

## Standing with Our Community Partners May 20, 2025

These are unsettled times. In Pittsburgh, southwestern Pennsylvania and across the country, dizzying changes in technology, our ecology and the economy are challenging our collective capacity to solve today's problems while growing a shared, prosperous future.

We can't afford division, and we can't leave anyone behind. With flat population growth in our region, economic prosperity depends on everyone reaching their potential and on new residents firmly finding their place. To get there, we need the broadest possible array of perspectives to spark the best ideas and wisest decisions.

Startlingly, the anxiety of recent years has been exacerbated by precipitous cuts of federal funding over the past few months. Blocked or withdrawn funds — often previously committed — to some of our region's core community organizations are already hurting our neighbors, and continued uncertainty is adding to the anxiety.

The Heinz Endowments has responded to provide some stability by increasing our 2025 regular grantmaking by 15 percent. In February, we launched a Community Partners Fund that has already awarded grants totaling \$4 million to support more than 40 of our current 500-plus nonprofit partners who faced legal, financial and management crises that sometimes sprung up in a matter of days through no fault of their own.

Members of our community who have benefited from these grants include public transit workers and riders, low-income individuals and people with disabilities, all of whom face statewide cuts in the public transportation they rely on; teenagers who will be left without needed academic support and workforce training because a community service provider lost its federal funding; and an area social enterprise that trains and hires people who often aren't eligible or accepted into other workforce accreditation programs and needed to hire human resources counsel to help it navigate the impact of federal funding cuts.

With an additional \$6 million committed by our board this month, we'll continue to engage with our regional philanthropic partners, nonprofit service organizations,

and business and civic leaders to coordinate the most effective, timely and efficient support as longer-term implications unfold. Guidelines for this funding will be available June 2.

Unfortunately, our ability to fully do our part is now at risk as Congress considers raising taxes and limiting the flexibility of foundations like ours. No amount of philanthropic support can fully replace yawning gaps in federal funding for the residents of our region, but if the currently proposed tax increase on foundations had been in place over the past 10 years, it would have reduced our grantmaking to support Pittsburgh and southwestern Pennsylvania by more than \$40 million. We don't fundraise or accept donations, so any tax increase permanently removes those funds from directly benefiting our region.

The freedom of philanthropists to support the issues they hold dear has been a unique part of our community's civic and cultural fabric for generations. That history of philanthropic freedom played an important part in our region's rightfully proud history of innovation and perseverance to navigate major economic transitions and thrive in the last century.

No matter the short-term uncertainty and chaos, The Heinz Endowments stands with the doers and leaders of this era who have the hard-earned wisdom that our past prosperity also left too many of our neighbors out or behind, the doers and leaders who have the vision and drive to respond to near-term threats with determined focus to bring forward the best of what is special in each of us and to create that shared, prosperous future.

The Heinz Endowments is among the more than 660 charitable giving organizations that have signed the Council on Foundations' <u>public statement</u> on the First Amendment rights of philanthropy.