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PAUL RAPOPORT FOUNDATION TO CLOSE ITS DOORS IN 2015

Five Year Spend-Out Seeks To Maximize Impact On LGTB Communities

NEW YORK, NY -- The Paul Rapoport Foundation, an independent private foundation established in 1987 to serve the lesbian, gay, transgender and bisexual ("LGTB") communities of the metropolitan New York area, announced today that it will bring its grantmaking operations to a close as of June 30, 2014 and cease operations entirely by June 30, 2015.

Given the current financial crisis, the foundation has been searching for a way to balance the needs of the LGTB communities – which are becoming more acute amidst the economic tumult – with its strengths as a funder and its own fiscal situation. After engaging outside consultants to evaluate its past funding and its options for continuing to support the New York LGTB population, the foundation's board and staff unanimously agreed to seek to maximize its impact over the next five years by dramatically increasing its funding levels in the near-term and spending-out by 2015.

"The current moment provides an extraordinary opportunity for the Paul Rapoport Foundation to rise to the challenges faced by its grantees and sustain our 20+ years of innovative and responsive grantmaking to meet the needs of New York City's LGTB communities," said Kimberleigh J. Smith, president of the foundation's board.

As of January 2009, the foundation's assets had declined substantially and the board felt it a matter of good governance to systematically review the foundation's options for viability. The consultants researched the situation thoroughly, interviewing a wide range of stakeholders including grantees and other funders and compiling extensive benchmarking data. The data they provided supported three specific conclusions:

- (1) the foundation's funding has been unique and very important to the community, specifically in the areas of supporting emerging community needs and underserved LGTB populations;
- (2) the financial picture faced by its grantees was bleak and likely to remain precarious over the next several years; and
- (3) the foundation's endowment (approximately \$7.5 million) could no longer sustain its present funding or staffing levels.

The foundation is currently undertaking a strategic planning process and will be developing a set of guidelines for this new and final grantmaking strategy, which should be released at the end of the year. According to Jane D. Schwartz, the foundation's executive director, "Our focus will remain on providing support for some of the hardest-to-reach, most at-risk and most marginalized queer populations."

Paul Rapoport, a founder of Gay Men's Health Crisis and the Lesbian, Gay, Bisexual & Transgender Community Center of New York, provided for the endowment of The Paul Rapoport Foundation (www.paulrapoportfoundation.org) after his death in 1987. The foundation has awarded grants in excess of \$11 million since its inception.