

**FUNDERS CONCERNED ABOUT AIDS REPORT:
ESTIMATED DATA ON AIDS GRANTMAKING
BY U.S. PHILANTHROPY:**

1996 – 2000

(June 2002)

HIGHLIGHTS:

- A new analysis by Funders Concerned About AIDS reveals that estimated grants from U.S. foundations and corporations for HIV/AIDS issues, domestically and globally, increased significantly from approximately \$76.1 million in 1999 to **at minimum \$312.4 million** in 2000, representing a stunning **311% increase**.
- This figure represents the highest annual amount of philanthropic funding for HIV/AIDS to date.
- Large portions of the estimated financial increases in the year 2000 for HIV/AIDS grants (over \$178 million, or approximately 57% of the estimated year 2000 total) are due to one funder – the Bill and Melinda Gates Foundation -- which has made an historic commitment to addressing the AIDS pandemic globally.
- This dramatic increase in AIDS grantmaking demonstrates a **necessary and important enhancement in philanthropic leadership on HIV/AIDS at a time when it is desperately needed**. In light of FCAA's campaign -- begun several years ago and still ongoing -- to remobilize, diversify and deepen the philanthropic response to AIDS, FCAA is encouraged by this turn of events.
- Despite these positive trends in AIDS grantmaking by U.S. foundations and corporations, much more remains to be done by all sectors of society, including philanthropy, to fully address the tremendous range of needs, domestically and globally, created by this pandemic. **AIDS is not over.**
 - There are ongoing and growing unmet needs in the United States. These needs are problematic, especially for already marginalized and disenfranchised communities hit hardest by the epidemic.
 - There are staggering HIV/AIDS-related needs globally, especially in sub-Saharan Africa but increasingly in Asia, Eastern Europe and Russia and the Caribbean. The current AIDS pandemic in the developing world now threatens to undermine, perhaps completely, decades of hard-won health and socio-economic advances.
 - **Current economic conditions and other factors, domestically and globally, have created severe challenges for AIDS organizations that will not be fully known or understood for many months to come.**

RESEARCH BACKGROUND AND PURPOSE

Funders Concerned About AIDS has a longstanding commitment to accurately document the parameters of and trends in U.S.-based HIV-related philanthropy. In response to increased requests for such information from grantmakers and a variety of others, FCAA is expanding its research capacity and work in this area.

As challenging as any attempt to quantify comprehensively philanthropic support for a particular issue or cause is, FCAA regards this work as critical to better inform the field of philanthropy on and help guide its response to HIV/AIDS and the many issues that now intersect with AIDS. This FCAA work is also important in order to inform key policy makers in the United States and internationally, the media and the non-profit sector regarding the grantmaker response to HIV/AIDS.

In this vein, FCAA has prepared this brief research report containing important, new estimated AIDS grantmaking statistics for the year 2000. We have used FCAA's own research data, information from several key foundations' websites and staff, and data from The Foundation Center, including their *National Guide to Funding in AIDS*ⁱ and the recently released *Foundation Giving Trends* for 2000.ⁱⁱ **The information contained in this report summarizes the most current statistics on HIV-related philanthropy by U.S.-based foundations and corporations for 2000 -- the most recent year for which relatively complete data is available.**

FCAA will update this data on a continuous basis as new information warrants and will also release a fuller research project containing this and other information and analysis on the historical and current grantmaker response to HIV/AIDS later in the Summer 2002. FCAA welcomes any and all suggestions or corrections to data in this report.

ANALYSIS

Chart 1 summarizes the best available data on overall domestic and international HIV/AIDS grantmaking by U.S. independent, corporate, community and operating foundations, from 1996 through 2000.

Chart 1 presents FCAA *estimates*ⁱⁱⁱ of annual HIV/AIDS grantmaking. FCAA's estimated AIDS grantmaking figures^{iv} reflect an attempt to adjust for the natural limitations in The Foundation Center's data collection process as well as the inherent limitations in U.S. philanthropic grant reporting (see endnotes for a fuller explanation of how FCAA estimates total U.S. based grant figures for HIV/AIDS initiatives in the U.S. and globally). The Gates Foundation column provides an understanding of the percentage of HIV/AIDS funding that foundation has provided, particularly in 1999 and 2000, and the amount that the Gates Foundation's AIDS funding has grown between 1998 and 2000.

Chart 1.

Year	FCAA Estimates	Gates Foundation HIV Annual Grants
1996	\$58,873,000	
1997	\$47,044,000	
1998	\$55,248,000	\$1,203,333
1999	\$76,192,000	\$12,531,076
2000	\$312,470,398 ^v	\$178,731,270 ^{vi}

- Grantmaking by U.S. foundations and corporations addressing HIV/AIDS issues, domestically and globally, has increased significantly from approximately \$76.1 million in 1999 to **at minimum \$312.4 million** in 2000, representing a stunning **311% increase**.
- This increase in HIV/AIDS funding far surpasses the 55.9% growth reported by The Foundation Center for the health field overall from 1999 to 2000.
- According to The Foundation Center, AIDS-related grants equaled approximately 5% of total health dollars distributed by U.S.-based grantmakers in 2000 -- an all time high percentage of health giving directed to HIV/AIDS.
- These statistics, combined with significant increases in HIV/AIDS funding from 1998 (\$55.2 million) to 1999 (\$76.1 million), demonstrates **two years of sustained growth in the HIV/AIDS grantmaking arena**.
- Much of the growth in HIV/AIDS funding in 2000 is attributable to the Bill and Melinda Gates Foundation. \$178.7 million of the year 2000 figure of \$312.4 million (approximately 57%) is from the Gates Foundation.
- Even setting aside the significant leadership reflected in the figures regarding the Gates Foundation, HIV/AIDS funding increased by 110% from 1999 to 2000, thus showing a broader level of increasing philanthropic leadership in AIDS.
- Although hundreds of foundations and corporation support HIV/AIDS and/or closely related programs and initiatives, the top twenty-five funders account for \$295 million of the estimate minimum total of \$312 million in year 2000 HIV/AIDS grantmaking.
- Given that the vast bulk of the Gates Foundation funding is international in nature, it is safe to say that the bulk of the increase in HIV/AIDS grantmaking is directed at global AIDS issues, although no truly accurate determination of purely domestic focused versus international focused grants is possible from the data as it exists presently.

- Despite these positive trends in AIDS grantmaking by U.S. foundations and corporations, much more remains to be done by all sectors of society to fully address the tremendous range of needs, domestically and globally, created by this pandemic. There remains a desperate need for creative strategies, courageous leadership and extensive public and private resources.
 - There are **ongoing and growing** unmet needs in the United States. These needs are problematic, especially for already marginalized and disenfranchised communities hit hardest by the epidemic. Ironically, as grant dollars for HIV/AIDS increased in year 2000, many anecdotal reports suggest that numerous AIDS organizations are experiencing difficult financial conditions in 2002 due to many factors, including the economic downturn and post-September 11th impacts on other forms of fundraising as well as flat or decreasing public monies for HIV/AIDS programs at the federal, state and municipal levels. And, an unfounded complacency within the U.S. on AIDS is perhaps the greatest roadblock of all to fully addressing this disease.
 - There are staggering HIV/AIDS-related needs globally, especially in sub-Saharan Africa but increasingly in Asia, Eastern Europe and Russia and the Caribbean. AIDS remains not simply a single disease but rather a combination of plagues that includes poverty, discrimination and stigmatization. As the secretary General of the United Nations has noted time and time again, AIDS in the developing world now threatens to undermine, perhaps completely, decades of hard-won health and socio-economic advances.

General Philanthropic (Trends) Increases 1999-2000^{vii}

- Overall grants from U.S. foundations increased 29.7% from 1999 to 2000.
- Grants related to reproductive health were up 136.2% in 2000 and now comprise 12.3% of health grant dollars.
- Medical research grants rose 120.8% from 1999 to 2000 and now comprise 27.2% of health grant dollars.
- Grants for the economically disadvantaged rose 77.2% in 2000.
- Health-related grants rose 55.9% in 2000 and now comprise 20.6% of all U.S. grant dollars.
- Grants focusing on children and youth were up 38.6% in 2000.
- In 2000, grants to ethnic and racial groups were up 26%, just behind the overall increase in grantmaking of 29.7%.

Top 25 U.S. HIV/AIDS Funders of 2000

Foundation Name	Dollar Amount
1. Bill & Melinda Gates Foundation	\$178,731,270
2. Henry J. Kaiser Family Foundation ^{viii}	\$27,218,039
3. United Nations Foundation	\$17,732,225
4. Ford Foundation	\$11,154,687
5. Elizabeth Glaser Pediatrics AIDS Foundation	\$8,123,347
6. Broadway Cares/Equity Fights AIDS	\$5,797,000
7. The Rockefeller Foundation	\$5,783,556
8. AMFAR	\$4,650,000
9. International Fund for Health and Family Planning	\$4,530,439
10. The New York Community Trust	\$3,400,660
11. Starr Foundation	\$2,780,000
12. California Endowment	\$2,759,608
13. Packard Foundation	\$2,506,000
14. Levi-Strauss Foundation	\$2,323,000
15. National AIDS Fund	\$2,169,811
16. Doris Duke Charitable	\$2,138,250
17. Irene Diamond Fund	\$2,000,000
18. Open Society Institute	\$1,901,722
19. Elton John AIDS Foundation ^{ix}	\$1,800,000
20. The John D. & Catherine MacArthur Foundation	\$1,777,000
21. Houston Endowment	\$1,660,000
22. Public Welfare Foundation	\$1,350,900
23. Robin Hood Foundation	\$1,241,250
24. Burroughs Wellcome	\$1,195,000
25. Robert R. McCormick Tribune	\$1,106,847

TOTAL

\$295,830,611

ⁱ2001 *National Guide to Funding in AIDS*. (July 2001). The *National Guide to Funding in AIDS* includes 559 entries that represent 426 grantmaking foundations, 109 public charities (including 56 community foundations) and 24 direct corporate giving programs. This publication covers HIV/AIDS grantmaking through 1999.

ⁱⁱ 2002 *Foundation Giving Trends*. (March 2002). The *Foundation Giving Trends, 2002 Edition* details how over 1,000 U.S. foundations distributed their grants (of \$10,000 or more) in 2000 and examines the grantmaking patterns of a sample of U.S. foundations, from 1980 through 2000.

ⁱⁱⁱ Historically, FCAA has used its independent research as well as its specialized experience in the field of HIV grantmaking to enhance The Foundation Center's statistics on HIV disease-specific grantmaking accordingly. We make adjustments to The Foundation Center figures because, for example, The Foundation Center's data only includes grants over \$10,000; excludes grants of public charities; and represents only a sample (though a significant sample) of all grants made by U.S. grantmakers. Furthermore, the information that The Foundation Center collects

is based solely on self-selected information provided by US grantmakers. Finally, there are many grants made in the U.S. that include HIV/AIDS as an important component of the underlying work, yet for a variety of reasons are not categorized officially as an HIV grant by the funder.

^{iv} FCAA's estimates for any given year are 122% of The Foundation Center figures based on information from *Foundation Giving Trends 2002* (with information through year 2000). FCAA arrived at this number based on our preliminary year 2000 data which included figures garnered from conversations with program officers, website and annual report research, and figures taken from The Foundation Center's Top 50 HIV/AIDS funders list for the year 2000. After all research was completed, the FCAA figure for year 2000 was compared with The Foundation Center figure and the result was that the FCAA figures were 122% of The Foundation Center figures. FCAA then adjusted the 1996-1999 figures so that they were also 122% of The Foundation Center figures. It is FCAA's opinion that 122% is a relatively conservative figure, for all of the reasons mentioned in endnote three.

^v This figure is comprised of a blend of FCAA's Top 25 HIV/AIDS funders and The Foundation Center's Top 50 HIV/AIDS funders for 2000, some of which overlap. It is important to note that there is the potential for an additionally large sum of money comprised of the many smaller foundations that fund HIV/AIDS. However, there is no existing primary research that provides the broadest number. Without a massive expenditure of time and money, there is no feasible way to come up with a comprehensive figure for U.S.-based HIV/AIDS funding for any given year.

^{vi} It is difficult to reduce the Gates Foundation's HIV/AIDS grants to single year numbers because many of their HIV/AIDS grants are for multiple years.

^{vii} All information from this section is from The Foundation Center's *Foundation Giving Trends 2002*.

^{viii} The Henry J. Kaiser Family Foundation committed \$27.2 million in 2000 to HIV/AIDS policy and public education activities and projects (includes both domestic and international work) and to South Africa. This figure is likely an underestimate, because as an operating foundation, Kaiser does a significant amount of HIV/AIDS work that is integrated throughout the Foundation that is not always categorized as such (e.g. the Kaiser Daily HIV/AIDS Report and Kaiser's HIV-related webcasts).

^{ix} The figure of \$1.8 million for year 2000 HIV/AIDS funding is for the U.S.-based portion of the Elton John AIDS Foundation. The Foundation also has a British-based component which makes grants separately and thus is not part of this list. The British component of the Elton John AIDS Foundation made HIV/AIDS grants totaling \$2,596,000 in 2000.