--	66,469	320,643	311,908	145,351	122,392	39,955	112,474
Savings and temporary cash investments	11,116,048	--	167,072	1,131,712	2,858,101	1,228,459	1,013,567	793,080	3,924,057
Accounts receivable, net	466,116	--	2,619	30,145	70,548	42,394	34,189	33,243	252,979
Pledges receivable, net	123,731	--	*50	*19,846	*15,394	4,226	42,640	22,103	19,472
Grants receivable	53,257	--	*273	*9,134	*16,651	4,651	6,653	1,491	14,405
Receivables due from disqualified persons	31,238	--	*173	*9,614	16,454	4,400	11	100	485
Other notes and loans receivable	916,680	--	5,987	99,379	178,429	142,266	71,173	150,920	268,527
Inventories	56,654	--	1,451	*4,781	3,834	2,180	38,182	3,309	2,918
Prepaid expenses and deferred charges	84,289	--	1,960	824	14,361	21,456	4,194	17,982	23,512
Investments (non-cash), total	86,194,228	--	212,104	3,279,267	13,478,589	8,607,927	7,739,098	8,002,248	44,874,995
Securities	78,715,133	--	190,651	2,867,721	12,039,216	7,920,792	7,266,493	7,356,202	41,074,060
Land, buildings, and equipment (less accumulated depreciation)	2,122,578	--	3,201	101,594	354,479	193,165	169,011	83,942	1,217,186
Mortgage loans	428,932	--	3,971	47,128	153,232	81,024	35,825	22,918	84,834
Other investments	4,927,584	--	14,281	262,825	931,662	412,946	267,770	539,186	2,498,914
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	2,034,903	--	10,928	160,764	587,958	321,367	274,877	327,328	351,680
Other assets	2,135,741	--	13,119	70,852	421,186	246,389	207,061	250,728	926,405
Total liabilities	4,427,608	*5,704	33,507	171,708	490,563	467,457	451,129	252,713	2,554,828
Net worth	99,904,473	*-5,704	448,699	4,965,253	17,482,851	10,303,612	9,102,909	9,389,773	48,217,081
Total revenue	16,280,190	63,079	299,972	1,183,757	3,699,494	1,955,443	1,575,867	1,442,601	6,059,976
Contributions, gifts, and grants received	5,267,702	56,575	246,526	673,266	1,831,761	739,899	541,305	456,596	721,774
Interest on savings and temporary cash investments	1,444,497	2,511	15,217	104,549	292,306	157,349	151,603	116,873	604,090
Dividends and interest from securities	5,010,559	1,763	19,154	232,961	863,783	550,729	466,725	510,513	2,364,930
Gross rents	252,597	--	1,505	12,696	47,148	27,958	38,925	11,735	112,629
Net gain (less loss) from sale of assets	3,651,221	*2,161	5,558	132,975	503,801	363,151	329,161	283,184	2,031,231
Gross profit from business activities	101,573	--	6,133	3,065	45,193	12,249	957	18,081	15,895
Other income	552,037	*71	5,878	24,244	115,500	104,107	47,191	45,619	209,428
Total expenses	9,754,837	181,334	357,816	805,507	2,159,900	1,202,184	902,526	765,568	3,380,002
Contributions, gifts, and grants paid	7,588,056	170,774	296,674	637,551	1,692,314	892,752	673,023	542,496	2,682,473
Compensation of officers	206,041	*2,174	5,780	17,863	55,119	29,036	22,844	18,201	55,024
Other salaries and wages	380,636	*336	9,301	34,011	84,325	51,987	43,235	45,950	111,490
Pension plans and employee benefits	96,311	--	671	2,572	13,644	10,484	10,477	10,955	47,509
Legal fees	61,838	*3,063	2,428	6,254	14,011	7,447	5,438	6,534	16,663
Accounting fees	51,088	1,983	3,534	9,902	16,742	6,152	4,207	3,468	5,101
Other professional fees	248,291	*813	3,572	10,867	39,080	26,864	23,777	27,829	115,489
Interest	88,559	*48	416	4,773	21,748	11,616	12,023	7,213	30,722
Taxes	237,943	398	1,998	14,302	44,526	32,740	23,575	19,633	100,772
Depreciation and depletion	96,163	*180	1,319	6,375	20,123	21,231	14,188	14,188	18,558
Occupancy	102,156	*140	1,856	8,006	20,690	16,578	8,537	9,515	36,834
Travel, conferences, and meetings	53,310	*77	3,563	3,320	10,856	4,372	3,628	5,173	22,322
Printing and publications	27,001	85	1,788	1,997	4,408	2,942	1,430	5,146	9,205
Other expenses	517,438	1,263	24,915	47,711	122,313	87,984	56,144	49,268	127,839
Excess of revenue (less loss) over expenses	6,525,352	-118,254	-57,844	378,250	1,539,593	753,259	673,341	677,033	2,679,974
Excess of revenue, total	7,840,513	*1,708	51,020	538,907	1,959,518	944,425	787,092	751,114	2,806,728
Loss, total	1,315,160	119,963	108,864	160,657	419,925	191,165	113,751	74,081	126,754
Total assets (fair market value)	128,889,124	*940	569,650	5,932,595	21,711,643	14,165,942	11,905,367	12,015,922	62,587,064
Cash, total	12,239,293	--	233,690	1,453,186	3,167,179	1,374,806	1,137,192	832,277	4,040,962
Non-interest bearing accounts	1,115,732	--	67,322	321,038	309,047	143,012	123,832	38,355	113,127
Savings and temporary cash investments	11,123,560	--	166,368	1,132,149	2,858,132	1,231,794	1,013,360	793,921	3,927,836
Accounts receivable, net	468,006	--	2,600	28,424	68,646	46,346	34,264	34,747	252,979
Pledges receivable, net	123,698	--	*50	*19,822	*15,394	4,226	42,631	22,103	19,472
Grants receivable	51,766	--	*273	*9,134	*16,651	4,651	6,653	--	14,405
Receivables due from disqualified persons	27,961	--	*172	*9,886	12,907	4,400	11	100	485
Other notes and loans receivable	998,559	--	5,987	98,317	185,174	141,629	71,155	146,729	349,567
Inventories	57,427	--	1,207	*5,052	4,268	2,026	38,182	3,397	3,294
Prepaid expenses and deferred charges	152,449	--	2,201	739	41,720	5,682	4,194	17,982	79,931
Investments (non-cash), total	109,221,047	--	290,170	4,029,522	16,686,760	11,927,883	9,965,952	10,070,874	56,249,887
Securities	99,622,186	--	261,725	3,550,806	14,906,629	10,922,983	9,356,834	9,198,443	51,424,767
Land, buildings, and equipment (less accumulated depreciation)	3,070,874	--	8,975	130,612	468,385	482,996	297,668	185,330	1,496,909
Mortgage loans	426,175	--	3,971	46,164	158,531	75,615	35,796	22,893	83,205
Other investments	6,101,813	--	15,498	301,940	1,153,216	446,290	275,654	664,209	3,245,007
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	2,572,501	--	15,936	195,477	842,214	400,341	326,130	369,691	422,712
Other assets	2,976,414	*940	17,365	83,035	670,729	253,950	279,003	518,023	1,153,369
Total beginning of year assets (book value)	94,816,640	166,684	532,696	4,709,952	16,314,946	9,847,069	8,733,033	8,859,284	45,652,976
Investments in securities, beginning of year (book value)	70,535,392	21,086	214,029	2,603,142	10,801,787	7,147,191	6,491,347	6,443,009	36,813,802

*Estimate should be used with caution because of the small number of sample returns on which it is based.

NOTE: Detail may not add to totals because of rounding.

Table 3.--All Private Foundations: Balance Sheets and Income Statements, by Size of Fair Market Value of Total Assets

[All figures are estimates based on a sample--money amounts are in thousands of dollars]

Item	Total	Size of fair market value of total assets							
		Assets zero or unreported	$1 under $100,000	$100,000 under $1,000,000	$1,000,000 under $10,000,000	$10,000,000 under $25,000,000	$25,000,000 under $50,000,000	$50,000,000 under $100,000,000	$100,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Number of returns	37,141	802	14,206	14,259	6,426	795	307	179	168
Total assets (book value)	104,332,081	*118	446,005	4,786,561	16,985,354	10,484,467	9,037,201	10,057,948	52,534,426
Cash, total	12,235,240	*99	223,261	1,402,152	3,033,976	1,398,399	1,147,918	868,066	4,161,371
Non-interest bearing accounts	1,119,192	*99	64,529	311,726	313,702	139,689	126,538	43,109	119,800
Savings and temporary cash investments	11,116,048	--	158,732	1,090,425	2,720,274	1,258,710	1,021,379	824,957	4,041,571
Accounts receivable, net	466,116	--	2,611	30,046	64,598	45,691	33,331	32,616	257,224
Pledges receivable, net	123,731	--	*50	*19,846	*15,394	4,226	42,640	22,103	19,472
Grants receivable	53,257	--	*273	*9,134	*16,651	4,651	6,653	1,491	14,405
Receivables due from disqualified persons	31,238	--	*173	*9,614	16,454	4,400	11	100	485
Other notes and loans receivable	916,680	--	5,987	97,504	179,382	134,074	93,953	134,299	271,483
Inventories	56,654	--	*1,437	*4,783	3,703	1,891	38,579	3,000	3,261
Prepaid expenses and deferred charges	84,289	--	1,961	656	13,915	4,858	19,979	18,796	24,122
Investments (non-cash), total	86,194,228	--	182,131	2,985,946	12,712,901	8,356,583	7,127,465	8,397,507	46,431,694
Securities	78,715,133	--	162,792	2,615,616	11,411,895	7,580,167	6,688,353	7,785,898	42,470,412
Land, buildings, and equipment (less accumulated depreciation)	2,122,578	--	*2,024	90,313	317,340	194,720	161,466	123,310	1,233,405
Mortgage loans	428,932	--	3,971	42,552	156,274	65,688	37,526	35,345	87,576
Other investments	4,927,584	--	13,344	237,464	827,391	516,008	240,120	452,954	2,640,301
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	2,034,903	--	8,521	153,482	561,818	288,227	291,092	345,732	386,031
Other assets	2,135,741	*19	19,599	73,398	366,561	241,466	235,580	234,239	964,879
Total liabilities	4,427,608	*5,704	32,364	163,698	479,228	400,025	440,731	319,162	2,586,696
Net worth	99,904,473	-5,586	413,641	4,622,863	16,506,126	10,084,442	8,596,471	9,738,786	49,947,730
Total revenue	16,280,190	63,036	289,898	1,104,892	3,468,888	1,971,952	1,488,890	1,532,964	6,359,670
Contributions, gifts, and grants received	5,267,702	56,526	245,002	664,779	1,737,261	807,384	518,247	534,157	704,347
Interest on savings and temporary cash investments	1,444,497	2,482	14,497	99,393	283,110	156,078	143,301	123,258	622,379
Dividends and interest from securities	5,010,559	1,763	15,060	207,776	805,141	502,217	422,915	508,343	2,547,344
Gross rents	252,597	--	*1,489	9,807	49,028	13,369	29,620	23,089	126,195
Net gain (less loss) from sale of assets	3,651,221	*2,161	2,256	100,305	430,217	393,292	319,253	279,053	2,124,685
Gross profit from business activities	101,573	--	6,112	3,097	45,365	9,727	2,845	18,532	15,895
Other income	552,037	*105	5,481	19,733	118,765	89,885	52,709	46,533	218,825
Total expenses	9,754,837	181,405	348,133	774,598	2,034,403	1,084,359	873,259	807,242	3,651,440
Contributions, gifts, and grants paid	7,588,056	170,759	288,757	621,625	1,576,747	824,075	646,301	566,317	2,893,475
Compensation of officers	206,041	*2,174	5,560	15,907	53,223	25,745	22,253	19,788	61,391
Other salaries and wages	380,636	*336	9,318	29,823	83,681	41,296	47,617	46,089	122,476
Pension plans and employee benefits	96,311	--	671	2,393	13,039	8,173	10,653	10,529	50,854
Legal fees	61,838	*3,063	2,427	6,046	13,198	6,217	5,669	7,183	18,034
Accounting fees	51,088	1,983	3,214	9,734	15,795	6,502	4,223	3,711	5,926
Other professional fees	248,291	*813	3,404	9,660	38,290	25,431	22,909	27,796	119,987
Interest	88,559	*48	357	4,324	21,836	11,305	10,188	9,558	30,942
Taxes	237,943	398	1,761	13,225	42,504	27,731	18,824	26,984	106,514
Depreciation and depletion	96,163	*180	1,101	5,393	21,070	18,181	14,782	13,509	21,947
Occupancy	102,156	*140	1,855	7,328	20,186	12,287	11,553	9,705	39,103
Travel, conferences, and meetings	53,310	*77	3,546	3,106	10,153	3,544	3,023	4,979	24,883
Printing and publications	27,001	85	1,824	1,925	3,825	2,335	1,330	5,128	10,549
Other expenses	517,438	1,348	24,337	44,105	120,854	71,536	53,935	55,966	145,357
Excess of revenue (less loss) over expenses	6,525,352	-118,369	-58,235	330,294	1,434,485	887,594	615,631	725,722	2,708,231
Excess of revenue, total	7,840,513	*1,595	49,138	502,056	1,829,304	1,025,653	739,676	808,242	2,884,849
Loss, total	1,315,160	119,964	107,374	171,762	394,819	138,059	124,044	82,520	176,618
Total assets (fair market value)	128,889,124	--	453,083	5,249,973	19,659,500	12,402,806	10,708,086	12,376,814	68,038,862
Cash, total	12,239,293	--	223,525	1,402,996	3,031,902	1,398,197	1,149,072	867,818	4,165,784
Non-interest bearing accounts	1,115,732	--	65,481	312,121	311,701	138,723	125,745	41,509	120,453
Savings and temporary cash investments	11,123,560	--	158,044	1,090,874	2,720,201	1,259,473	1,023,327	826,309	4,045,331
Accounts receivable, net	468,006	--	2,592	28,325	63,044	49,356	33,407	34,060	257,224
Pledges receivable, net	123,698	--	*50	*19,822	*15,394	4,226	42,631	22,103	19,472
Grants receivable	51,766	--	*273	*9,134	*16,651	4,651	6,653	--	14,405
Receivables due from disqualified persons	27,961	--	*172	*9,886	12,907	4,400	11	100	485
Other notes and loans receivable	998,559	--	5,987	96,442	186,127	135,157	87,879	134,445	352,523
Inventories	57,427	--	*1,194	*5,054	4,137	1,751	38,564	3,088	3,638
Prepaid expenses and deferred charges	152,449	--	2,202	561	41,329	4,790	4,230	18,796	80,541
Investments (non-cash), total	109,221,047	--	193,938	3,423,537	15,139,724	10,028,258	8,593,750	10,619,849	61,221,990
Securities	99,622,186	--	173,589	3,003,220	13,625,209	9,031,886	8,001,712	9,831,074	55,955,496
Land, buildings, and equipment (less accumulated depreciation)	3,070,874	--	*2,419	118,239	423,409	255,513	302,641	301,738	1,666,914
Mortgage loans	426,175	--	3,971	40,630	162,532	60,244	37,505	35,351	85,941
Other investments	6,101,813	--	13,959	261,449	928,574	680,615	251,892	451,685	3,513,639
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	2,572,501	--	9,612	166,106	739,213	415,241	376,748	345,140	520,440
Other assets	2,976,414	--	13,537	88,109	409,071	356,780	375,142	331,414	1,402,360
Total beginning of year assets (book value)	94,816,640	166,867	496,033	4,406,791	15,442,626	9,485,786	8,273,404	9,270,065	47,275,069
Investments in securities, beginning of year (book value)	70,535,392	21,086	186,909	2,389,027	10,270,170	6,719,685	5,975,874	6,913,791	38,058,849

*Estimate should be used with caution because of the small number of sample returns on which it is based.

NOTE: Detail may not add to totals because of rounding.

Table 4.--Private Foundations with $10 Million or More in Book Value of Total Assets: Selected Financial Data, Ranked by Number of Returns Per State or Selected Country[1]

[Money amounts are in thousands of dollars]

State[2] or selected country	Number of returns: Total	Number of returns: With fair market value of total assets of $100 million or more	Total assets (fair market value)	Total revenue	Contributions, gifts, and grants received	Total expenses	Contributions, gifts, and grants paid	Qualifying distributions
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	**1,262**	**168**	**100,674,295**	**11,033,888**	**2,459,575**	**6,250,281**	**4,587,022**	**5,786,397**
Domestic organizations								
New York	270	37	28,550,969	2,881,675	398,816	1,607,722	1,239,316	1,470,291
California	142	23	13,732,943	1,504,567	268,613	731,044	479,333	740,528
Texas	98	13	6,582,571	776,171	219,593	412,706	293,588	354,736
Illinois	78	7	6,573,321	606,128	106,990	430,290	278,471	398,225
Pennsylvania	62	15	6,813,058	534,375	37,530	399,876	353,660	385,171
Ohio	51	5	2,300,941	257,247	73,417	164,084	133,374	153,809
New Jersey	40	3	3,428,114	393,362	105,015	253,601	134,278	242,642
Michigan	35	8	4,066,758	526,205	220,926	377,074	284,904	383,105
Missouri	33	2	1,044,629	123,852	46,155	102,014	83,381	98,098
Florida	33	2	1,288,346	312,234	207,307	105,372	90,812	103,918
Massachusetts	33	1	1,199,314	138,174	60,652	70,686	54,098	63,673
Minnesota	32	5	2,545,876	340,741	62,579	228,496	158,450	168,250
North Carolina	28	3	2,053,324	411,930	31,942	121,817	101,118	113,091
Georgia	25	5	1,320,930	246,296	141,610	79,097	66,261	70,362
Maryland	22	2	1,280,839	340,615	151,220	109,455	89,545	94,687
District of Columbia	21	2	1,069,685	126,762	42,983	59,828	37,397	52,048
Oklahoma	21	3	1,579,364	122,909	20,236	82,953	54,660	75,533
Connecticut	18	3	1,409,722	159,932	61,354	104,702	75,211	92,948
Delaware	17	4	1,367,075	107,575	14,594	88,043	49,278	73,673
Washington	15	2	705,397	67,189	10,562	49,046	29,048	48,707
Wisconsin	14	1	663,653	67,490	16,259	51,367	38,924	45,158
Indiana	14	3	2,605,118	157,488	26,952	122,552	98,872	117,154
Virginia	14	1	442,151	47,084	11,255	26,613	18,696	21,754
Colorado	13	3	938,203	69,467	3,010	55,712	42,277	50,367
Tennessee	12	3	852,661	70,017	8,160	57,623	49,262	52,459
Louisiana	10	--	275,505	25,428	6,134	11,377	6,755	10,878
Iowa	10	1	312,667	37,679	9,078	17,957	17,263	17,713
Arizona	8	1	297,161	23,595	1,312	13,432	12,341	14,463
Hawaii	8	1	359,476	74,556	54,667	16,561	9,008	14,093
Kansas	7	1	353,229	31,564	--	18,501	16,443	17,647
Utah	6	--	193,001	16,364	851	11,027	10,208	10,405
South Carolina	6	--	123,197	12,286	1,062	7,169	5,420	5,207
Arkansas	5	1	271,248	53,873	690	12,782	9,765	15,435
Nebraska	5	1	359,840	33,831	1,500	25,273	22,615	29,223
Oregon	5	1	386,073	43,806	9,512	26,373	18,987	20,299
Kentucky	5	1	260,241	26,697	3,702	23,540	16,093	17,175
Rhode Island	5	--	83,281	17,568	391	6,348	4,693	6,287
Nevada	4	--	179,753	17,914	607	9,678	8,394	8,680
Alabama	4	--	80,422	7,716	1,651	4,337	3,419	3,831
New Hampshire	4	--	66,789	14,915	5,188	7,083	1,459	8,735
New Mexico	3	--	119,337	30,827	14,781	12,468	2,614	11,831
West Virginia	3	--	60,794	5,832	--	3,726	3,155	3,269
Maine	1	--	13,587	1,293	--	600	532	532
Mississippi	1	--	19,902	1,559	--	573	375	1,055
Vermont	1	--	34,722	3,080	--	2,055	332	1,698
Alaska	--	--	--	--	--	--	--	--
Idaho	--	--	--	--	--	--	--	--
Montana	--	--	--	--	--	--	--	--
North Dakota	--	--	--	--	--	--	--	--
South Dakota	--	--	--	--	--	--	--	--
Wyoming	--	--	--	--	--	--	--	--
Foreign organizations								
Canada	10	--	355,586	26,061	126	24,012	20,354	21,960
All others	10	4	2,053,522	137,956	596	103,635	62,581	75,594

[1] Since only those foundations holding $10 million or more in book value of total assets were sampled at a rate of 100 percent, only those foundations were included in the table. Those foundations sampled at rates of less than 100 percent were not sampled based on geographic criteria, therefore State data for foundations with under $10 million in book value of total assets were not necessarily representative of State populations and were not included in the table.

[2] Although foundations operate in particular States, grants paid out by foundations may be distributed to recipients in other States.

Note: Detail may not add to totals because of rounding.