

Health Grantmaking: Giving in Minnesota, 2011 Edition

- Funding for health declined 2 percent in 2009, to \$98.6 million.
- Nationally, health captured the second-largest share of grant dollars (23 percent), while in Minnesota the health share ranked fifth (11 percent).
- Private foundations, which provide the most funds for health, increased the number of dollars granted by 14 percent.

Health grantmaking includes four subcategories: general and rehabilitative health (which includes funding for hospitals and nursing homes, primary care, and outpatient facilities); mental health/crisis intervention; multipurpose health (which includes funding for services associated with specific diseases); and medical research.

Health grantmaking declined slightly in 2009

Grantmakers in Minnesota gave \$98.6 million to the health subject area in 2009, a decrease of two percent from 2008 (see Figure A). Health grantmaking has risen three percent since 2006.

Funding for health has long been a significantly smaller portion of overall giving in Minnesota than in the U.S., and 2009 was no exception. In 2009 health captured the second-largest share of grant dollars nationally, as tracked by the Foundation Center¹, at 23 percent, and the fifth-largest share in Minnesota, at 11 percent.

One reason grantmakers fund health at relatively lower levels in Minnesota than in the nation as a whole is that no top health funders are based in Minnesota. According to the Foundation Center, no Minnesota-based grantmaker makes the list of Top 50 U.S. Foundations Awarding Grants for Health, circa 2009. The three top grantmakers to the health category nationwide are the Bill and Melinda Gates Foundation (WA), the Robert Wood Johnson Foundation (NJ), and the Susan Thompson Buffett Foundation (NE).

Private foundation giving to health increased 14 percent

Private foundations² provided the largest amount of funding for health, as they have in past years. They increased their giving by 14 percent. This increase was largely driven by giving of \$14.1 million to the health category by the Richard M. Schulze Family Foundation.

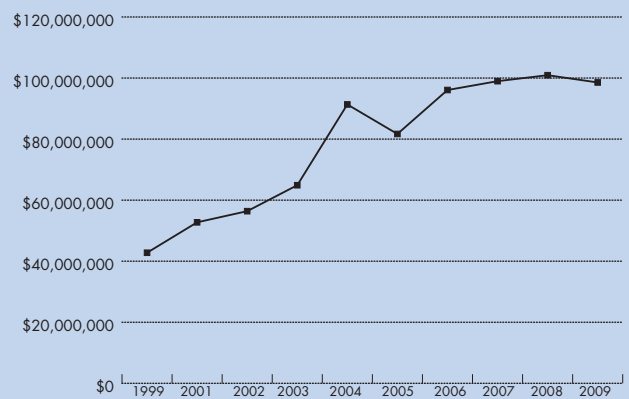
In Minnesota:

- Private foundations gave \$52.9 million and provided 54 percent of funding for this area.
- Corporate grantmakers' contributions increased by two percent in 2009; they gave 35 percent of the health funding, or \$34.9 million.

¹ *Foundation Growth and Giving Estimates: Current Outlook (2011 Edition)*, Foundation Center. Note that MCF's sample of Minnesota grantmakers is different in several ways from the Foundation Center's national sample. One difference is that the Minnesota sample includes corporate giving programs, while the Foundation Center sample does not.

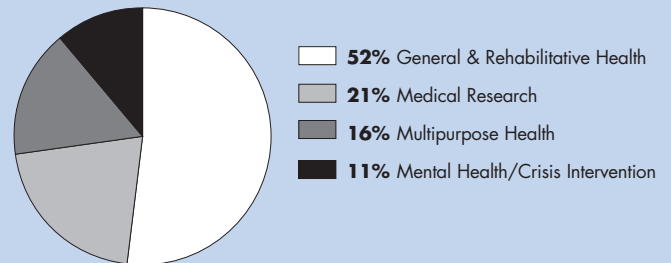
² Private foundations are generally founded by an individual, a group of individuals or a family, and can be further categorized as a family foundation or an independent private foundation.

Figure A: Minnesota Health Grant Dollars, 1999-2009*



* All values adjusted for inflation to 2009 dollars, using the Consumer Price Index. Based on grants of \$2,000 or more made by a sample of 100 of the largest grantmakers in Minnesota. Source: Minnesota Council on Foundations, *Giving in Minnesota, 2011 Edition*.

Figure B: Minnesota Health Grantmaking by Subcategory, 2009



Based on grants of \$2,000 or more made by a sample of 100 of the largest grantmakers in Minnesota. Source: Minnesota Council on Foundations, *Giving in Minnesota, 2011 Edition*.

- Community/public foundations decreased their health giving by 47 percent, after a 45-percent increase last year. Two large 2008 grants, a \$2 million grant from Regis Foundation for Breast Cancer to Mayo Clinic and a \$1.5 million grant from The Saint Paul Foundation to the American Cancer Society, explain much of the 2008 spike and 2009 decline. Additionally, community/public foundation giving decreased across the sample.

Medical research grant dollars increased by 132 percent

The general and rehabilitative health subcategory received the largest share of health dollars, as it has in previous years (see Figure B and Table 1). Fifty-two percent of health dollars, or \$51 million, were given to this area.

Medical research grant dollars jumped 132 percent from 2008, receiving the second largest share of grant dollars – 21 percent, or \$20.5 million. The increased giving by the Richard M. Schulze Family Foundation, referenced above, drove this increase.

Funding for both mental health/crisis intervention and multipurpose health, which includes funding for services associated with specific diseases, decreased significantly: 22 percent and 20 percent, respectively. A number of large funders to these subcategories decreased giving, driving these declines.

Largest Health Grantmakers

Minnesota's five largest health grantmakers in 2009 provided 42 percent of the funding to health by the sample. The Richard M. Schulze Family Foundation returns to this list for the first time since 2007, when the foundation gave \$4.9 million to the health category.

Grantmaker	Total Grant Dollars to Health
1. Richard M. Schulze Family Foundation	\$14,140,851
2. The Medtronic Foundation	\$10,049,380
3. Fred C. and Katherine B. Andersen Foundation	\$7,781,975
4. Healthier Minnesota Community Clinic Fund	\$4,944,485
5. The McKnight Foundation	\$4,926,000

Top Health Grant Recipients

The top five recipients of Minnesota's health giving in 2009 received 33 percent of the sample's health grant funds. They are:

Grantmaker	Total Grant Dollars Awarded
1. Mayo Foundation and Clinic	\$14,309,460
2. Minnesota Medical Foundation	\$6,101,888
3. The McKnight Endowment Fund for Neuroscience	\$4,578,000
4. Abbott Northwestern Hospital & Foundation	\$4,186,033
5. Gillette Children's Hospital & Foundation	\$2,863,300

Table 1: Minnesota Health Grantmaking by Subcategory, 2007-2009*

	2007	2008	% Change	2009	% Change
	Grant Dollars	Grant Dollars		Grant Dollars	
General & Rehabilitative Health	\$58,737,858	\$57,927,865	-1%	\$50,983,878	-12%
Medical Research	\$7,316,718	\$8,809,859	20%	\$20,463,750	132%
Mental Health/Crisis Intervention	\$12,620,227	\$13,981,040	11%	\$10,943,351	-22%
Multipurpose Health	\$20,301,976	\$20,215,441	0%	\$16,164,221	-20%
Total	\$98,976,780	\$ 100,934,205	2%	\$98,555,200	-2%

* Due to rounding, figures may not add up to total.

All values adjusted for inflation to 2009 dollars, using the Consumer Price Index.

Based on grants of \$2,000 or more made by a sample of 100 of the largest grantmakers in Minnesota.

Source: Minnesota Council on Foundations, *Giving in Minnesota, 2011 Edition*.

About Giving in Minnesota

Giving in Minnesota, a report produced by the Minnesota Council on Foundations (MCF) since 1976 (and produced annually since 1997), provides a comprehensive analysis of giving trends by organized philanthropy in the state. *Giving in Minnesota, 2011 Edition*, describes Minnesota grantmaking trends and patterns for the year 2009, which MCF defines as the fiscal year of any Minnesota foundation or corporate giving program that ends between June 1, 2009, and May 31, 2010. This is the most recent period for which comprehensive data are available.

The subject area grantmaking information is based on an analysis of 24,782 grants of \$2,000 or more, made by a sample of 100 of the largest grantmakers in Minnesota. The total giving of these 100 large grantmakers accounted for approximately 84 percent of all grant dollars paid in the state in 2009; the grants included in the sample represent 67 percent of all grantmaking in the state.

To analyze trends by subject area, MCF uses the National Taxonomy of Exempt Entities (NTEE) coding system to classify grants into eight major subject areas: arts, culture and humanities; education; environment/animals; health; human services; international affairs; public affairs/society benefit; and religion.

The Minnesota Council on Foundations (MCF), a regional association of grantmakers, works actively to strengthen and expand philanthropy. MCF members represent three-quarters of all grantmaking in the state, awarding more than \$900 million to nonprofits annually. Members include family and private independent foundations, community and other public foundations, and corporate foundations and giving programs. For more information, visit www.mcf.org.