Strengthening Democracy
Building a More Effective, More Accountable Charitable Sector
Front cover:
Independent Sector serves as the “meeting ground” for the leadership of the entire charitable community, most notably through our Annual Conference. The 2005 conference, held October 23-25 in Washington, D.C., featured the theme, “Reshaping the Social Compact,” and also celebrated IS’s 25th anniversary. Those attending included (from left):

- Deanna Dunkan-Grand, director of foundation relations, America’s Promise;
- Iqbal Noor Ali, chief executive officer, Aga Khan Foundation;
- Wade Henderson, executive director, Leadership Conference on Civil Rights;
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About Independent Sector

The United States is now home to an estimated 1.4 million public charities, private foundations, and religious congregations that work to improve the lives of individuals and communities. Collectively, we refer to these organizations as the “independent sector,” which underscores their unique role in society, distinct from business and government.

Independent Sector is the leadership forum for charities, foundations, and corporate giving programs committed to advancing the common good in America and worldwide. Our nonpartisan coalition of approximately 550 organizations leads, strengthens, and mobilizes the charitable community in order to fulfill our vision of a just and inclusive society of active citizens, vibrant communities, effective institutions, and a healthy democracy.

Our Vision
A just and inclusive society of active citizens, vibrant communities, effective institutions, and a healthy democracy.

Our Mission
To advance the common good by leading, strengthening, and mobilizing the independent sector.

Our Values

Independence
• The freedom to be creative and uplift the human spirit
• The right to advocacy and freedom of speech
• A commitment to promoting and protecting the independence of the sector
• An obligation to serve as a leading voice for the common good

Interdependence
• Productive cooperation between the public, private, and nonprofit sectors
• Effective collaboration between funders and grant recipients

Inclusiveness and Diversity
• Embracing a variety of perspectives and people
• Respect for the views of others

Social Justice
• Full and fair opportunities for all
• Appreciating the worth and dignity of each person

Transparency, Integrity, and Accountability
• A commitment to the highest possible ethical standards
• Open and timely sharing of financial, governance, and program information
• Responsiveness to society, members, and stakeholders

Operational Excellence
• Effective programs and activities that meet meaningful needs
• Efficiency in the use of resources
We are pleased to present the highlights of Independent Sector’s work during our 25th anniversary year. Our achievements in 2005 resonate with a theme that has long been at the center of the charitable community: our ability to improve lives is even greater when we join our voices.

The past year saw the implementation of the strategic business plan our membership approved late in 2004. Our expanded membership criteria have enabled us to encourage leading organizations on the local, regional, and state levels that share our values to join IS. As these groups increasingly become part of the IS coalition, we better reflect the growing strength and diversity of the sector.

We are also fulfilling the second main element of the business plan. Present and former members said that the charitable community needed a stronger voice on the pressing issues of the day, and they called on Independent Sector to embrace that role. We have, as our work over the past year demonstrates.

We have been a leader in strengthening ethics and accountability, particularly with the Panel on the Nonprofit Sector. As convener of the Panel, IS brought together thousands of people from across our sector to strengthen the transparency, governance, and accountability of charitable organizations. The results of this effort, particularly the Final Report the Panel issued in June, have already improved the operations of charities and foundations and shaped the views of government officials.

The IS coalition brings together all elements of the sector—charities, foundations, and corporate giving programs—in many other ways. The staff from member organizations who make up our committees, task forces, and other networks have helped the charitable sector develop better approaches in key areas such as public policy, civic engagement, and international issues. Our Annual Conference increasingly serves as one of the foremost meeting grounds for leaders from across the sector.

Running through the enormous variety in our work and in that of our members are two main themes: strengthening democracy and building more effective, more accountable organizations. We could not do this work without the vital voices of our members, and we look forward to continuing this chorus in the future.

William E. Trueheart
Chair

Diana Aviv
President and CEO

The staff and volunteers of Independent Sector’s members are vital voices in the work to advance the common good. Their efforts, both for their organizations and as part of the IS coalition, are crucial to our ability to improve the lives of individuals and communities around the world. The following pages profile a few of the millions of people in the charitable community whose contributions strengthen democracy and build a more effective, more accountable sector.
Board of Directors

Officers

Chair
William E. Trueheart
President and CEO
The Pittsburgh Foundation

Vice Chair
Gary L. Yates
President and CEO
The California Wellness Foundation

Diana Aviv *
President and CEO
Independent Sector

* ex officio

Treasurer
Paula Van Ness
Chief Executive Officer
Starlight Starbright Children’s Foundation

Secretary
Hilary Pennington
Vice Chair and Co-Founder
Jobs for the Future

Board Members

Special thanks to these dedicated leaders who retired from the IS board during 2005.

Angela Glover Blackwell
Chief Executive Officer
PolicyLink

Hodding Carter III
President and CEO
John S. & James L. Knight Foundation

Christopher T. Gates
President
National Civic League

Kathleen D. McCarthy
Director
Center on Philanthropy and Civil Society, City University of New York

Karen Narasaki
President and Executive Director
Asian American Justice Center

Mary Beth Salerno
President
American Express Foundation
Vice President, Philanthropy
American Express Company

Edward H. Able, Jr.
President and CEO
American Association of Museums

J. Bryan Hehir
President
Catholic Charities, Archdiocese of Boston

Edward Skloot
Executive Director
Surdna Foundation

Kathleen W. Buechel
Former President
Alcoa Foundation

J.D. Hokoyama
President and CEO
Leadership Education for Asian Pacifics

Donald M. Stewart
Visiting Professor
Harris School of Public Policy Studies, University of Chicago

Robert W. Edgar
General Secretary
National Council of Churches of Christ in the USA

Kevin Klose
President and CEO
National Public Radio

Arturo Vargas
Executive Director
National Association of Latino Elected and Appointed Officials Educational Fund

Lewis M. Feldstein
President
New Hampshire Charitable Foundation

Stanley S. Litow
President
IBM Foundation
Vice President
Global Community Relations
IBM Corporation

Luz A. Vega-Marquis
President and CEO
Marguerite Casey Foundation

David S. Ford
Chief Executive Officer
Richard and Susan Smith Family Foundation

Janet Murguía
President and CEO
National Council of La Raza

M. Cass Wheeler
Chief Executive Officer
American Heart Association

Barry D. Gaberman
Senior Vice President
The Ford Foundation

William S. White
President and CEO
Charles Stewart Mott Foundation

Brian A. Gallagher
President and CEO
United Way of America

William D. Novelli
Chief Executive Officer
AARP

Ruth Wooden
President
Public Agenda

Darell Hammond
CEO and Co-Founder
KaBOOM! Inc.

John R. Seffrin
Chief Executive Officer
American Cancer Society

* ex officio

Diana Aviv *
President and CEO
Independent Sector

* ex officio

J. Bryan Hehir
President
Catholic Charities, Archdiocese of Boston

Edward Skloot
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New Hampshire Charitable Foundation

David S. Ford
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Richard and Susan Smith Family Foundation

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President and CEO
Marguerite Casey Foundation

M. Cass Wheeler
Chief Executive Officer
American Heart Association

William S. White
President and CEO
Charles Stewart Mott Foundation

Ruth Wooden
President
Public Agenda
Committee Chairs

Executive Committee
William E. Trueheart
President and CEO
The Pittsburgh Foundation

Investment Subcommittee
Robert E. Swaney, Jr.
Vice President and Chief
Investment Officer (Retired)
Charles Stewart Mott
Foundation

Audit Committee
Arturo Vargas
Executive Director
National Association of Latino
Elected and Appointed Officials
Education Fund

Board Development Committee
J. D. Hokoyama
President and CEO
Leadership Education for Asian
Pacifc

Public Policy Committee
Gary L. Yates
President and CEO
The California Wellness
Foundation

Ethics and Accountability Committee
M. Cass Wheeler
Chief Executive Officer
American Heart Association

Civic Engagement Committee
Edward Skloot
Executive Director
Surdna Foundation

International Program Advisory Committee
Barry D. Gaberman
Senior Vice President
The Ford Foundation

Building Value Together Steering Committee
Paul Brest (co-chair)
President and CEO
The William and Flora Hewlett
Foundation

Hilary Pennington (co-chair)
Vice Chair and Co-Founder
Jobs for the Future

Communications and Marketing Advisory Task Force
Lewis M. Feldstein
President
New Hampshire Charitable
Foundation

2006 Annual Conference Program Committee
Brian A. Gallagher
President and CEO
United Way of America

2006 Annual Conference Host Committee
Jon Pratt (co-chair)
Executive Director
Minnesota Council on Nonprofits

Karl Stauber (co-chair)
President and CEO
Northwest Area Foundation

Membership Committee
Kathleen W. Buechel
Former President
Alcoa Foundation

Resource Development Committee
David S. Ford
Chief Executive Officer
Richard and Susan Smith
Family Foundation

John W. Gardner Leadership Award Committee
William S. White
President and CEO
Charles Stewart Mott
Foundation

Leadership IS Award Committee
Janet Murguía
President and CEO
National Council of La Raza

Thank you to the following leaders who served as committee chairs in 2005.

Audit Committee
Mary Beth Salerno
President
American Express Foundation
Vice President, Philanthropy
American Express Company

Civic Engagement Task Force
Brian A. Gallagher
President and CEO
United Way of America

2005 Annual Conference Program Committee
Karen Narasaki
President and Executive Director
Asian American Justice Center

2005 Annual Conference Host Committee
Terri Lee Freeman
President
The Community Foundation for the National Capital Region

Membership Committee
Darell Hammond
CEO and Co-Founder
KaBOOM! Inc.

Virginia A. Hodgkinson Research Prize Committee
Steven Rathgeb Smith
President-Elect
Association for Research on Nonprofit Organizations and Voluntary Action

John W. Gardner Leadership Award Committee
Kathleen W. Buechel
President
Alcoa Foundation

Leadership IS Award Committee
Arturo Vargas
Executive Director
National Association of Latino Elected and Appointed Officials Educational Fund

25th Anniversary Committee
Robert M. Frehse, Jr.
Executive Director
William Randolph Hearst Foundations

James Canales (vice chair)
President and CEO
The James Irvine Foundation

Judy Vredenburgh (vice chair)
President and CEO
Big Brothers Big Sisters of America
2005 brought together Independent Sector’s past, present, and future. We celebrated our 25th anniversary with a series of events that culminated at the Annual Conference. . .

. . .where a gala highlighted our achievements and the remarkable growth of the entire sector since 1980. Throughout the year we continued our tradition of convening the charitable community, helping our organizations address ongoing issues such as ethics and accountability, civic engagement, and funding for vital programs. And we set out in new directions so that in the future, our sector remains a vital part of society.

As we have throughout our history, IS in 2005 pursued our mission of advancing the common good by leading, strengthening, and mobilizing the charitable sector. Increasingly, we concentrate on two distinct yet related areas: building a more effective, more accountable charitable sector and strengthening democracy. This report describes how IS pursued these goals over the past year; it also documents how we have improved our operations so we address these two areas more effectively.

Building a More Effective, More Accountable Charitable Sector
Because charitable organizations depend on the support and confidence of the public, Independent Sector has been dedicated throughout our history to ensuring charities and foundations operate ethically and effectively. Our commitment has never been more obvious than during 2005, when IS worked in a range of areas to help the sector meet the highest possible standards.
Our most visible work with the charitable community was the Panel on the Nonprofit Sector. Convened by IS in the fall of 2004 at the encouragement of the leaders of the U.S. Senate Finance Committee, the Panel has involved thousands of members of the charitable community—through work groups, conference calls, emails, and field hearings—in its development of recommendations on how to strengthen ethics and accountability. The final report it presented to Congress and the sector in June laid out a carefully integrated package of more than 120 actions to be taken by charitable organizations, by Congress, and by the Internal Revenue Service. The Panel continued its work after June, studying areas such as international grantmaking, self-regulation, and financial reporting.

The Panel has become a landmark for our sector. The most significant examination of ethics and accountability in 30 years, it created unprecedented collaboration across organizations. The interest in the issues it has examined is clear from the response to the Final Report: the online version has been downloaded more than 40,000 times, and more than 15,000 printed copies have been distributed. More importantly, charitable organizations have begun to adjust their practices in areas such as travel policies and board compensation, and professionals working with the sector, such as accountants and attorneys, have advised clients to adopt the Final Report’s recommendations. The Panel’s work was favorably received by government officials: IRS Commissioner Mark Everson called the Panel, “an impressive effort to move the tax-exempt community to a better place,” and the recommendations in the Final Report helped shape the package of charitable reforms the Senate passed in November 2005, which is still under consideration by House-Senate tax conferees.

IS’s work on ethics and accountability during 2005 extended far beyond the Panel. We carefully monitored regulatory changes, helping block burdensome governance standards that a federal program intended to impose on nonprofit agencies awarded contracts to serve people with disabilities. We have been helping charities and foundations institute better practices, with our “Checklist for Accountability” released last summer, recommending nine steps charitable organizations can take to improve their governance and transparency. It is downloaded from the IS website more than 200 times in a typical week.

The work of the Panel on the Nonprofit Sector reflected another of Independent Sector’s strengths: our ability to create a meeting ground for charitable organizations. During 2005, more than 200 staff from nearly 150 IS member organizations served on our committees, whoseHighlights from 2005

Leon Panetta, a member of the Panel’s Citizen Advisory Group, testifies before the Senate Finance Committee on methods for improving the accountability of the charitable community.

IRS Commissioner Mark Everson (left) and Senator Charles Grassley (right) participate in a press conference with Diana Aviv as the Panel releases its Final Report.

The Panel on the Nonprofit Sector’s Final Report lays out a carefully integrated package of more than 120 actions to be taken by charitable organizations, by Congress, and by the IRS to strengthen the sector’s transparency, governance, and accountability.
discussions contribute to the leadership Independent Sector provides for the sector on such key issues as public policy, civic engagement, and international activity. We also developed new methods for engaging our members, such as our Policy Action Network, which encourages cooperation among charitable organizations on key, broad-based issues at the federal, state, and local levels. Our ability to bring members and non-members together for a shared purpose was clear in September, when IS and the Foundation for the Mid South convened meetings among Gulf Coast funders and charitable organizations and their national counterparts in order to improve the sector’s response to Hurricane Katrina. Those discussions helped shape the testimony IS President and CEO Diana Aviv gave during a Senate Finance Committee hearing on rebuilding the region, during which she shared seven recommendations nonprofits had developed from previous disaster recovery experiences.

We also continue to advocate for public policies that encourage charitable giving and help organizations obtain the financial resources they need to serve their communities. IS continues to work to enhance and protect tax incentives for charitable giving, in particular a series of

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**Highlights from 2005**

Michael Dahl, director, planning and evaluation at the Pew Charitable Trusts, gathers with approximately 50 other nonprofit leaders for advocacy training and sessions with congressional and administration staff as part of the annual Public Policy Action Institute.

Among the speakers were Senator Rick Santorum of Pennsylvania (pictured) and James Towey, director of the White House Office of Faith-Based and Community Initiatives.

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**Vital Voice: Arturo Vargas**

Cake and presents remind Arturo Vargas how his work is benefiting Americans.

Since 1994 Arturo has been executive director of the National Association of Latino Elected and Appointed Officials Educational Fund that works to strengthen American democracy by empowering Latinos to participate. NALEO helps integrate Latinos into political society as active citizens, provides professional development opportunities and other assistance to the country’s 5,000 Latino elected and appointed officials, and advocates on issues important to the Latino community.

Pursuing the American dream is an idea that has run throughout Arturo’s life. His parents moved from Chihuahua, Mexico, to El Paso to start their family, and then on to Los Angeles to provide their five sons and one daughter better opportunities. “Raising a family, encouraging education, making sacrifices for your children—that’s a central part of being an American.”

Nonprofits are central to his approach to strengthening the country’s diverse Latino community. NALEO helps its constituency in areas such as naturalization, voter engagement, and effective governing. More generally, Arturo believes that the sector is the most effective vehicle for training leaders.

Collaborating with other nonprofits also helps NALEO be more effective. By exchanging ideas with a variety of organizations, it improves its operations in areas such as financial management and board oversight. “We strive to be a good organization, period—not just a good Latino organization.”

Coalitions offer benefits that extend far beyond operational issues. “They bring together the great diversity of America—Asians, blacks, Latinos, Jews, whites, and others,” he notes. “We get to join with people who share a vision for our country”—a vision focused on opportunity for everyone.

Helping provide that opportunity is what brings cakes and presents to the NALEO offices. “People want to thank us after they’ve taken their naturalization oaths,” he explains. “It’s exciting to know that we’re helping them become part of the American community.”

Learn more at www.naleo.org.
charitable giving incentives that were passed by the Senate and are under consideration by House-Senate tax conferees. We participated in a coalition focusing on protecting deductions for non-cash gifts, a vital source of support for many organizations, and have been active in coalitions to support passage of the IRA charitable rollover and the non-itemizer charitable deduction. IS remains committed to reform of the estate tax: educating our community and the public about the issue, participating in meetings with Senate staffers, and writing to all senators to express concern that full repeal of the tax could seriously damage philanthropic giving. We have urged support for reasonable reform that will preserve incentives for giving and retain significant revenue for the federal treasury.

Independent Sector is developing other methods for increasing the effectiveness of charitable organizations. The Building Value Together initiative explored ways in which foundations and charities can work together to increase their individual and collective impact, including through the increased use of general operating support grants. IS continues to examine how the sector can enhance public understanding of its central place in society. Through research conducted by Harris Interactive and Public Agenda, IS has developed a deeper understanding of attitudes towards charitable organizations among policymakers, influential citizens, and the public.

**Vital Voice: Karen Kennelly**

Nineteen years as an accountant have shown Karen Kennelly that it’s a lot easier to succeed in business if you look the part. Over the last seven years, her volunteer service has helped give thousands of women that step up.

During her career, Karen has been employed in both the private and nonprofit sectors. Currently director of nonprofit services at Katz, Sapper & Miller, LLP in Indianapolis and an experienced volunteer for a number of charitable causes, she decided in the mid-1990s that she needed to do more to help the local community.

She pursued that goal by becoming a founding board member of Dress for Success Indianapolis. Today she is the board chair of the organization, after serving as treasurer, as chair of almost every committee, and as a hands-on volunteer in virtually every capacity. Like all the affiliates of Dress for Success Worldwide, the Indianapolis chapter helps economically disadvantaged women enter and stay in the workforce by providing suits and other employment services.

Karen explains that their typical client is “caught in that trap: she needs the clothes to get the job, and needs the job to get the clothes. By providing suiting, we instill the confidence that she needs to look good and feel good.” Since its founding in 1999, Dress for Success Indianapolis has helped more than 2,000 women.

Through her work as an accountant and as a board member, Karen understands that a nonprofit needs more than a worthwhile goal to succeed. She notes that when Dress for Success Indianapolis recently won a three-year grant for $50,000 a year, “part of the reason was that we were able to show our accountability….If you don’t address the larger issues, you can’t address the issues on the ground.”

What matters most to Karen is helping the individual. “One woman wrote us a note afterward that said, ‘When I left I felt loved and looked professional, ready for my interview.’ It’s that one on one, it’s all about her.”

Learn more at www.dressforsuccess.org.
and engaged members of the public. The IS Communications and Marketing Advisory Task Force is developing a series of messages that will help elected officials and other opinion leaders more fully understand the value of the charitable community.

**Strengthening Democracy**

Strengthening charitable organizations is crucial to Independent Sector’s ability to fulfill our mission of advancing the common good. During 2005, we took on that broader goal by focusing on ways to increase civic participation across the country and around the world.

Throughout the year, IS fought in many arenas to ensure that individuals and organizations keep their fundamental right to advocate.

- We joined with other nonprofits to fight a provision in legislation passed by the House of Representatives that disqualifies organizations that engage in nonpartisan election-related activities, such as voter registration, from applying for grants from a new affordable housing fund. The provision is not included in the companion legislation passed by the Senate, and efforts are continuing to ensure that it is not included in the bill when it is sent to the President.

- We joined other nonprofit organizations on two amicus briefs. In *Velazquez v. Legal Services Corporation*, we opposed a 1996 law that, if allowed to go into effect, would interfere with the fundamental right of nonprofits to

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**Vital Voice: Cheryl Dorsey**

Failure is a regular part of Cheryl Dorsey’s work. An even bigger part is success.

Since 2002, Cheryl has been president of Echoing Green, which offers multi-year fellowships to emerging leaders so they can develop innovative solutions to difficult problems. Over the past 20 years, Echoing Green has awarded over $23 million to more than 400 social entrepreneurs, who use their grants as “start-up capital” for programs in areas such as education, civil rights, the arts, and community development. Cheryl sees supporting new ideas as one of the strengths of the nonprofit sector—the best place to “champion and nurture social innovation.”

That view comes from experience. In the early 1990s, she took a break from medical school and used an Echoing Green Fellowship to help start the Family Van, a mobile health clinic that to this day serves some of Boston’s poorest residents. The experience helped her recognize that while caring for individuals was important, her greatest interest was “working with entire populations, since that was a more effective route to social change.”

Risks—and the failures that invariably accompany them—are central to the success of Echoing Green. In order to find innovative people and ideas, it thinks like venture capitalists, standing “on the edge to see what’s coming down the pike.” While not all the fellows succeed, careful risk management means that most do, and even those who don’t provide opportunities to learn.

Echoing Green, which takes its name from a William Blake poem, highlights another key for nonprofit organizations: sharing knowledge. The organization is committed to circulating the case studies of its fellows as a way to inspire groundbreaking leaders and, she notes, “We’re always looking for like-minded organizations.”

Learn more at www.echoinggreen.org.
use private funds to advance their goals. In Wisconsin Right to Life v. the Federal Election Commission, we supported a challenge to FEC restrictions on issue-related communications, airing during the 60-day window before an election, that mention a public official who is also a candidate for federal office.

- We commented on proposed regulations that had the potential to threaten free speech. We argued to the Federal Election Commission that it should continue to exempt 501(c)(3) organizations from its electioneering communications rules based on the current tax law prohibitions on participation in partisan political activities by charitable organizations. IS submitted comments to the Federal Trade Commission concerning a proposed rule to further regulate commercial email under the CAN-SPAM Act of 2003 that could impede the work of charitable organizations.

Though IS has long worked to increase participation in civil society, in September the IS board approved the establishment of a formal civic engagement program. It will

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### Vital Voice: Michael Piraino

Michael Piraino has two goals when he gets on an airplane.

“I want the people next to me to understand what we do,” explains Mike, CEO of the National CASA Association, which promotes court-appointed volunteer advocacy for 225,000 abused and neglected children across the country. “I hope they’ll become one of our advocates or a board member of one of our local groups.”

Because maltreated children are not everyone’s foremost issue, Mike tries to make a broader point to his seatmates. “We all have some need to make a difference,” he continues. “I want them to see that they don’t have to change their lives completely to change their communities.”

CASA volunteers (sometimes called guardians ad litem) also illustrate how the charitable sector can collaborate with government. Court and government officials—often skeptical initially of the value of non-attorney volunteers—find that community-based advocates are valuable partners, helping everyone better understand the children and getting them more quickly into safe, permanent homes.

The importance of serving these children well helps explain why Mike participates in broad efforts such as the Panel on the Nonprofit Sector. His greatest interest is in accountability—“Are we doing things in a smart way?”—and joining sector-wide discussions enables National CASA and its 940 member organizations to contribute to and to learn from the successes of other organizations.

The importance of being effective is clear from the story of a CASA volunteer who took his child to the beach. “I’ve waited all my life for this day,” explained the boy: not only had he never seen the ocean, but “no one else has ever really listened to me.”

“I would have been happy to do that for one child in my life,” concludes Mike. “I’m floored that I can help others do it for 225,000 children a year.”

Learn more at www.nationalcasa.org.
focus on two goals: helping charitable organizations find effective, sustainable civic engagement strategies that enable them to achieve their missions; and advancing the examination of the changing social compact, primarily by highlighting new and innovative ways that individuals, business, government, and the charitable sector are working together to address important public problems.

Our commitment to strengthening civil society does not stop at our borders. With more than 40 percent of our members engaging in work outside of the United States, the IS board created a task force to examine whether we should establish an international program. At the end of the year, the board agreed with the task force’s recommendation that Independent Sector should, over the next two years, pursue a series of goals that include increasing the effectiveness of the international activity of IS members and strengthening international civil society by working with global and national infrastructure organizations already pursuing that goal.

IS has been committed to other international issues, most notably finding approaches that prevent the diversion of charitable assets to terrorist groups without compromising the ability of charitable organizations to fulfill their missions. IS filed comments with the Office of Personnel Management on its proposed new anti-terrorism certification language for the Combined Federal Campaign, a workplace giving campaign for federal employees. IS opposed certain provisions, such as a requirement that charitable organizations check potential employees against a list of suspected terrorists, as unworkable because of flaws in the lists; this change

Diana Aviv opens the 25th Anniversary Conference by suggesting ways to strengthen the social compact. Her address, available on the IS website, focused on the need for a national conversation that would replace today’s shrill, divisive exchanges with public discussions among all Americans that would define the social compact.

Vital Voice: Edward Skloot

“Our money will have far more resonance if we find our voice.”

Since 1989 Edward Skloot has been executive director of the $850 million Surdna Foundation, which makes grants to programs in the environment, urban revitalization, youth organizing, arts, and philanthropy and the nonprofit sector. His experiences at the foundation, as well as in earlier positions in charitable organizations and government, have convinced him that foundations should not simply fund the issues they care about—they must also advocate for them.

“We pay nonprofits to advocate for us. That’s not good enough,” Ed explains. “We need to help governments and the public understand both policy and operational issues from philanthropy’s perspective, and to put our thumb on the scale.”

These beliefs explain why Ed sees the Panel on the Nonprofit Sector, of which he is a member, as such an important step for the charitable community. “The Panel worked proactively and positively with Congress on issues crucial to the sector. That effort has increased our standing in Washington—and with our members around the country too.”

The Panel highlights another element crucial to the sector’s ability to change society: collaboration. Surdna has been committed to bringing together grantmakers and grant seekers and to creating broad coalitions. In the 1990s, for example, Surdna sparked and led a broad group of nearly a dozen funders, a half-dozen community development corporations, and numerous government agencies to revitalize a large part of the South Bronx. “We ‘leveraged’ each other’s money and expertise. None of us could have achieved our collective impact had we free-lanced.”

Speaking out and working together are methods for fulfilling what Ed sees as the primary roles of the nonprofit sector: “protecting the social compact, advancing equality and opportunity and, ultimately, holding American culture together.”

Learn more at www.surdna.org.
was adopted in the final rule. We have also taken a key role in the Treasury Guidelines Working Group, a collaboration among a wide range of charitable organizations formed to respond to the Department of the Treasury’s “Anti-Terrorist Financing Guidelines, Voluntary Best Practices for U.S.-based Charities.” After identifying many weaknesses in the guidelines, the Working Group submitted its own “Principles of International Charity” to the Treasury early in 2005. Late in the year, the Treasury released revised guidelines, but the Working Group concluded that even those have significant problems and agreed to ask the Treasury to withdraw them.

Our 25th Anniversary Conference, held October 23-25 in Washington, D.C., provided a snapshot of the issues at the center of our work. The conference, based on the theme Reshaping the Social Compact, attracted 800 people, including nearly 250 chief executives. Its three days of sessions examined what the social compact is now and how it should be strengthened, with a particular focus on the charitable community’s role in its definition and fulfillment; methods for strengthening accountability; approaches to increase civic engagement; and techniques for creating more effective organizations.

One of the highlights of the Annual Conference is the presentation of annual awards, which further emphasizes themes important to our work. Receiving the 2005 John W. Gardner Leadership Award was Ronald Grzywinski, chairman and CEO of ShoreBank Corporation. Over nearly forty years, his work has helped transform underserved neighborhoods into vibrant communities and inspired a community development banking movement worldwide. The Leadership IS Award went to the National Hispana Leadership Institute, which uses leadership courses, breakfasts and conferences, to

---

Vital Voice: Irene Hirano

The history of Japanese Americans is not dominated by the protection of democratic rights, but Irene Hirano is doing her part to change that for the future.

As president and CEO of the Japanese American National Museum in Los Angeles, Irene heads the only museum in the country dedicated to sharing the experience of Americans of Japanese ancestry. JANM serves about 250,000 people onsite each year through its exhibits, collections, and programs, and reaches more than 500,000 additional people online through its three websites. One of the museum’s newest programs, the National Center for the Preservation of Democracy, works with children and educators to connect diverse cultural and ethnic experiences in order to motivate young people to shape and strengthen democracy.

“One of the most rewarding aspects of the work of the Japanese American National Museum has been to develop collaborative projects with other ethnic and cultural organizations, locally and nationally,” says Irene.

Beginning in 2000, JANM worked with the then-newly created Arab American National Museum in Dearborn, Michigan. Following the September 11 terrorist attacks, the museum was being developed in a climate hostile towards Arab Americans. JANM wanted to ensure that the World War II experiences of Japanese Americans were not repeated in a different community.

“Through educational programs that linked the lessons of the past to the challenges of the present, we were able to develop collaborative programs that connected different yet similar community experiences,” concludes Irene.

Learn more at www.janm.org.

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Irene Hirano (center) with U.S. Senator Daniel K. Inouye (second from left) and former Secretary of the Army Louis Caldera (second from right) at the October 2005 opening of the National Center for the Preservation of Democracy.
and mentoring programs to train, motivate, and build a network to influence decision making and inspire Latinas to reach more influential positions in society. The Virginia A. Hodgkinson Research Prize for outstanding work on our sector went to Pippa Norris and Ronald Inglehart for their book, Sacred and Secular: Religion and Politics Worldwide.

Strengthening Independent Sector
Fulfilling our goals of building stronger charitable organizations and strengthening democracy will be possible only if IS remains an effective, responsive organization. During the past year, IS took a number of important steps that enable us to pursue these goals.

We have continued to diversify and expand the resources we have to do our work. By the end of 2005 our membership had grown to nearly 540, an increase of more than 10 percent from the beginning of the year. Included in that number were more than 100 new or rejoining members. Following the decision of our members in November 2004 to encourage leading organizations on the local, regional, and state levels that share our values to join IS, we reached out to a wide range of groups so that the IS coalition would more fully represent the sector’s incredible diversity. Our fundraising also continues to be successful, particularly considering the exceptional needs created by the Panel on the Nonprofit Sector. During 2005, IS received a series of multi-year grants that are helping us to meet our needs both this year and in the future.

Vital Voice: Ronald Grzywinski
A neighborhood bank for low-income people. It sounds like a great idea, but in 1973, this effort seemed radical and likely to fail.
Ron Grzywinski and his colleagues wanted to provide African Americans, low-income residents, and inner city businesses with access to financial resources unavailable elsewhere. Over the last 30 years, ShoreBank’s efforts have transformed Chicago’s disinvested South and West Side neighborhoods and communities around the world.
“There is greater understanding and appreciation than ever for what banks and other private institutions can accomplish by increasing the availability of capital, credit and financial services to low-income individuals and nonprofits in underserved communities,” explains Ron, chairman and CEO of ShoreBank Corporation. “By providing these groups with access to resources, more private institutions are transforming urban and rural areas into new whole, healthy communities of choice—places where people are, once again, wanting to live and work.”

Take Samuel Zapeda, Jr., the founder and president of Vistas Construction of Illinois. Born in Jalisco, Mexico, and raised in the Roseland community of Chicago, Samuel started his general contracting business in 2000 with only $6,000 in start-up capital and one employee. Today, thanks to a complete financing package from ShoreBank, Samuel is able to hire 150 employees and serves public and private clients, specializing in reinforced concrete structures, building construction services, excavation, and grounds maintenance. The company is now valued at over $4 million. In 2005, the Small Business Administration named Samuel the Illinois Small Business Champion of the Year.

“Now is an exciting time because more people are recognizing that the impossible dream of thirty-three years ago is indeed possible,” says Ron. “Financial institutions and other private firms can operate profitable self-sustaining business while doing good, building stronger communities and creating a healthier environment.”

Learn more at www.shorebankcorp.com.
This growth in resources was a key part of our ability to implement the strategic business plan the Board of Directors adopted in the fall of 2004. The plan responded to the call from the sector that IS focus on two areas: providing greater leadership for America’s charities and foundations, and expanding our membership so it reflects the increasing diversity of our charitable community. We have improved our methods for identifying and responding to emerging issues; we have created several new staff positions to help us serve our members and the sector, including director of membership and policy associate for civic engagement; and we have facilitated internal communication to support cross-departmental projects such as strengthening accountability within the sector.


By the end of the year, Independent Sector even looked different. After an extensive development process shaped by pro bono branding consultants, we introduced at the Annual Conference a new logo and tagline that provides a fresh and energized perspective. Our visual symbol reflects several ideas—at first glance it might be an eye, or two people reaching out to each other, or a person with hands clasped over head in victory. Our new color—green—reflects energy, growth, and vibrancy. And our new tagline “A Vital Voice For Us All” highlights how our organization and our sector give voice to people across the country and around the world. The logo and tagline reflect our role as a dynamic convener of and communicator with the charitable community and with the broader society.

The constructive work of the past year has provided us with a platform from which we can reach even higher in 2006. With the continued support of our member organizations, which are at the center of all our work, we will continue to improve our own operations, build more effective, more accountable charitable organizations, and strengthen democracy. We look forward to continuing to demonstrate the enormous value the charitable sector provides to communities across the country and around the world.

Highlights from 2005

President Bush meets with nonprofit leaders, including several from IS members, to highlight the role of human service and faith-based organizations in society.

Happy Birthday, IS! IS leaders past and present celebrate the 25th anniversary. (Front, from left) Founding President Brian O’Connell, current President Diana Aviv, and former Chair Raul Yzaguirre. (Back, from left) Past Chairs John Seffrin and Peter Goldberg, and current Chair William Trueheart.
2005 Contributors
IS wishes to recognize these individuals and organizations whose contributions to Independent Sector have played a critical role in furthering IS’s mission and vision.

General Support Funders
The American Express Foundation
The Ford Foundation
Bill & Melinda Gates Foundation
William Caspar Graustein Memorial Fund
Evelyn and Walter Haas, Jr. Fund
The William and Flora Hewlett Foundation
John S. and James L. Knight Foundation
Charles Stewart Mott Foundation
Open Society Institute
The Pew Charitable Trusts
Surdna Foundation
Wallace Foundation

Restricted Grant Funders
Building Value Together
The William and Flora Hewlett Foundation

Civic Engagement
The American Express Foundation
MetLife Foundation

Ethics and Accountability
Bill & Melinda Gates Foundation
GE Foundation
The Rockefeller Foundation

International Program
Alcoa Foundation
Chevron Corporation
The Ford Foundation
The Global Fund for Children
The Global Fund for Women
Merrill Lynch & Co. Foundation, Inc.

Public Policy
Carnegie Corporation of New York

Research
The Center for Information and Research on Civic Engagement (CIRCLE), University of Maryland School of Public Affairs
The Coca-Cola Company
The Levi Strauss Foundation
Lilly Endowment Inc.
MetLife Foundation

Sector-Wide Communications Initiative
W.K. Kellogg Foundation
The David and Lucile Packard Foundation

Social Justice Study
The Ford Foundation

Sustainability
W.K. Kellogg Foundation

Awards
John W. Gardner Leadership Award
The Cleveland Foundation
The William Randolph Hearst Foundations

Leadership IS Award
Chevron Corporation

Virginia A. Hodgkinson Research Prize
National Association of Service & Conservation Corps (NASCC)
Nehemiah Corporation of America
25th Anniversary Partners
IS’s 25th Anniversary Partners provided special gifts in 2005 to recognize Independent Sector’s contributions to the vitality and effectiveness of our nation’s nonprofit and philanthropic community over the past 25 years.

AARP
American Cancer Society
American Heart Association
Big Brothers Big Sisters
Maurice Falk Fund
Girl Scouts of the USA
The George Gund Foundation
The William Randolph Hearst Foundations
Islamic Society of North America
JCPenney Company Fund
F. Martin & Dorothy A. Johnson Family Fund, Grand Haven
Area Community Foundation
Kansas Health Foundation
The Samuel H. Kress Foundation
Lumina Foundation for Education
McGregor Fund
NALEO Educational Fund
Pierre and Pamela Omidyar Fund, an Advised Fund at Peninsula Community Foundation
Sid W. Richardson Foundation
The Skoll Fund
The Spencer Foundation

25th Anniversary Conference Partners
The following organizations and individuals generously supported the 2005 Annual Conference in Washington, DC.

AARP
Aetna Foundation
America Online
American Association of Museums
American Express Foundation
American Legacy Foundation
Americans for the Arts
Anonymous
Bank of America Charitable Foundation
Diane and Norman Bernstein Fund of The Community Foundation for the National Capital Region
CAFAmerica
The California Wellness Foundation
The Annie E. Casey Foundation
Chevron Corporation
The Chronicle of Philanthropy
The Cleveland Foundation
The Coca-Cola Company
Community Counselling Service
The Community Foundation for the National Capital Region
The Conservation Fund
The Council on Foundations
Deltek
Enterprise Community Partners, Inc.
Fannie Mae Foundation
Forum One Communications
Freddie Mac Foundation
Goodwill Industries International, Inc.
Philip L. Graham Fund
Grant Thornton LLP
The William Randolph Hearst Foundations
The Home Depot
Idealist.org
The James Irvine Foundation
The Jovid Foundation
Kaiser Permanente
The Kerr Foundation, Inc.
Kimsey Foundation
Leader to Leader Institute
The Ludwig Family Foundation and Promontory Financial Group
McCormick Tribune Foundation
Merrill Lynch & Co.
Foundation, Inc.
Meyer Foundation
Morino Institute
Nellie Mae Education Foundation
Peninsula Community Foundation
The Summit Fund of Washington
United Nations Foundation
Volunteers of America
Women & Philanthropy

Matching Gift Organizations
Aetna Foundation
The Ford Foundation
The Kresge Foundation
Hershey Trust Company
Richard and Susan Smith Family Foundation
25th Anniversary Distinguished Leaders Circle of Associates

The Associates form a leadership circle of individuals investing in the future of philanthropy and citizen action through personal gifts of $1,000 or more to Independent Sector.

Edward H. Able, Jr.  David S. Ford  Patricia Read  Donald M. Stewart
Diana Aviv  Barry D. Gaberman  Bill Reese  Eric Thurman
Susan Berresford  Brian Gallagher  Sharene Rekow  William E. Trueheart
Jeffrey L. Bradach  Peter B. Goldberg  Skip Rhodes  Paula Van Ness
Debra Cabral  Dahna Goldstein  Scott Ridge  Luz Vega-Marquis
Hodding Carter III  Darell Hammond  Sherry Rockey  Claire Wellington
Patricia Nash Christel  Malvina Rollins Kay  Mary Beth Salerno  William S. White
Jennifer Dunlap  Kevin Klose  John Seffrin  John C. Whitehead
Wayne and Leslee Feinstein  Lynn Lyss  Ruth Shack  James Williams
Barbara D. Finberg  Jan Masaoka  Edward Skloot  Matthew Yale
Allison Fine and Scott Freiman  Peggy Sanchez Mills  Lorie Slutsky  Gary L. Yates
† deceased
Julie Floch  William D. Novelli  Jonathan Small  

Annual Fund

The following individuals and organizations supported Independent Sector in 2005.

Anne L. Bryant  J.D. Hokoyama  Combined Federal Campaign:
Kathleen W. Buechel  Lee, Julian, Stacey, and  • Action for Boston
Ellis Carter  Debbie Lichter  Community Development, Inc.
Linda Hawes Clever  Gabriella Morris  • Community Health
Copilevitz & Canter, LLC  Adam Sonfield  Charities of North Carolina
Eugene C. Dorsey  Scott Strumello  • Fort Sill-Lawton
Robert W. Edgar  Russy Sumariwalla  • Gateway
Lewis M. Feldstein  Alfred Taylor  • Greater Southwest Texas
Marilda Gandara  Arturo Vargas  • Midlands Area
Christopher Gates  Marcia Wheatley  • National Capitol Area
Mary Grimm  M. Cass Wheeler  Combined Federal Campaign:
J. Bryan Hehir  Ruth Wooden  • Peninsula

Additional Thanks

These individuals and organizations generously gave their time and expertise to IS.

Robert Boisture and members of the Exempt Organizations Practice Group, Caplin & Drysdale
Robert J. Gould, Porter Novelli
Marion R. Fremont-Smith, Senior Research Fellow, Hauser Center for Nonprofit Organizations, Harvard University
Public Agenda in collaboration with the Kettering Foundation
Ron and Kim Vandenber, Berkeley Merchant
David Clayton, Harris Interactive, Inc.
Funders of the Panel on the Nonprofit Sector

The Panel’s work to strengthen the nonprofit sector would not be possible without the support of a broad array of organizations, including foundations and charities, and of individuals.

AARP
The Ahmanson Foundation
American Cancer Society
Alcoa Foundation
American Diabetes Association
American Express Foundation
American Heart Association
American Red Cross
The Associated Jewish Community Federation of Baltimore
The Atlantic Philanthropies
Berks County Community Foundation
The Boston Foundation
Boy Scouts of America
Otto Bremer Foundation
The California Wellness Foundation
The Annie E. Casey Foundation
Central New York Community Foundation, Inc.
Chevron Corporation
The Chicago Community Foundation
The Edna McConnell Clark Foundation
The Cleveland Foundation
Robert S. Collier
The Community Foundation for Greater Atlanta
Community Foundation for Monterey County
The Community Foundation of Santa Cruz County
Board Discretionary Grants of the Community Foundation Serving Richmond & Central Virginia
The Nathan Cummings Foundation
Cystic Fibrosis Foundation
Doris Duke Charitable Foundation
The Dyson Foundation
Eastman Kodak Company
Evangelical Council for Financial Accountability
The Ford Foundation
Bill & Melinda Gates Foundation
GE Foundation
Georgia Power
The Wallace Alexander Gerbode Foundation
Goodwill Industries International
Miriam and Peter Haas Fund
Evelyn and Walter Haas, Jr. Fund
The William and Flora Hewlett Foundation
The James Irvine Foundation
JCPenney Company Fund, Inc.
Jewish Community Federation of Cleveland
Jewish United Fund/Jewish Federation of Greater Los Angeles
F. Martin & Dorothy A. Johnson Family Fund at the Grand Haven Area Community Foundation
The Robert Wood Johnson Foundation
The Joyce Foundation
Kalamazoo Community Foundation
W.K. Kellogg Foundation
John S. and James L. Knight Foundation
The Susan G. Komen Breast Cancer Foundation
The Kresge Foundation
The Lucent Technologies Foundation
Lumina Foundation for Education
The John D. and Catherine T. MacArthur Foundation
A.L. Mailman Family Foundation, Inc.
March of Dimes Birth Defects Foundation
McKesson Foundation
The Meadows Foundation
The Andrew W. Mellon Foundation
Merrill Lynch & Co., Inc.
Meyer Memorial Trust
Charles Stewart Mott Foundation
National Alopecia Areata Foundation
The Nature Conservancy
New Hampshire Charitable Foundation
The New York Community Trust
The Samuel Roberts Noble Foundation
North Carolina Community Foundation
David and Lucile Packard Foundation
Partnership for Prevention
Peninsula Community Foundation
The Pew Charitable Trusts*
The Pittsburgh Foundation
Rochester Area Community Foundation
Rockefeller Brothers Fund
The Rockefeller Foundation
The Seattle Foundation
Skoll Foundation
Sonora Area Foundation
Stark Community Foundation
Surdna Foundation
Take Charge America
Herman Art Taylor
Triangle Community Foundation
UJA Federation of Jewish Philanthropies of New York
United Cerebral Palsy
United Jewish Communities
United Nations Foundation
United Way of America
Verizon Communications
The Wallace Foundation
Weingart Foundation
YMCA of the USA

* Portion of a grant made to Independent Sector includes work to support the Panel
Revenue from membership dues grew by 21 percent in 2005 over 2004, and grants and contributions increased 24 percent during the same period. Some grants were given for multi-year projects and are reflected as temporarily restricted in the financial statements.

Independent Sector continued to serve as the convener of the Panel on the Nonprofit Sector as the Panel published its Final Report to Congress and the nonprofit community. As with all restricted funds, grants in support of the Panel, along with the staff time and other expenses dedicated to the project, are recorded, tracked, and monitored separately from other program operations.

IS continues to strengthen its internal controls, concentrating on transparency and accountability as well as adhering to the generally accepted accounting principles required for nonprofit organizations.

The financial statements on the following pages provide an overview of IS’s fiscal position at the close of 2005.

### Statement of Financial Position as of December 31, 2005

**ASSETS**

- Cash and cash equivalents $1,917,497
- Investments 12,548,139
- Grants and accounts receivable 2,091,869
- Accrued interest receivable 9,946
- Property and equipment, net 382,314
- Supplemental executive retirement plan 157,581
- Other assets 107,900

**TOTAL ASSETS** $17,215,246

**LIABILITIES**

- Accounts payable and accrued expenses $553,620
- Deferred revenue 12,200
- Deferred compensation 157,581

**TOTAL LIABILITIES** $723,401

**NET ASSETS**

- Undesignated $1,337,758
- Designated 8,697,259
- Temporarily restricted 6,456,828

**TOTAL NET ASSETS** $16,491,845

**TOTAL LIABILITIES AND NET ASSETS** $17,215,246
### Statement of Activities and Changes in Net Assets for Year Ending December 31, 2005

<table>
<thead>
<tr>
<th>Source of Revenue/Expense</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and contributions</td>
<td>$300,338</td>
<td>$7,388,623</td>
<td>$7,688,961</td>
</tr>
<tr>
<td>Membership dues</td>
<td>2,629,578</td>
<td></td>
<td>2,629,578</td>
</tr>
<tr>
<td>Conference fees and sponsorships</td>
<td>817,402</td>
<td></td>
<td>817,402</td>
</tr>
<tr>
<td>Interest and dividend income</td>
<td>283,167</td>
<td></td>
<td>283,167</td>
</tr>
<tr>
<td>Publications sales and other</td>
<td>51,770</td>
<td></td>
<td>51,770</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>5,382,117</td>
<td>(5,382,117)</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>$9,464,372</td>
<td>$2,006,506</td>
<td>$11,470,878</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Source of Revenue/Expense</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Panel on the Nonprofit Sector</td>
<td>2,426,068</td>
<td>-</td>
<td>2,426,068</td>
</tr>
<tr>
<td>Annual Conference</td>
<td>1,131,347</td>
<td>-</td>
<td>1,131,347</td>
</tr>
<tr>
<td>Public Policy and Government Affairs</td>
<td>1,077,869</td>
<td>-</td>
<td>1,077,869</td>
</tr>
<tr>
<td>Communications/Marketing</td>
<td>802,892</td>
<td>-</td>
<td>802,892</td>
</tr>
<tr>
<td>Nonprofit Sector Programs and Practice</td>
<td>615,816</td>
<td>-</td>
<td>615,816</td>
</tr>
<tr>
<td>Emerging Issues and Strategic Initiatives</td>
<td>416,452</td>
<td>-</td>
<td>416,452</td>
</tr>
<tr>
<td>Total program services</td>
<td>$6,470,444</td>
<td>-</td>
<td>$6,470,444</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Source of Revenue/Expense</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General and administrative</td>
<td>$522,600</td>
<td>-</td>
<td>$522,600</td>
</tr>
<tr>
<td>Fundraising</td>
<td>243,821</td>
<td>-</td>
<td>243,821</td>
</tr>
<tr>
<td>Membership development</td>
<td>102,637</td>
<td>-</td>
<td>102,637</td>
</tr>
<tr>
<td>Total support services</td>
<td>$869,058</td>
<td>-</td>
<td>$869,058</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>$7,339,502</td>
<td>-</td>
<td>$7,339,502</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Source of Revenue/Expense</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets before net gain on investments</td>
<td>$2,124,870</td>
<td>$2,006,506</td>
<td>$4,131,376</td>
</tr>
<tr>
<td>Unrealized gain on investments</td>
<td>222,375</td>
<td>-</td>
<td>222,375</td>
</tr>
<tr>
<td>Total change in net assets</td>
<td>$2,347,245</td>
<td>$2,006,506</td>
<td>$4,353,751</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Source of Revenue/Expense</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, beginning of year</td>
<td>7,687,772</td>
<td>4,450,322</td>
<td>12,138,094</td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>$10,035,017</td>
<td>$6,456,828</td>
<td>$16,491,845</td>
</tr>
</tbody>
</table>

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Each year, independent accountants conduct an examination of IS’s books, records, and fiscal policies and procedures, and present audited financial statements to the IS Board of Directors. The audited statements and the Form 990 are available on the IS website at www.independentsector.org.
Strengthening the Voice of the Charitable Community

Every day, Independent Sector’s members improve lives in communities across the country and around the world. This remarkably varied group—approximately 550 charities, foundations, and corporate giving programs—pursues missions in virtually every field, from the environment to the arts, from education to health care, from human services to religion.

Joining Independent Sector makes the voices of these organizations even stronger. IS provides leadership for America’s charitable community, bringing nonprofits together to strengthen democracy and to build a more ethical, more accountable sector. By drawing on the knowledge and commitment of its members, IS promotes higher standards, addresses common concerns, and protects the independence that our sector needs to remain a vital part of society.

Becoming part of the Independent Sector coalition gives our members invaluable opportunities to:

• Magnify their influence on public policies affecting the entire charitable community.
• Join with other leaders to take collective action on major issues affecting the nonprofit sector, such as effectiveness and funding.
• Improve practices in key areas such as accountability and transparency.
• Build connections with leaders from diverse organizations to exchange ideas and best practices.
• Develop collaborative strategies to build a vibrant democracy and advance the common good.

By joining IS, members become part of a group of nonprofit leaders working together to strengthen the sector today and shape its future. Learn more about membership in Independent Sector by visiting www.independentsector.org, or by contacting Director of Membership Michael Connor at michaelc@independentsector.org or phone 202-467-6100.

www.independentsector.org • 202-467-6100
Independent Sector Members

AARP
Washington, DC
The Academy for Leadership and Governance, (JCLA)
Columbus, OH
Arab Community Center for Economic & Social Services**
Dearborn, MI
Actknowledge Inc.
New York, NY
Aetna Foundation, Inc.*
Hartford, CT
Aga Khan Foundation U.S.A.
Washington, DC
Agency Certification Initiative**
Boynton Beach, FL
Alcoa Foundation*
Pittsburgh, PA
The Alford Group Inc.*
Evanston, IL
Consuelo Zobel Alger Foundation
Honolulu, HI
Alliance for Children and Families*
Milwaukee, WI
Alliance for Excellent Education
Washington, DC
Alliance of Nonprofit Mailers
Washington, DC
Altria Group, Inc.
New York, NY
American Arts Alliance*
Washington, DC
American Association of Community Colleges
Washington, DC
American Association of Museums
Washington, DC
American Cancer Society*
Atlanta, GA
American Civil Liberties Union Foundation**
New York, NY
American Council on Education
Washington, DC
American Diabetes Association
Alexandria, VA
American Express Company
New York, NY
American Foundation for the Blind
New York, NY
American Health Quality Association**
Washington, DC
American Heart Association
Dallas, TX
American Hospital Association**
Washington, DC
American Humanics
Kansas City, MO
American Institute of Philanthropy
Chicago, IL
American Jewish Committee Long Island Chapter**
Jericho, NY
American Jewish Joint Distribution Committee†
New York, NY
American Legacy Foundation
Washington, DC
American Lung Association**
Washington, DC
American Museum of Natural History
New York, NY
American Red Cross*
Washington, DC
American Society of Association Executives
Washington, DC
American Symphony Orchestra League
New York, NY
Americans for Indian Opportunity
Albuquerque, NM
Americans for the Arts*
Washington, DC
Americans for UNFPA, Inc.*
New York, NY
America’s Promise - The Alliance for Youth**
Alexandria, VA
America’s Second Harvest
Chicago, IL
AmericaSpeaks**
Washington, DC
Amigos de las Americas
Houston, TX
Anti-Defamation League (ADL)
New York, NY
Appalachian College Association**
Berea, KY
Lance Armstrong Foundation
Austin, TX
Asian American Justice Center
Washington, DC
Asian Pacific American Institute for Congressional Studies (APAICS)
Washington, DC
The Aspen Institute
Washington, DC
The ASPIRA Association*
Washington, DC
Associated Grant Makers (AGM)**
Boston, MA
Associated Press Managing Editors Association Foundation Inc†
New York, NY
Association for Healthcare Philanthropy†
Falls Church, VA
Association for Research on Nonprofit Organizations & Voluntary Action (ARNOVA)
Indianapolis, IN
Association of Advanced Rabbinical & Talmudic Schools (AARTS)
New York, NY
Association of American Medical Colleges**
Washington, DC
Association of Art Museum Directors
New York, NY

* Charter member
** New member in 2005
† New member in 2006 through May.
Members

Association of Baltimore Area Grantmakers  
Baltimore, MD
Association of Direct Response Fundraising Counsel**  
Washington, DC
Association of Governing Boards of Universities and Colleges*  
Washington, DC
Association of Jewish Family and Children’s Agencies  
East Brunswick, NJ
Association of Junior Leagues International*  
New York, NY
Association of Lutheran Development Executives  
Madison, WI
Association of Public Television Stations (APTS)  
Washington, DC
Association of PVO Financial Managers**  
Westport, CT
Association of Small Foundations  
Bethesda, MD
The Atlantic Philanthropies  
New York, NY
Mary Reynolds Babcock Foundation*  
Winston Salem, NC
Bank of America Foundation  
Charlotte, NC
Bayer Center for Nonprofit Management, Robert Morris University**  
Pittsburgh, PA
BBB Wise Giving Alliance  
Arlington, VA
S.D. Bechtel, Jr. Foundation  
San Francisco, CA
BellSouth Corporation  
Atlanta, GA
Benton Foundation  
Washington, DC
Big Brothers Big Sisters of America  
Philadelphia, PA
Blackbaud, Inc.  
Charleston, SC
Blue Shield of California Foundation**  
San Francisco, CA
BoardSource  
Washington, DC
The Boston Foundation**  
Boston, MA
Otto Bremer Foundation  
Saint Paul, MN
The Bridgespan Group  
Boston, MA
Bridging, Inc. †  
Minneapolis, MN
The Andrea and Charles Bronfman Foundation, Inc. †  
New York, NY
The Bruderhof Foundation, Inc.**  
Rifton, NY
Burr, Pilger & Mayer**  
San Francisco, CA
The Bush Foundation  
Saint Paul, MN
c.e. and s. Foundation**  
Louisville, KY
CAfamerica  
Alexandria, VA
California Association of Nonprofits  
Los Angeles, CA
The California Endowment  
Los Angeles, CA
California HealthCare Foundation  
Oakland, CA
The California Wellness Foundation  
Woodland Hills, CA
Camp Fire USA*  
Kansas City, MO
Campaign for Tobacco-Free Kids  
Washington, DC
CANBE: Community Association of Nonprofit Business Executives  
Blue Springs, MO
Cancer Care, Inc.  
New York, NY
Carnegie Corporation of New York*  
New York, NY
The Case Foundation**  
Washington, DC
The Annie E. Casey Foundation  
Baltimore, MD
Marguerite Casey Foundation  
Seattle, WA
Catholic Charities USA*  
Alexandria, VA
Catholic Health Association of the United States †  
Washington, DC
Catholic Network of Volunteer Service  
Takoma Park, MD
CBM Credit Education Foundation, Inc.  
Madison, WI
CDC Foundation  
Atlanta, GA
The Center for Effective Philanthropy  
Cambridge, MA
Center for Lobbying in the Public Interest  
Washington, DC
Center for Non-Profit Corporations  
North Brunswick, NJ
Center for Nonprofit Excellence  
Akron, OH
Center for Nonprofit Excellence  
Albuquerque, NM
Center for Nonprofit Excellence**  
Colorado Springs, CO
Center on Budget and Policy Priorities †  
Washington, DC
The Center on Philanthropy and Public Policy, University of Southern California  
Los Angeles, CA
Center on Philanthropy and Civil Society, The Graduate Center, The City University of New York  
New York, NY
The Center on Philanthropy At Indiana University  
Indianapolis, IN
Center on Wealth and Philanthropy, Boston College  
Chestnut Hill, MA
Centre for Management & Technology  
Baltimore, MD
Charities Review Council†
Saint Paul, MN
Chevron Corporation*
San Ramon, CA
The Chicago Community Trust
Chicago, IL
Chicago Tribune Foundation
Chicago, IL
Cisco Systems, Inc.
San Jose, CA
City Connect Detroit
Detroit, MI
City Year, Inc.
Boston, MA
Civic Ventures†
San Francisco, CA
CLAL - The National Jewish Center for Learning and Leadership
New York, NY
Edna McConnell Clark Foundation
New York, NY
The Cleveland Foundation*
Cleveland, OH
Close Up Foundation
Alexandria, VA
The Coca-Cola Company*
Atlanta, GA
College Foundation of UVA**
Charlottesville, VA
College Summit**
Washington, DC
Colorado Association of Nonprofit Organizations
Denver, CO
Columbia Foundation
San Francisco, CA
The Columbus Foundation
Columbus, OH
Committee To Encourage Corporate Philanthropy**
New York, NY
Commonfund Institute**
Wilton, CT
Commonwealth Fund**
New York, NY
The Communications Network, Inc.
Silver Spring, MD
Community Counselling Service Co. Inc.
New York, NY
The Community Foundation for Greater Atlanta
Atlanta, GA
Community Foundation for Southeastern Michigan
Detroit, MI
The Community Foundation for the National Capital Region
Washington, DC
Community Foundations of America, Inc.
Louisville, KY
Community Human Services Inc.**
Chicago, IL
Community Partners**
Los Angeles, CA
Congressional Hispanic Caucus Institute, Inc.
Washington, DC
The Congressional Hispanic Leadership Institute, Inc. (CHLI)
Washington, DC
Connecticut Council for Philanthropy
Hartford, CT
Connelly Foundation
Conshohocken, PA
The Conservation Fund
Arlington, VA
Consistent Computer Bargains
Racine, WI
Consumer Consortium on Assisted Living
Falls Church, VA
Consumers Union of the U.S.
Yonkers, NY
Jack Kent Cooke Foundation**
Lansdowne, VA
Copilevitz & Canter LLC
Kansas City, MO
Peter C. Cornell Trust
Snyder, NY
Council for Advancement and Support of Education (CASE)*
Washington, DC
Council for American Private Education*
Germantown, MD
Council of Michigan Foundations
Grand Haven, MI
Council on Foundations*
Washington, DC
The Nathan Cummings Foundation
New York, NY
Cystic Fibrosis Foundation
Bethesda, MD
DaimlerChrysler Corporation Fund
Auburn Hills, MI
Daniels Fund†
Denver, CO
Day, Berry & Howard Foundation, Inc.
Hartford, CT
Delaware Valley Grantmakers
Philadelphia, PA
DMA Nonprofit Federation
Washington, DC
Demos: A Network for Ideas and Action
New York, NY
Gaylord and Dorothy Donnelley Foundation
Chicago, IL
Donors Forum of Chicago
Chicago, IL
The Herbert H. and Grace A. Dow Foundation
Chicago, IL
Dress for Success, Indianapolis†
Indianapolis, IN
Doris Duke Charitable Foundation
New York, NY
DuPont*
Wilmington, DE
Duquesne University, Nonprofit Leadership Institute
Pittsburgh, PA
The Dyson Foundation**
Millbrook, NY
Easter Seals
Chicago, IL
Echoing Green
New York, NY

This list includes members that joined in 2005, new members in 2006, and members that joined in 2006 through May.
Members

Ecumenical Center for Stewardship Studies
Indianapolis, IN

Educap Inc
McLean, VA

El Pomar Foundation
Colorado Springs, CO

Elderworks
Scarsdale, NY

Environmental Defense
New York, NY

Evangelical Council for Financial Accountability*
Winchester, VA

Executive Alliance
Seattle, WA

The Eye-Bank for Sight Restoration, Inc.**
New York, NY

Maurice Falk Fund
Pittsburgh, PA

Family Promise
Summit, NJ

Farmworker Justice Fund, Inc.**
Washington, DC

Fedcap Rehabilitation Services, Inc.
New York, NY

The Fetzer Institute, Inc.**
Kalamazoo, MI

Fidelity Foundation**
Boston, MA

Florida Association of Nonprofit Organizations
Miami Lakes, FL

Florida Earth Foundation
West Palm Beach, FL

Florida Philanthropic Network**
Winter Park, FL

The Ford Foundation*
New York, NY

Ford Motor Company Fund*
Dearborn, MI

Forum of Regional Associations of Grantmakers
Washington, DC

The Foundation Center*
New York, NY

American Foundation for AIDS Research (AMFAR)
New York, NY

Foundation for Chiropractic Education & Research**
Norwalk, IA

The Foundation for Community Empowerment
Dallas, TX

Foundation for Independent Higher Education
Washington, DC

Foundation for the Mid South
Jackson, MS

Foundation of the National Student Nurses’ Association, Inc.
Brooklyn, NY

FoundationWorks
Washington, DC

Franklin McKinley Education Foundation
San Jose, CA

Freeborn Foundation
Stamford, CT

The Fresh Air Fund*
New York, NY

Friedlander Family Fund**
Cincinnati, OH

Lloyd A. Fry Foundation
Chicago, IL

Fulbright Association**
Washington, DC

Fund for Theological Education
Atlanta, GA

Bill & Melinda Gates Foundation
Seattle, WA

Gay and Lesbian Victory Fund and Leadership Institute
Washington, DC

GE Foundation
Fairfield, CT

General Conference of Seventh-day Adventists*
Silver Spring, MD

General Mills Foundation
Minneapolis, MN

Georgia Center for Nonprofits
Atlanta, GA

The Wallace Alexander Gerbode Foundation
San Francisco, CA

German Marshall Fund of the United States**
Washington, DC

Gill Foundation
Denver, CO

Girl Scouts of the USA*
New York, NY

Girls Incorporated*
New York, NY

The Gleitsman Foundation
Malibu, CA

The Global Fund for Children
Washington, DC

Global Fund for Women
San Francisco, CA

Global Giving**
Bethesda, MD

Global Impact
Alexandria, VA

The Goldman Sachs Foundation
New York, NY

Goodwill Industries International, Inc.
Rockville, MD

The Grace Children’s Foundation
New York, NY

Granite State Association of Nonprofits**
Concord, NH

The Grant Center†
Memphis, TN

Grant Thornton LLP
Vienna, VA

Grantmakers for Effective Organizations
Washington, DC

Grantmakers Forum of New York
Rochester, NY

Grantmakers In Health
Washington, DC

William Caspar Graustein Memorial Fund
Hamden, CT

Great Lakes Colleges Association**
Ann Arbor, MI

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<th>Foundation Name</th>
<th>City, State</th>
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<tr>
<td>Greater Bridgeport Area Foundation</td>
<td>Bridgeport, CT</td>
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<td>The Gries Family Foundation</td>
<td>Cleveland, OH</td>
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<td>GuideStar-Philanthropic Research, Inc.</td>
<td>Williamsburg, VA</td>
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<tr>
<td>The George Gund Foundation</td>
<td>Cleveland, OH</td>
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<tr>
<td>Walter and Elise Haas Fund</td>
<td>San Francisco, CA</td>
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<tr>
<td>Evelyn and Walter Haas, Jr. Fund</td>
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<td>Half the Sky Foundation</td>
<td>Berkeley, CA</td>
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<td>Hallmark Corporate Foundation</td>
<td>Kansas City, MO</td>
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<td>HandKind Company</td>
<td>Chicago, IL</td>
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<td>Hands On Network, Inc.</td>
<td>Atlanta, GA</td>
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<td>Mary W. Harriman Foundation</td>
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<td>Hartford Courant Foundation</td>
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<td>The Harwood Institute</td>
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<td>Hawaii Community Foundation</td>
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<td>The Edward W. Hazen Foundation</td>
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<td>Healthy Family Initiatives</td>
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<td>William Randolph Hearst Foundations</td>
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<td>The Howard Heinz Endowment</td>
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<td>Helen Bader Institute for Nonprofit Management</td>
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<td>Helping Teens Succeed</td>
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<td>F. B. Heron Foundation</td>
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<td>The William and Flora Hewlett Foundation*</td>
<td>Menlo Park, CA</td>
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<td>High/Scope Educational Research Foundation</td>
<td>Ypsilanti, MI</td>
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<td>Hispanics in Philanthropy</td>
<td>San Francisco, CA</td>
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<tr>
<td>Hole In The Wall Gang Fund</td>
<td>New Haven, CT</td>
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<td>The Home Depot Foundation**</td>
<td>Atlanta, GA</td>
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<tr>
<td>The Hospice Foundation of the Florida Suncoast†</td>
<td>Clearwater, FL</td>
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<td>The Hospital for Special Surgery, New York City</td>
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<td>Houston Endowment Inc.</td>
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<td>Hudson-Webber Foundation</td>
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<td>Humanity First, USA</td>
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<td>Idealist.Org</td>
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<td>ImportantGifts†</td>
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<td>Indiana Grantmakers Alliance**</td>
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<td>Institute for Global Ethics</td>
<td>Camden, ME</td>
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<td>Institute for Governance and Accountabilities, Virginia Tech</td>
<td>Alexandria, VA</td>
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<td>InterAction-American Council for Voluntary International Action</td>
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<td>International Aid**</td>
<td>Spring Lake, MI</td>
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<td>International Association of Jewish Vocational Services (IAJVS)</td>
<td>Philadelphia, PA</td>
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<td>International Primate Protection League</td>
<td>Summerville, SC</td>
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<td>International Society for Third Sector Research</td>
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<td>INTIMAN Theater**</td>
<td>Seattle, WA</td>
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<td>Iowa Nonprofit Resource Center, University of Iowa</td>
<td>Iowa City, IA</td>
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<td>The James Irvine Foundation*</td>
<td>San Francisco, CA</td>
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<td>Islamic Society of North America</td>
<td>Plainfield, IN</td>
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<td>JA Worldwide</td>
<td>Colorado Springs, CO</td>
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<td>Japanese American National Museum</td>
<td>Los Angeles, CA</td>
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<td>JCPenney Company Fund†</td>
<td>Dallas, TX</td>
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<td>Jewish Agency for Israel*</td>
<td>New York, NY</td>
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<td>Jewish Funders Network</td>
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<td>JM Foundation</td>
<td>New York, NY</td>
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<td>Jobs for the Future</td>
<td>Boston, MA</td>
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<td>Johnson &amp; Johnson*</td>
<td>New Brunswick, NJ</td>
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<td>The Robert Wood Johnson Foundation</td>
<td>Princeton, NJ</td>
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<td>The Johnson Foundation, Inc.</td>
<td>Racine, WI</td>
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<tr>
<td>Joint Action in Community Service, Inc. (JACS)</td>
<td>Washington, DC</td>
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<tr>
<td>Joint Center for Political and Economic Studies</td>
<td>Washington, DC</td>
</tr>
<tr>
<td>The Joyce Foundation</td>
<td>Chicago, IL</td>
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</tbody>
</table>

* Charter member
** New member in 2005
† New member in 2006 through May.

Members
KaBOOM! Inc.
Washington, DC
The Henry J. Kaiser Family Foundation
Menlo Park, CA
Kansas Health Foundation
Wichita, KS
Ewing Marion Kauffman Foundation
Kansas City, MO
W.K. Kellogg Foundation
Battle Creek, MI
Kellogg School of Management, Northwestern University
Evanston, IL
The Kerr Foundation, Inc.
Oklahoma City, OK
Charles F. Kettering Foundation
Dayton, OH
John S. and James L. Knight Foundation
Miami, FL
The Susan G. Komen Breast Cancer Foundation
Dallas, TX
The Kosciuszko Foundation, Inc.
New York, NY
KPMG Foundation
Montvale, NJ
Kraft Foods†
Northfield, IL
The Kresge Foundation
Troy, MI
Land Trust Alliance, Inc.**
Washington, DC
Leader To Leader Institute**
New York, NY
Leadership Conference on Civil Rights, Leadership Conference Education Fund**
Washington, DC
Leadership Education for Asian Pacifics (LEAP)
Los Angeles, CA
League of Women Voters of the United States**
Washington, DC
The Leukemia and Lymphoma Society, Inc.**
Washington, DC
Lilly Endowment, Inc.†
Indianapolis, IN
The Looking Glass Institute**
Pittsburgh, PA
Louisiana Association of Nonprofit Organizations†
Baton Rouge, LA
Lucent Technologies Foundation
New Providence, NJ
Lumina Foundation for Education
Indianapolis, IN
Lutheran Services in America
Baltimore, MD
M. Booth and Associates**
New York, NY
The John D. and Catherine T. MacArthur Foundation
Chicago, IL
Maddie’s Spirit
Alameda, CA
Management Leadership for Tomorrow**
New York, NY
Mandel Center for Nonprofit Organizations, Case Western Reserve University
Cleveland, OH
The Mary Elizabeth & Gordon B. Mannweiler Foundation Inc.**
Cross River, NY
March of Dimes Birth Defects Foundation*
White Plains, NY
John and Mary R. Markle Foundation
New York, NY
Maryland Association of Nonprofit Organizations
Baltimore, MD
McCormick Tribune Foundation*
Chicago, IL
McGregor Fund
Detroit, MI
McKesson Foundation*
San Francisco, CA
The McKnight Foundation
Minneapolis, MN
The Meadows Foundation
Dallas, TX
The Andrew W. Mellon Foundation†
New York, NY
Richard King Mellon Foundation
Pittsburgh, PA
MEM Associates, Inc.
New York, NY
The John Merck Fund
Boston, MA
Merrill Lynch & Co. Foundation, Inc.
New York, NY
MetLife Foundation
Long Island City, NY
Metropolitan Association for Philanthropy
Saint Louis, MO
The Metropolitan Museum of Art
New York, NY
Mexican American Legal Defense and Educational Fund (MALDEF)
Los Angeles, CA
Eugene and Agnes E. Meyer Foundation
Washington, DC
Michael Reese Health Trust
Chicago, IL
Michigan Nonprofit Association
Lansing, MI
Midwest Center for Nonprofit Leadership
Kansas City, MO
The Minneapolis Foundation**
Minneapolis, MN
Minnesota Council of Nonprofits
Saint Paul, MN
Alan Minskoff & Royanne Minskoff Foundation
Boise, ID
Mississippi Center for Nonprofits
Jackson, MS
Mitsubishi Electric America Foundation**
Arlington, VA
David and Yetta Moeer Fund**
Boston, MA
<table>
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<tr>
<th>Organization</th>
<th>City, State</th>
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<tr>
<td>Gordon and Betty Moore Foundation †</td>
<td>San Francisco, CA</td>
</tr>
<tr>
<td>Morino Institute</td>
<td>Reston, VA</td>
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<tr>
<td>Charles Stewart Mott Foundation*</td>
<td>Flint, MI</td>
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<tr>
<td>National 4-H Council</td>
<td>Chevy Chase, MD</td>
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<td>National Alliance for Choice in Giving</td>
<td>Portland, ME</td>
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<td>National Alliance to End Homelessness</td>
<td>Washington, DC</td>
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<td>National Alopecia Areata Foundation**</td>
<td>San Rafael, CA</td>
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<td>The National Architectural Trust Washington, DC</td>
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<td>National Assembly of State Arts Agencies (NASA)*</td>
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<tr>
<td>National Association for Visually Handicapped</td>
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<td>National Association of Independent Colleges and Universities</td>
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<td>National Association of Independent Schools</td>
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<tr>
<td>National Association of Latino Elected &amp; Appointed Officials</td>
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<td>Educational Fund</td>
<td>Los Angeles, CA</td>
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<td>National Association of Service &amp; Conservation Corps (NASCC)</td>
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<td>National Business Officers Association</td>
<td>Boulder, CO</td>
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<td>National CASA Association</td>
<td>Seattle, WA</td>
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<td>National Catholic Development Conference, Inc.*</td>
<td>Hempstead, NY</td>
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<td>National Center for Charitable Statistics, Urban Institute †</td>
<td>Washington, DC</td>
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<tr>
<td>The National Center for Family Philanthropy</td>
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<tr>
<td>The National Center on Nonprofit Enterprise</td>
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<td>National Civic League, Inc.</td>
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<td>National Council for International Visitors</td>
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<td>National Council of Churches USA New York, NY</td>
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<td>National Council of La Raza (NCLR)*</td>
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<td>National Council of Nonprofit Associations</td>
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<td>National Council of Private Agencies for the Blind and Visually Impaired **</td>
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<td>National Council on Child Abuse &amp; Family Violence</td>
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<td>National FFA</td>
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<td>National Health Council*</td>
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<td>The National Health Museum</td>
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<td>National Human Services Assembly Washington, DC</td>
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<td>National Humanities Alliance</td>
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<td>National Immigration Forum</td>
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<td>National Institute on Money in State Politics</td>
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<td>National Multiple Sclerosis Society</td>
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<td>National Network for Youth</td>
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<td>National Ovarian Cancer Coalition**</td>
<td>Boca Raton, FL</td>
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<td>National Press Foundation</td>
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<td>National Public Radio</td>
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<td>National Society of Collegiate Scholars</td>
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<td>Native American Rights Fund</td>
<td>Boulder, CO</td>
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* Charter member
** New member in 2005
† New member in 2006 through May.
Nonprofit Academic Centers Council
Cleveland, OH
Nonprofit Coordinating Committee of New York
New York, NY
Nonprofit Finance Fund
Washington, DC
Nonprofit Enterprise at Work†
Ann Arbor, MI
Nonprofit Network†
Vancouver, WA
The Nonprofit Roundtable of Greater Washington**
Washington, DC
The Nord Family Foundation
Amherst, OH
North Carolina Center for Nonprofits
Raleigh, NC
Northern California Grantmakers
San Francisco, CA
Northrop Grumman Corporation
Los Angeles, CA
Northwest Area Foundation
Saint Paul, MN
NYC Center for Charter School Excellence**
New York, NY
Ohio Grantmakers Forum
Columbus, OH
Ohio Jewish Communities
Columbus, OH
Olive Crest - Homes & Services for Abused Children
Santa Ana, CA
The Omidyar Network
Redwood City, CA
Open Society Institute - New York
New York, NY
Operation Respect, Inc.
New York, NY
Oral Health America
Chicago, IL
Outreach International
Independence, MO
David and Lucile Packard Foundation
Los Altos, CA
Parent-Child Home Program
Port Washington, NY
Park Foundation
Ithaca, NY
Partnership for Prevention
Washington, DC
PBS Foundation
Alexandria, VA
Peninsula Community Foundation
San Mateo, CA
Pennsylvania Association of Nonprofit Organizations
Harrisburg, PA
People Acting for Community Together, Inc.**
Miami, FL
The Pew Charitable Trusts
Philadelphia, PA
Philadelphia Health Management Services Corporation
Philadelphia, PA
The Virginia G. Piper Charitable Trust**
Paradise Valley, AZ
The Pittsburgh Foundation
Pittsburgh, PA
Points of Light Foundation
Washington, DC
Policy Development**
Amherst, MA
Polk Bros. Foundation†
Chicago, IL
The Prudential Foundation
Newark, NJ
Public Agenda
New York, NY
Public Allies, Inc.
Milwaukee, WI
Public Conversations Project
Watertown, MA
Public Radio International
Minneapolis, MN
Raising More Money
Seattle, WA
Raytheon Company
Waltham, MA
Research! America
Alexandria, VA
Retirement Research Foundation
Chicago, IL
Charles H. Revson Foundation*
New York, NY
RGK Foundation**
Austin, TX
The Rhode Island Foundation**
Providence, RI
Sid W. Richardson Foundation
Fort Worth, TX
Fannie E. Rippel Foundation
Basking Ridge, NJ
Rochester Area Community Foundation
Rochester, NY
Rockefeller Brothers Fund*
New York, NY
Rockefeller Foundation*
New York, NY
Rockefeller Philanthropy Advisors**
New York, NY
Rose Community Foundation**
Denver, CO
Rosenberg Foundation*
San Francisco, CA
The Gary Rosenthal Collection**
Kensington, MD
RR Donnelley
Chicago, IL
Russell Sage Foundation*
New York, NY
Salem College**
Winston Salem, NC
The Salk Institute for Biological Studies**
San Diego, CA
The Salvation Army National Headquarters*
Alexandria, VA
San Diego Grantmakers**
La Jolla, CA
The San Francisco Foundation*
San Francisco, CA
Sara Lee Foundation
Chicago, IL
Dr. Scholl Foundation*
Northbrook, IL
Charles and Helen Schwab Foundation  
San Mateo, CA

The Score Foundation**  
Sarasota, FL

The Seattle Foundation  
Seattle, WA

Service Employees International Union†  
Washington, DC

ShoreBank  
Chicago, IL

The Sierra Club Foundation  
San Francisco, CA

Sikkuy: The Association for the Advancement of Civic Equality  
Jerusalem, Israel

Harry Singer Foundation  
Carmel, CA

Skillman Foundation  
Detroit, MI

Skoll Foundation  
Palo Alto, CA

Alfred P. Sloan Foundation*  
New York, NY

Richard and Susan Smith Family Foundation  
Chestnut Hill, MA

The John Ben Snow Foundation  
Syracuse, NY

Social Enterprise Alliance**  
Los Angeles, CA

Society for Nonprofit Organizations  
Canton, MI

Sojourners**  
Washington, DC

South Carolina Association of Nonprofit Organizations  
Columbia, SC

Southern California Grantmakers  
Los Angeles, CA

The Spencer Foundation*  
Chicago, IL

St. Vincent’s Seminary**  
Philadelphia, PA

Starlight Starbright Children’s Foundation  
Los Angeles, CA

State Street Corporation  
Boston, MA

Statedemocracy Foundation  
Bowie, MD

Student Conservation Association*  
Charlestown, NH

Surdna Foundation, Inc.  
New York, NY

Szekely Family Foundation  
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Taconic Foundation Inc.*  
New York, NY

Target Foundation*  
Minneapolis, MN

The Teachers Network, Inc.  
New York, NY

Tides  
San Francisco, CA

Time Warner Inc.  
Sterling, VA

Translational Research Fund  
Bethesda, MD

Trust for Public Land**  
San Francisco, CA

UJA Federation of Jewish Philanthropies of New York, Inc.  
New York, NY

Union Institute & University  
Cincinnati, OH

United Cerebral Palsy**  
Washington, DC

United Jewish Communities  
New York, NY

United Leukodystrophy Foundation  
Sycamore, IL

United Nations Foundation  
Washington, DC

United Negro College Fund*  
Fairfax, VA

United States Conference of Catholic Bishops*  
Washington, DC

United Way of America*  
Alexandria, VA

UniversalGiving  
San Francisco, CA

Utah Nonprofits Association  
Salt Lake City, UT

Verizon Foundation**  
New York, NY

Volunteer Consulting Group/Board  
Net USA  
New York, NY

VolunteerMatch  
San Francisco, CA

Volunteers of America*  
Alexandria, VA

The Wallace Foundation  
New York, NY

Izaak Walton League of America*  
Gaithersburg, MD

Washington Grantmakers  
Washington, DC

Washington Mutual Bank  
Seattle, WA

WATCH, Inc.**  
Coral Gables, FL

The Harry and Jeanette Weinberg Foundation**  
Owings Mills, MD

The Robert A. Welch Foundation**  
Houston, TX

Wildflowers Institute  
San Francisco, CA

Women and Philanthropy*  
Washington, DC

Women’s City Club of New York  
New York, NY

Robert W. Woodruff Foundation*  
Atlanta, GA

Woods Charitable Fund, Inc.  
Lincoln, NE

Woods Fund of Chicago  
Chicago, IL

Xerox Corporation*  
Stamford, CT

YMCA of the USA*  
Chicago, IL

Young Audiences, Inc.  
New York, NY

Youth Service America  
Washington, DC

YWCA of the USA*  
Washington, DC

* Charter member  
** New member in 2005  
† New member in 2006 through May.
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Marketing and Promotions Associate

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Marketing and Promotions Associate
Back cover:
Among those joining the “meeting ground” at the Independent Sector 25th Anniversary Conference in Washington *(from left)*:

- Herman Art Taylor, president and CEO, BBB Wise Giving Alliance;
- Susan Berresford, president, The Ford Foundation;
- Ronald Haskins *(left)*, senior fellow at the Brookings Institution and an architect of welfare reform, and Robert Greenstein, founder and executive director of the Center on Budget and Policy Priorities; and
- Charles Kamasaki *(right)*, senior vice president, National Council of La Raza, and Kathleen McCarthy, director, Center on Philanthropy and Civil Society, City University of New York.