Charting a Clear Course
2009 Year In Review
opportunities

Creating Opportunities in Challenging Times

In the midst of great challenge there is always opportunity. As we enter our fourth year at Silicon Valley Community Foundation, the challenges our region is facing have become greater. So have the opportunities to make a lasting difference.

In the past year, unemployment reached record levels, forcing more families than ever before to seek food, shelter, housing counseling and legal assistance. Declines in state funding made it harder than ever for our teachers and schools to close the achievement gap that separates students of color from their peers. Predatory payday lenders are keeping families on the financial edge trapped in a cycle of debt.

The community foundation addressed those urgent needs in 2009 through our five grantmaking strategies, our community leadership and convenings, and through strategic partnerships with some of the best organizations in our region. Serving as Silicon Valley’s center of philanthropy, we brought together donors, policy makers, experts and nonprofit organizations that want to make a difference.

We achieved many important milestones in 2009. We completed our first full year of grantmaking under our five key strategies: economic security, education, immigrant integration, regional planning and the community opportunity fund, dedicated to strengthening the safety net that has been so severely strained by the economic crisis. We awarded $8 million through these five grantmaking strategies, helping to strengthen dozens of existing programs and create innovative new efforts.

At a time when others were calling for more public-private partnerships as a solution to the economic crisis, we already had begun a unique partnership with San Mateo County to jointly distribute grants for basic needs.

When the needs of children are greater than ever, we were honored that San Mateo County’s children’s bill of rights, created by the Peninsula Partnership Leadership Council, became a model for a similar statewide bill protecting children.

We know that no one institution can create significant change alone. To extend our work and impact, the community foundation enters into effective, strategic partnerships with organizations like Joint Venture Silicon Valley Network, Stanford University, Silicon Valley Leadership Group, and many others. Our Regional Meeting, which brought together more than 1,200 people, included a panel discussion of nonprofit and government leaders exploring the long-term difficulties posed by the Great Recession and the new solutions we must create together.

Our donors – individuals, families, corporations and nonprofit organizations – and the professional advisors they work with continued to partner with us to maximize their charitable impact and create lasting change. During a year in which many could have reduced their charitable giving, we witnessed increased giving guided by thoughtfulness, creativity and compassion among our large family of donors.

In all our work, we are guided by our values of collaboration, accountability and social equity. It is our privilege to serve this region. We look forward to the opportunities ahead in 2010 and to working with those who share our goal of addressing the most challenging problems in our region and identifying the most innovative solutions.

Nancy H. Handel
Board Chair

Emmett D. Carson, Ph.D.
CEO and President
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By the Numbers

$1.7 billion  
Assets under management

$250 million  
Grants awarded through the community foundation

$237 million  
Contributions received

$16 million  
Grants awarded by our 40 corporate advised funds

$8.5 million  
International grants

$8 million  
Grants awarded through the community foundation's five grantmaking strategies

$207,000  
Raised for the economic security fund

9,293  
Total number of grants awarded

516  
Average number of grants processed each week in December 2009

304  
Scholarships awarded

101  
Rank on the Philanthropy 400  
Chronicle of Philanthropy list of the nation's largest charities attracting funds from private sources

87  
Employees

82  
New funds opened

70  
Average number of new gifts per week

27.6%  
Total return on endowment investments

14  
Rank among nation's largest foundations in total giving

5  
Rank among largest Bay Area foundations by asset size

3  
National Wilmer Shields Rich Awards from Council on Foundations

0.75%  
Ratio of administrative costs to total assets
Community Leadership

Providing leadership through special initiatives, public policy engagement and convenings

Initiatives with Impact

Our initiatives span everything from strengthening nonprofit leadership to early learning and education, including several programs that address the critical transition from preschool to kindergarten.

This year, with funding from First 5 San Mateo, the community foundation produced and distributed 16,000 copies of the Parent’s Guide to Starting Kindergarten, the only source of consistent countywide information on the subject. Our Kickoff to Kindergarten program in San Mateo County helped more than 900 English language learners and children with no preschool experience become prepared for kindergarten. In Santa Clara County, the new Stretch to Kindergarten program provided a seven-week pre-kindergarten experience for 41 low-income four- and five-year olds in Mountain View. The result:

“Now my child is motivated to read more books and watch fewer cartoons,” said one parent.

Belle Haven Community School, served by our Community Schools Initiative, has made steady gains in its academic performance index scores over the last two years. The Fostering the Future Initiative staff assembled and is now leading a San Mateo County team to help children and youth in foster care improve their academic performance and educational outcomes.

Our newest initiative, the Community Leadership Project, will provide organizational development and general operating support to 11 nonprofit organizations that are led by a person of color and serve primarily low-income and communities of color. This project is a joint effort of the David and Lucile Packard, James Irvine, and William and Flora Hewlett foundations to strengthen grassroots organizations.

Convenings and Policy Advocacy

Throughout 2009, we held seven convenings bringing together nonprofit leaders and government officials to think through how we could best work together to weather this economic storm.

With the support of our board of directors, the community foundation took a public stand against state Proposition 1D, which would have redirected First 5 funding to the state’s general fund. Voters rejected the measure.

In September, work that began with the Peninsula Partnership Leadership Council became the model for a statewide Children’s Bill of Rights when California’s Legislature adopted a resolution introduced by Assemblyman Jerry Hill, D-San Mateo, to ensure fair treatment of our children and youth. The Council, which is staffed by the community foundation, launched San Mateo County’s bill of rights in the fall of 2008. Since then, it has been adopted by the community foundation, the board of supervisors, the board of education, all the cities in the county and 18 school districts. Thanks to the council’s efforts, the statewide bill is being adopted throughout California and helped to ensure investment in our children and youth.
Donors’ Choice for Philanthropy

Building and energizing a community of philanthropists who strengthen the common good

“...The [community] foundation has pointed us toward many wonderful organizations that we would otherwise not have found and helped us find our personal area of philanthropic passion... From our viewpoint, our relationship with the community foundation has been a fantastic success, and hopefully the foundation is also happy with our involvement over the past 14 years.”

– David and Holly Mendel, donors

The community foundation serves as a philanthropic partner to donors like David and Holly Mendel, working to help them achieve their philanthropic goals, from helping local students enter college to preserving music in a far-off land.

Our family of donors includes:

- 1,500 funds under management
- 40 corporate funds
- 16 supporting organizations
- 6 city affiliates
- 45 scholarship funds
- 79 nonprofit funds

Through collaborative grantmaking and events, we connect donors to each other and to their collective passions. At the core of our work is a commitment to give expression to each of our donors’ personal goals. Each donor receives a philanthropy manager who serves as a personal giving consultant. Donors can work with their philanthropy manager to define a personal mission statement, develop a family philanthropy plan or review investment strategies and options.

As we reflect on the year, we celebrate the passion and generosity of our donors. We are proud to be a partner in all the acts of giving that have transformed lives throughout our community and around the world. What follows are just some of the many outstanding examples that demonstrate the standard we live by: world-class donor services.

Donor Advised Fund: The School Excursion Fund

Marking our 20th year of partnership, the community foundation and an anonymous donor in Atherton worked hand-in-hand to identify and fund local schools that could not afford to pay for educational field trips outside the classroom. In 2009, the School Excursion Fund awarded 40 grants.

Thanks to this generous donor, 2,527 low-income students were able to visit regional landmarks and cultural institutions, including Angel Island State Park, the San Francisco Symphony, Elkus Ranch on the coast, San Bruno Mountain State Park, the Marine Science Institute in Redwood City and the Tech Museum of Innovation in San José.

“Many of my students only leave the Peninsula once or twice a year due to financial constraints – for over half of them, it was their first time in San Francisco. Aside from the obvious educational benefits of supplementing curriculum with real, hands-on experiences with science, this trip provided them with an enriching life experience which they still write about now, seven months later, in our writers’ workshop.” – Molly Loeb, teacher at Stanford New School, recipient of a grant to take 40 kindergartners to the Exploratorium

Committee Advised Fund: The Nelson Fund

Sensitive to the constrained economic environment affecting nonprofits, second generation advisors Katharine Gin and Jeff Byrne made 2009 the year to re-shape their grantmaking strategy. Kathy and Jeff decided to provide general operating grants to arts programs for underserved youth and to organizations that provide culturally-competent services for the frail elderly. Because Kathy and Jeff wanted to support long-term growth, they worked with community foundation staff to organize and deliver a day-long workshop for nonprofit leaders to hone their fundraising skills. Attendees were offered funding for additional time with seasoned development consultants to create a tailored fundraising plan for their organization.
Learning and Connecting at Events

Over the year we held 20 events involving hundreds of donors. At the start of the year, we welcomed more than 100 donors and friends for a discussion about digital learning in the 21st century, featuring Dr. Linda Darling-Hammond of Stanford University and head of the Obama administration’s transition team on education policy; Gary Knell, CEO of Sesame Workshop; Bruce Chizen, former CEO of Adobe Systems; and moderated by Dr. Gabrielle Miller, CEO of Raising A Reader.

We also were delighted to deliver a once-in-a-lifetime experience for some donors with long-standing commitments to funding in Africa when we arranged for their attendance at a private gathering, hosted by a local partner, with Africa’s first female head of state, Liberian President Ellen Johnson-Sirleaf, during her visit to the Bay Area.

At the request of donors interested in new ways of engaging their children in conversations about money, values and giving, we offered a stimulating two-day session with national expert Nathan Dungan, founder of Share, Save, Spend. Due to high donor interest, we look forward to welcoming Nathan back in 2010.

Finally, living our values of public accountability and integrity, we offered bimonthly investment briefings for donors to discuss the community foundation’s investment performance and the economic environment. As the legislative and regulatory landscapes for nonprofits continued to evolve, we offered a series of technical workshops led by legal and accounting experts for our nonprofit funds.

Corporate Philanthropy in Silicon Valley

We are privileged to work with 40 companies, the largest corporate advised fund program of any community foundation in the country. These corporations awarded 1,081 grants totaling $16 million to nonprofits locally, nationally and internationally.

Despite the economic downturn, Silicon Valley companies remained committed to the community with cash and in-kind contributions. In the same spirit as the community foundation’s Safety Net campaign, a number of our corporate partners increased their giving to programs providing food and shelter. Others continued to support math and science education and workforce development.

Rambus, for example, awarded a grant from its fund to the Level Playing Field Institute to support the Summer Math and Science Honors Academy, which helps students from more than 40 Bay Area high schools move on to four-year colleges. Microsoft Corporation, which used its corporate fund to award more than $500,000 to local nonprofit organizations to support workforce development, helped Catholic Charities of Santa Clara County provide computer training to low-income individuals, including newly-arrived immigrants and refugees.
Our five strategic areas are: economic security, immigrant integration, closing the middle school achievement gap in mathematics, regional planning and a community opportunity fund for safety-net services. Here is a look at some of the work we supported. To see a complete list of grantee organizations visit: www.siliconvalleycf.org/grantees

Regional Planning: Building Sustainable Communities

By 2035, there will be more than 9.3 million people living in the Bay Area – 2 million more than today. We can plan for this growth in a way that improves quality of life for residents and preserves our open spaces.

This grantmaking strategy is designed to improve local and regional planning processes, increase public involvement in critical planning decisions and raise awareness about the social, environmental and economic benefits of smart growth policies.

Grantee: Greenbelt Alliance

Greenbelt Alliance works to educate citizens and decision-makers about land use and transportation plans that encourage vibrant, walkable communities near rapid transit. With the community foundation’s support, the organization seeks to ensure that general plan updates in San José, Mountain View and Santa Clara promote environmental sustainability, affordable housing, transportation choices, and overall community livability, becoming model plans with broad community support.

Challenge:
When polled by the Metropolitan Transit Commission, 55 percent of Bay Area respondents said they wanted to live in mixed-use neighborhoods where they could walk to stores, schools and services. Source: A Place to Call Home: Housing in the San Francisco Bay Area, 2007.

Progress:
$832,050 awarded to 10 organizations working to create environmentally sustainable communities.

Opportunity:
As part of its Community Information Challenge, the John S. and James L. Knight Foundation awarded Silicon Valley Community Foundation a challenge grant of more than $300,000 to use the Internet, public radio and public television to inform residents about reducing carbon emissions and the ways in which local land use and transportation decisions can contribute to smart growth.

Education: Closing the Middle School Achievement Gap in Mathematics

Competence in mathematics is essential for functioning in everyday life as well as for success in our increasingly knowledge-based economy. Unfortunately, many of our students, primarily those from socio-economically disadvantaged backgrounds, including many African American and Latino students, lag far behind in mathematics proficiency.

Grantee: Jefferson and Pacifica School Districts

The Jefferson and Pacifica school districts in Daly City partnered with the Silicon Valley Math Initiative to provide professional development to increase teachers’ content knowledge of middle school mathematics and encourage instruction that advances students’ reasoning and high level thought processes. The grant enabled all 63 teachers from both districts to receive professional development, form peer-learning communities and receive on-going coaching.
Challenge:
To highlight the importance of Algebra I, on July 9, 2008 the California State Board of Education voted to make Algebra I the state standard for 8th grade mathematics.

Progress:
$1,941,334 awarded to 31 education grantees, reaching approximately 380 teachers and 1,150 students.

Opportunity:
In 2010, the community foundation is partnering with the Silicon Valley Education Foundation to hold a series of public forums examining the achievement gap.

Immigrant Integration
The community foundation recognizes that our region’s future is tied to the fate of large numbers of immigrants and their children. With nearly 30% of San Mateo and Santa Clara counties’ population self-identifying as immigrants, our region is home to more immigrants than all but two of California’s 58 counties (Los Angeles and Orange Counties).

Immigrant integration is defined as a two-way process in which immigrants take responsibility for being productive members of their new communities while the community provides opportunities for civic participation and improved economic mobility. The community foundation has a three-pronged approach within its immigrant integration strategy: Strengthening the Legal Services Infrastructure, Bridging the Cultural Gap and Adult English Language Acquisition.

In total, the community foundation awarded nearly $2.3 million to 35 organizations in the immigrant integration grantmaking strategy.

Grantee: Collaborative Resources for Immigrant Services on the Peninsula
Responding to the increasing demand for legal services, CRISP provides free or low-cost comprehensive immigrant legal services. CRISP is comprised of seven organizations: Asian Pacific Islander Outreach, Coastside Hope, Community Legal Services in East Palo Alto, the Immigrant Legal Resource Center, the International Institute of the Bay Area in Redwood City, La Raza Centro Legal and Legal Aid Society of San Mateo County.

Access to affordable and reliable nonprofit legal services enables immigrants to obtain the legal status that leads to better and more secure jobs, family unification and stability, health care, improved educational outcomes for children, and fuller participation in community life – the building blocks of strong communities and healthy societies. In six months, CRISP assisted in 166 cases, exceeding its target by 15%.
Strengthening the Safety Net

Long before many realized the full extent of the economic crisis, the community foundation began working to strengthen the safety net that provides basic services in our region.

Our safety net work began in 2008 when we issued a $1 million matching challenge to the community. Within six weeks, more than 135 generous donors and partners responded with gifts from $20 to $250,000 and exceeded the challenge. One-third of donor advisors who gave to strengthen the safety net were making their first unrestricted gift to a community foundation-initiated need and Adobe became the first corporate fund to donate to our safety net fund, contributing $25,000.

This past year, the community foundation continued and extended that work, providing grants for food and shelter as well as for financial planning and asset building, foreclosure prevention and anti-payday lending policy advocacy within our economic security strategy.

At the community foundation, grantmaking is one of many tools. Our safety net work is an example of our timely, coordinated response to distribute support and extend our impact bringing together research, convenings, partnerships, advocacy and our donors.

In April 2009, we convened leaders from food and shelter organizations to identify policy solutions to the economic crisis that created record numbers of people in need. As a result of our desire to create lasting change, our board of directors voted to support The Food Stamp Modernization Act. Although state budgetary constraints stalled progress on this measure, we supported this crucial legislation because it would have simplified and increased participation in this essential public benefits program. Notwithstanding overwhelming research that fingerprinting recipients discourages participation and has no appreciable impact in reducing fraud, California is one of only four states that requires the practice even though it is burdensome and expensive to maintain.

In May, together with both counties, we convened more than 100 nonprofit and government leaders to share information and strategies for coordinating approaches to federal stimulus funding. In this joint briefing from Santa Clara and San Mateo County officials, nonprofit leaders learned how the American Recovery and Reinvestment Act monies would be distributed for food, shelter, emergency housing and employment assistance.

For the first time in our young organization’s history, we joined with San Mateo County government in a public-private partnership to distribute $1 million to 32 safety-net organizations in June. The community foundation awarded an additional $500,000 to 23 San Mate Clara County safety-net organizations in July.

Grantee: Samaritan House

Samaritan House offers emergency assistance to residents in central San Mateo County. In 2009, twice as many people (418 v. 204) sought rental assistance during the first nine months of 2009 compared to the same period in 2008. Nearly 20,000 people were served at its San Mateo dining room, a 70% increase.

Challenge:
71% of nonprofits surveyed reported an increase in demand for services while less than 20% reported an increase in revenue to meet this growing demand.

Progress:
The community foundation has distributed $4 million to food and shelter providers since the end of 2008 in grants that ranged from $10,272 to $300,000.

Opportunity:
We anticipate a third round of safety-net grants in 2010.
Supporting Financial Security for Families

While the recession has led to a spike in demand for basic safety-net services, families at the financial margins also need access to longer-term solutions that help build economic well-being. Given the housing crisis, mortgage meltdown and rising unemployment, the demand for mortgage counseling and legal services has skyrocketed. Financial decision making has become increasingly complex in the past decade and reduced regulatory safeguards have allowed increased predatory payday lending practices.

Our region’s cash-strapped families often have no formal banking relationship. Some turn to payday lenders who charge interest rates as high as 400 percent for short-term loans. In San Mateo County, the percentage of residents with no formal banking relationship is estimated at 15 percent. In the city of San José, it is estimated to be between 12 and 26 percent.

Our residents need financial education, as well as opportunities to save, invest and preserve financial assets. The community foundation is focused on these solutions through our economic security fund.

We know that our work to strengthen the safety net must be coupled with improving the financial security of our region’s most vulnerable families. To learn more about payday lending practices, the community foundation commissioned the Public Interest Law Firm to research the status of payday lending in California. Released in October 2009, our report provides a comprehensive analysis of current policies and proposals and suggests steps for policy makers, funders and others who want to end abusive lending practices. Download the full report from our website at: www.siliconvalleycf.org/payday-lending-report.pdf

We also joined with Opportunity Fund to support the first ever statewide conference on microfinance, which highlighted best practices in the field for donors, policy makers and practitioners. Microfinance provides opportunities to save and invest, a key aspect of becoming economically secure. The conference in May 2009 attracted 500 registrants who heard panel presentations about matched savings plans, financial services for the “unbanked,” small business lending and financial coaching.

So far, $207,000 has been raised for the economic security fund from the public and our family of donors. In 2009, the community foundation awarded grants totaling more than $1.4 million to 14 organizations working to help families build a better financial future.

A Project Sentinel housing counselor provides one-on-one mortgage delinquency and default counseling.

Grantee: Project Sentinel
One agency on the front lines was Project Sentinel, a housing counseling agency that has served the Bay Area since 1988.

934 new foreclosure prevention cases opened during the first nine months of 2009, an 87% jump from the same period in 2008. Foreclosure was averted in 233 of those cases, or 25%. In the last quarter of 2009, Project Sentinel saw 25 new foreclosure prevention cases each week.

With support from the community foundation to hire an additional housing counselor, Project Sentinel was able to serve 250 new clients.

Challenge:
One in five San Mateo and Santa Clara County residents does not have enough savings to meet basic needs for three months during an unforeseen economic hardship such as a job loss, health emergency or homelessness.

Progress:
The community foundation awarded $934,000 in grants to expand or create new financial education programs. For example, Project Read in north San Mateo County, added financial workshops, coaching and matched savings to its existing literacy program.

Opportunity:
The Youth Financial Independent program, a key part of our Fostering the Future initiative, provides financial education and matched savings accounts for youth ages 18-24 who are no longer eligible for the foster care system. In 2010, the program will begin offering budget coaching and other services.

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SILICON VALLEY | community foundation
SERVING SAN MATEO AND SANTA CLARA COUNTIES

2440 West El Camino Real, Suite 300
Mountain View, California 94040

tel: 650.450.5400
fax: 650.450.5401

To read more about Silicon Valley Community Foundation
visit www.siliconvalleycf.org
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