

ITALY

Community foundations

History

Community foundations were introduced in Italy after the Cariplo Foundation decided to establish a network of local partners in order to have better relationships with the communities in Lombardy where the Foundation operates, and to promote a culture of giving as a way to foster the local non-profit sector.

The first foundation was established in February 1999 in Lecco and the second one in December 1999 in Como. All the foundations established by the Cariplo Foundation have seen the involvement of local authorities.

At the end of 2007 there were 20 community foundations operating in Italy: 15 of them established by the Cariplo Foundation, 2 by the Venice Foundation. Another arose spontaneously in 2004 as part of a local strategy to provide social service to a community near Vicenza, and 2 in Liguria, one promoted by a group of individuals and the other established by the Compagnia San Paolo.

Current situation: Facts and figures

Number of community foundations formally established in total.	22
Number of community foundations established in 2007.	0
The number of community foundations at early stages of development.	15
Percentage of country's territory covered by community foundations.	11.49 percent
Percentage of population that has access to a community foundation.	25.07 percent
Total number of people with access to a community foundation.	14,879,023
Is the rate of community foundation formation steady/increasing/decreasing? Explain why in the box below:	Steady

Although no community foundations were formally established in 2007, two were created in early 2008. While the Cariplo Foundation has almost finished covering its own territory, some other foundations, in particular Compagnia San Paolo and Fondazione per il Sud have decided to promote the concept.

Total sum of grants made by community foundations in 2007	€19,536,868
Total number of grants made in 2007.	1863
Total sum of the income/donations in 2007.	€36,372,821
Single largest source of income for community foundations	National foundations
Total sum of endowments at the end of 2007.	€173,206,290
Community foundation with the largest endowment at the end of 2007 and size of its endowment.	Novara €16,072,399.86

Complete list of community foundations

Visit the following link for a list of the 22 community foundations in Italy:

http://www.assifero.org/A_categorie_2_notizie.php?IDCategoria=23

Community foundation staffing

All the board members are volunteers. The composition of operating staff is different between foundations. In the majority of them people responsible for the day-to-day operations are:

- The General Secretary, who is a volunteer and primarily deals with finance and grant-making areas
- Professional paid staff (70%) and volunteers (30%) that deal with the other areas.

Community foundation income

<u>Income</u>	<u>Amount in €</u>	<u>Percentage of Total</u>
Donors:	4,527,402.96	12.44
Corporations:	1,864,615.29	5.12
Grant-making organizations (national foundations):	21,981,577.15	61.00
Non-profit organizations:	1,709,537.14	5.00
Government:	2,361,092.68	6.49
Investment:	3,117,412.26	8.70
International organizations:	0	0.00
Other:	84,671.56	0.23
Sponsors:	220,000.00	0.60
Fundraising events:	0	0.00

Purposes

Endowment:	10,243,401	29.30
Grants:	22,257,601	70.00
Operating costs:	240,950	0.70

Permanent funds/Sustainability

About 30 percent of income increases endowment funds.

Environment for philanthropy

Local attitudes

The general attitude toward community philanthropy is quite positive although it is quite a new concept, considering that for a long time the Italian government has discouraged any philanthropic attitude and has nationalized most of the Italian non-profit agencies. The presence of community foundations has helped the rediscovery of such a tradition.

Legal and tax environment

The legal and fiscal incentives are quite negative in Italy. Not only are the tax advantages for charitable giving not particularly interesting, but grant-making institutions are not formally recognized as charitable organizations. This creates a number of problems, mainly because the fiscal status of community foundations is not clear in Italy, and it is very difficult to know the activity that they can legally support.

Changing attitudes and the national or local environment

The most important action will be to clarify the fiscal status for community foundations and to identify the activities they can support. There has been some interaction with the fiscal administration, but finding a solution is not going to be easy.

Community foundation activity and impact

Example 1. ProValtellina Community Foundation – Sondrio has supported a voluntary association that deals with people who are waiting for medical treatment. The association replaces the scarcity in the public sector of hospital workers.

Example 2. Mantova Community Foundation. “Matilde di canossa fund” was set up by an anonymous donor. The donation included a big house with land, worth in total €516,000.00. The land was sold and the earnings were used to renovate the house, creating six flats that give hospitality to people in need.

Example 3. Lecco Community Foundation realized the L.A.S.E.R. project. Workers and a company located in the Lecco province have given the cash equivalent of 1 hour of work to help needy people.

Current challenges and future developments

Major challenges facing community foundations

Apart from the legal and fiscal challenges, the major goal is to become a national movement. At the moment most people believe that community foundations are just local agencies of the Cariplo Foundation or other national foundations. Only with the creation of a national movement will it be possible to create a more favorable legal and fiscal environment and at the same time to mobilize the resources necessary to provide technical assistance.

International links

Three foundations have been involved in the Transatlantic Community Foundations Network and almost all of them have participated in a peer exchange organized in partnership with TCFN to discuss different grant-making strategies.

Support Organization

ASSIFERO – Italian Association of Grantmaking Foundations

History and purpose

Assifero was created in 2003 to join together grant-making non-profit organizations. Twelve community foundations and 16 corporate-private-family foundations take part in Assifero. The main focus on community foundations is to make grant-making institutions formally recognized by central institutions as charitable organizations. This activity would remove problems about the fiscal status of community foundations that currently are unclear in Italy.

Other organizations that support and promote the development of community foundations

In addition to the Cariplo Foundation in the north of Italy, national foundations like Compagnia di San Paolo and the Fondazione di Venezia are also promoting the development of community foundations. In the southern part of Italy, the Fondazione per il Sud is also operating with the mission of setting up community foundations.

Structure and organization

Assifero is a membership association and has one person – the coordinator of activities –that is a paid staff person. The main income comes from membership dues. The President and one of the Vice-Presidents are staff members of the Brescia and Verbania community foundations.

Recent accomplishments

Assifero, in association with local service centers in support of volunteers and the national foundation Compagnia di San Paolo, set up two new community foundations: Fondazione comunitaria della Riviera dei Fiori Onlus and Fondazione Comunitaria della Valle d'Aosta.

Current challenges/future developments

Assifero is trying to give support to Fondazione per il Sud in order to help it establish an additional 20 community foundations in the southern part of Italy.

Additional resources

Link to: http://www.assifero.org/A_categorie_2_notizie.php?IDCategoria=23

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