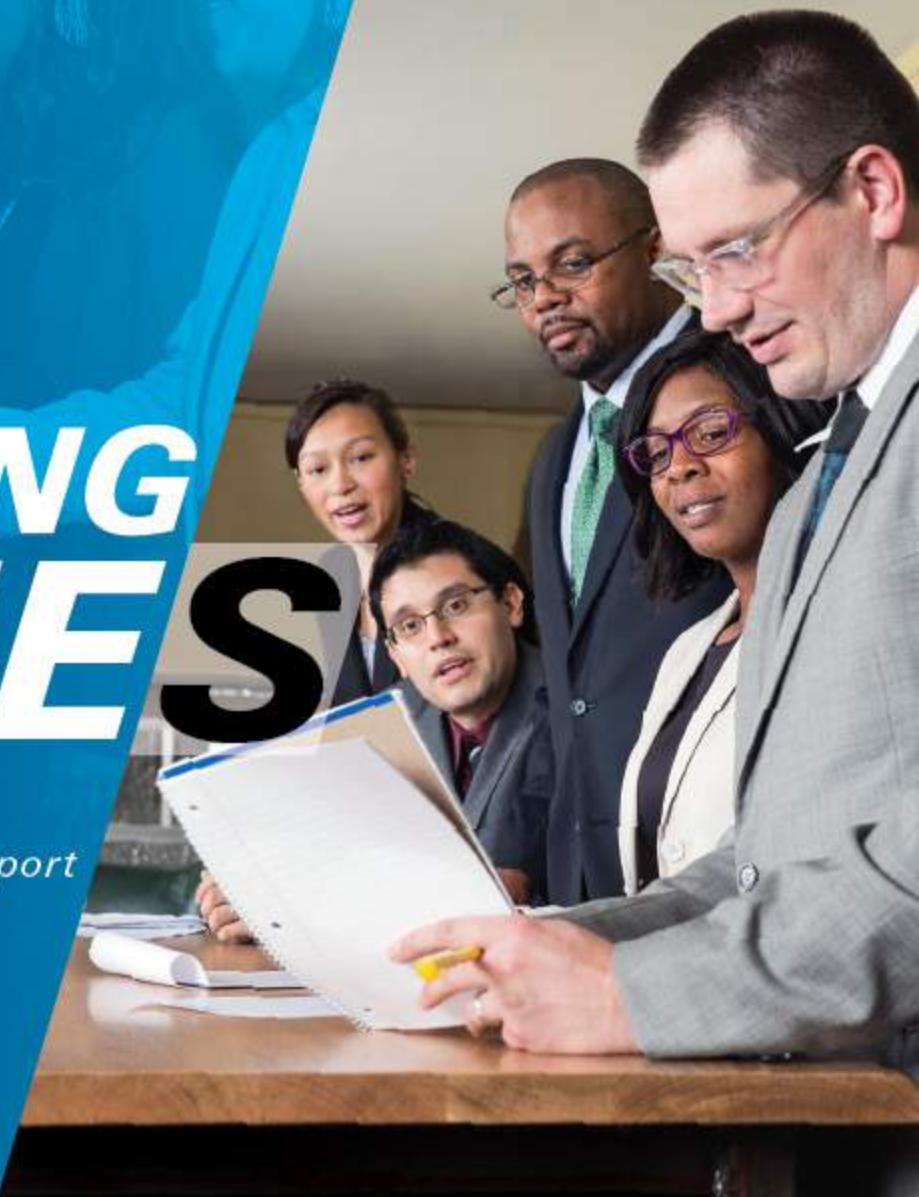




ADDING VALUES

KPMG Foundation 2015 Annual Report





ADDING VALUES:

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ADDING VALUES: K-12 Education

In business, clients expect their service provider to add value.

At KPMG LLP and the KPMG Foundation, we take that a step further: We also strive to add values. The Foundation, like KPMG LLP, embraces the core values of corporate citizenship: We believe in sustaining our communities by developing and advancing a diverse, highly skilled, workforce-ready pipeline of future leaders.

KPMG Foundation adds values by proactively connecting with organizations whose vision is aligned with our commitment to community sustainability and workforce development. We maintain a clear focus on two types of programs: Those that are building, from preschool through postgraduate education, the diverse talent pipeline we envision, and those that advance the overall sustainability of our communities.

We especially favor groups that do both: Those situated at the nexus of education and community service. We don't simply fund them; we actively encourage them to work together in new alliances that can achieve even more than they can individually.

Nor do we stop there. The Foundation aligns with KPMG LLP to engage the firm's people as active participants in many of the workforce readiness and community service activities we fund.

When that happens, we can actually *multiply* values.

In a signal that KPMG LLP shares the values we embrace, this year the firm increased its allocation to the Foundation by \$1 million. This will enable the Foundation to deepen its support of the organizations whose stories are told in these pages, and establish new relationships with other groups that also share our values. It is an opportunity that we appreciate greatly, but implicitly expects careful stewardship in return. Our job for 2016 and beyond, and our pledge to you, is to invest every dollar thoughtfully and meaningfully – and to add values, as well as value, to all that we do.



Jose R. Rodriguez
Chair, KPMG Foundation



Bernard J. Milano
President, KPMG Foundation

Elementary School: Leveraging for Literacy

KPMG Foundation adds value, and values, by creating synergies.

In FY2014 the Foundation first connected an undergraduate education program it supports with KPMG's Family for Literacy (KFFL) to address a key obstacle to children's literacy in underserved communities: Access to books. The result was the Beta Alpha Psi (BAP) International Day of Literacy, during which student members of the honor society joined KPMG LLP professionals to provide elementary school children in Orange County, California, almost 4,000 books.

In FY2015 the program built on that initial success: The 2014 International Day of Literacy engaged 960 volunteers to bring 4,409 books to young children at nine locations in Atlanta, the site of BAP's annual meeting. The event included early literacy activities, and provided the school children with school supplies donated by BAP members.

Later in the academic year, KPMG Foundation funded 19 additional events that enabled BAP students to reach nearly 6,200 elementary school students with programs promoting literacy.

This activity expands on KPMG LLP's successful Family for Literacy program (see next page).

INTERNATIONAL DAY OF LITERACY: BOOKS FOR KIDS



This was a rewarding opportunity to read with the students. I hope to further positively impact the community with experiences similar to this.

ANTHONY TABBLACK
Ohio State University student and
2015 KPMG summer intern

ADDING VALUES: K-12 Education



They were so happy and excited that they put their books into their backpacks as soon as they got them. We had to say, 'Wait a minute. We're going to read them first.'

LORENA MANOBANDA
KPMG Houston

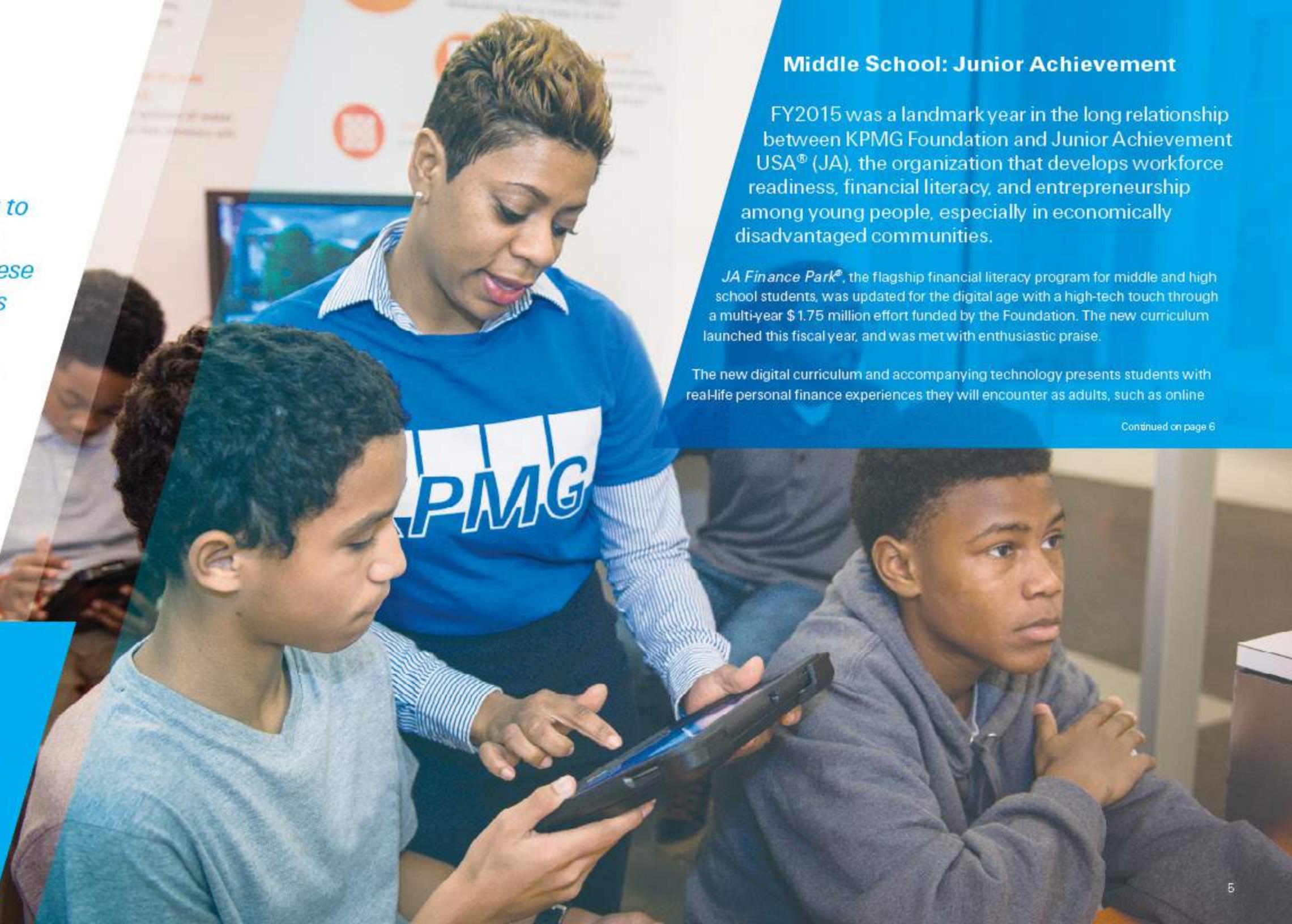
Often you don't get to see the impact that you're making. For these eight college students to sit in a classroom and see the children's eyes and faces was truly a memorable experience. Most of those kids never had a book to take home.

KATI HOOD
KPMG Columbus

KPMG's Family for Literacy (KFFL)

Strong reading skills are essential for future success and workplace readiness. KFFL, established in 2008 in collaboration with the award-winning, nonprofit social enterprise First Book, addresses childhood illiteracy by providing new books to children in need, and introducing them to the pleasures of reading. It engages the entire KPMG LLP family in a community service effort, including partners, employees, spouses, family members, interns, and retirees, as well as KPMG LLP brand ambassadors and professional golfers Phil Mickelson and Stacy Lewis.

KFFL has provided more than 2.5 million books to children in more than 100 communities in the United States, and the program's global expansion has begun in India, Mexico, South Africa, and the United Kingdom.



Middle School: Junior Achievement

FY2015 was a landmark year in the long relationship between KPMG Foundation and Junior Achievement USA® (JA), the organization that develops workforce readiness, financial literacy, and entrepreneurship among young people, especially in economically disadvantaged communities.

JA Finance Park®, the flagship financial literacy program for middle and high school students, was updated for the digital age with a high-tech touch through a multi-year \$1.75 million effort funded by the Foundation. The new curriculum launched this fiscal year, and was met with enthusiastic praise.

The new digital curriculum and accompanying technology presents students with real-life personal finance experiences they will encounter as adults, such as online

Continued on page 6

ADDING VALUES: K-12 Education

Students would stay after class to talk to me about their interests, small jobs, ways to save money, and family values. I think they get it!

Teacher taking class through Finance Park

Continued from page 5

banking, bill-paying, investments, and insurance. "By supporting JA in the redevelopment of their curriculum, we can better prepare students for financial success through technology they've become accustomed to using on a daily basis," said Kathy Hopinkah Hannan, KPMG Foundation trustee and KPMG LLP partner.

KPMG LLP partners and volunteers also helped JA launch the new *JA Finance Park* at three kick-off events, in Atlanta, Los Angeles, and St. Louis, in Fall 2014. JA President Jack E. Kosakowski called the program's redevelopment "a milestone," and said, "We're already seeing students better engaged with the *JA Finance Park* curriculum as a result of its new digital format and enhanced content."

The firm received a U.S. President's Volunteer Service Award, achieving "Gold Level" status, for providing more than 15,000 hours of volunteer service globally to Junior Achievement programs.

JA reaches 4.5 million students each year in 115 markets across the United States. It serves another 5.8 million students in 120 other countries. More than a million of them have benefited from a hands-on *JA Finance Park* experience.

For more information, visit www.juniorachievement.org

High School: National Academy Foundation

With the ongoing support it receives from KPMG Foundation, the National Academy Foundation (NAF) is strengthening high school accounting education at 212 Academies of Finance (AOF) nationwide.

NAF's Academies of Finance are an acclaimed national network of high school career academies reaching predominantly low income students in underserved urban communities. The academies prepare students for college study, and careers in finance and related fields that they might not otherwise aspire to.

The widening relationship between KPMG LLP and NAF directs attention and resources to the critical years when many young people first choose a planned course of study for college and beyond. Nearly 20 KPMG offices now interact with students and faculty at NAF Academies of Finance. Volunteers help NAF enhance its program and lend their professional perspectives to ensure industry relevance in course content.

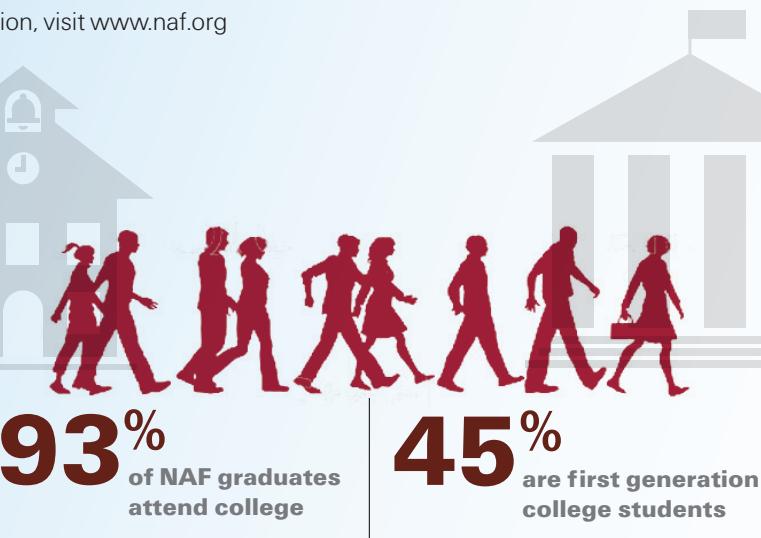
The two-way relationship also brings KPMG representatives into the classroom, and students into KPMG offices. Through job shadowing, mock interviews, and other work-based learning experiences, including paid internships, young people gain an unparalleled "inside view" of the accounting profession, and an inside track to future success.

One example was a half-day opportunity for students from a local finance academy, not only to attend KPMG LLP's annual tax conference, held in Miami for clients and professionals, but also to engage personally with KPMG professionals. In small groups, they learned directly from firm volunteers about career opportunities in tax, and about majoring in accounting when they reach college.

Importantly, in summer 2014, KPMG LLP hired 21 NAF interns in offices across the U.S.

KPMG Foundation has committed \$1,350,000 over six years to NAF's Academies of Finance.

For more information, visit www.naf.org



American College Application Campaign (2016)

In FY2015 KPMG Foundation committed to support another organization that fuels and enriches the diverse talent pipeline that the Foundation and KPMG LLP support systematically, beginning in FY2016.

The American College Application Campaign (ACAC) is a national effort to diversify and expand that pipeline by increasing the number of first generation and low income students pursuing college or other higher education. Its primary activity is to help high school seniors navigate the complex college admissions process and apply to at least one postsecondary institution. The effort focuses on students who might not otherwise apply to college. This program is an initiative of the American Council on Education (ACE).

In addition to providing financial support, opportunities to engage KPMG LLP employees as volunteers in high schools, as hands-on helpers for students applying to college, will be explored.

**ADDING
VALUES:** K-12 Education



High school students don't realize the career opportunities ahead of them. Seeing successful adults beyond their teachers can inspire them to think, 'That's someone I could be.'

JENNIFER BROGAN

Academy of Finance teacher, Susan E. Wagner HS,
Staten Island, NY



KPMG people gave us interviewing, résumé-writing and communications skills. We had advantages that other students did not.

JOSELYN MATAMOROS

Student, Academy of Finance, Susan E. Wagner HS
and KPMG Intern, 2014.

**ADDING
VALUES:** Daniel Zamora

KPMG LLP Senior Manager Daniel Zamora, the son of Cuban immigrants, was the first in his family to attend college. When the opportunity arose to champion the NAF-KPMG relationship in Miami, he seized it.

"I do this because when I was in high school, I yearned for professional guidance," he says. "I can relate to these students. I can see myself in them."



Daniel has helped students sharpen their résumés, prepare for job interviews, and learn about the rewards of a career in accounting. In one month, he conducted mock interviews with 45 students. Two of them went on to intern at KPMG's Miami office. "Both are in college now, and I still have a relationship with them," Daniel says.

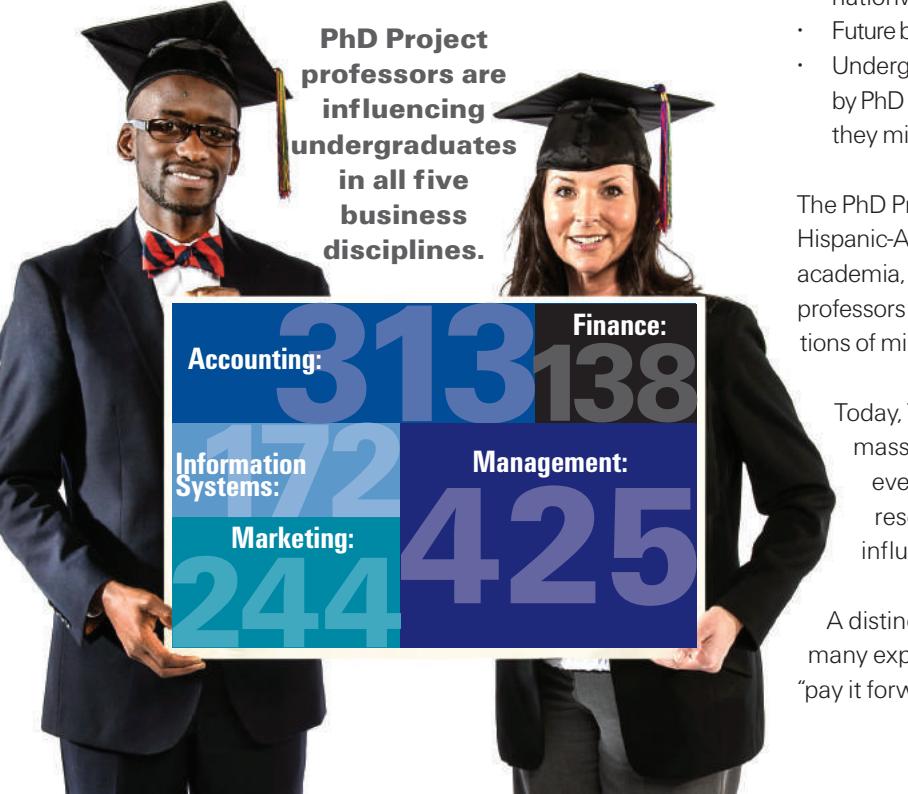
He also sits on the local NAF advisory board, and has helped connect 20 NAF seniors to early access to an accounting bridge program held by Florida International University for incoming college freshmen.

ADDING VALUES: Higher Education

The PhD Project conference gave me a sense of clarity I think you get only once or twice in a lifetime. It has been an amazing resource for me.

DR. CINTHIA SATORNINO
Assistant Professor of Marketing, Northeastern University

1,292... And Counting



The PhD Project

The PhD Project celebrated its 20th anniversary throughout FY2015. By year's end, the accomplishments of this KPMG Foundation signature program over two decades included the following:

- Minority professors now teaching business nationwide: 1,292
- Future business professors now in doctoral studies: 295
- Undergraduates influenced, mentored, and inspired by PhD Project professors to pursue careers in business they might otherwise not have: *Countless*

The PhD Project is a catalyst for African-Americans, Hispanic-Americans, and Native Americans to return to academia, earn their doctorates, and become business professors who can inspire and enable future generations of minority students to pursue business careers.

Today, The PhD Project has achieved a critical mass: Its professors are on faculty at colleges everywhere, producing and collaborating on research, teaching, mentoring, and influencing countless undergraduates.

research and teaching responsibilities, to mentoring undergraduates, and encouraging minority students to study business. Several of their stories were told in *Paying It Forward*, a book published to commemorate the Project's 20th anniversary.

Their actions as professors are no surprise: From their initial introduction to the Project, many aspiring professors stated the desire to give back as central to their decision to leave corporate careers and enter academia.

The PhD Project's mission is to increase workplace diversity by increasing the diversity of business school faculty who encourage, mentor, support, and enhance the preparation of tomorrow's leaders. The PhD Project Association is a separate 501(c)(3). KPMG Foundation continues as the primary funder and provides all the administration for The PhD Project. The combined total support was \$713,847 in FY2015.

For more information about The PhD Project, visit www.phdproject.org



ADDING VALUES: Higher Education

I went to The PhD Project conference and people were talking about more than a career – about giving back and making a difference. It really resonated with me. I knew this was the path.

CARMA CLAW NEZ
Doctoral Student, New Mexico State University



ADDING VALUES: Dr. Angélica S. Gutiérrez



PhD Project Professor Dr. Angélica S. Gutiérrez of Loyola Marymount University, embodies the act of "adding values" to the traditional professor's role of teaching, research, and on-campus service.

Still early in her career, she has already been one of 10 Latinas in the U.S. recognized as a "Next Generation Latina" leader by *Latina Magazine*, one of 20 "Latinas of Influence" named by *Hispanic Lifestyle*, and one of two PhD Project professors chosen this year by the *Poets & Quants* business school news web site as a member of its "40 under 40" – one of the best young professors of any ethnic background in the country.

Mistakenly labeled "learning disabled" in grade school because she didn't speak English, and later, as an undergraduate, hearing about professors who intimidated rather than inspired, Dr. Gutiérrez was inspired to become the professor those students needed.

In addition to mentoring undergraduates, she works with college-potential high school students to provide career and workforce readiness guidance, after first reminding them of the need to earn their diplomas.

This wider definition of her role isn't something she takes lightly. "I consider it a privilege and a blessing," she says.

I'm looking forward to seeing the student who starts my Fall class knowing nothing about computers, and ends the semester wanting to major in my field.

DR. RICHELLE OAKLEY
Assistant Professor of Computer Information Systems,
Savannah State University

2.0%
of business school deans are African-Americans

0.5%
are Hispanic-Americans

The PhD Project AHEAD

Increasingly, many PhD Project professors aspire to positions of leadership on their campus – to become department chairs, deans, and provosts. The PhD Project launched Project AHEAD (Achieving Higher Education Administration Diversity) in 2009 to support and encourage them.

The challenge ahead is daunting: Underrepresented minorities are even scarcer in academic leadership positions than they are in college classrooms. A survey by The PhD Project determined that African-Americans and Hispanic-Americans are far less likely to hold the Dean's chair at America's leading business schools than they are to serve on the boards of directors of the major corporations those business schools prepare students to work in.

The study found that among the 1,601 business schools in the U.S., African-Americans are deans of just 33 (2.0%). Hispanic-Americans account for just nine (0.5%).

By contrast, African-Americans represent 8.5% of directors at the top 200 S&P 500 companies, and Hispanics hold 4.5% of director seats at those companies, according to an authoritative industry report.*

However, progress is evident. In FY2015 four PhD Project professors became deans.

Mark Dawkins	University of North Florida
Eric Jack	University of Alabama-Birmingham
Rowena Ortiz-Walters	SUNY Plattsburgh
Delmonize Smith	Alabama A&M University

*U.S. Board Report Spencer Stuart Nov. 2014

ADDING VALUES: Dr. Mark Dawkins
Dean
Coggin College of Business
University of North Florida



- Became an accounting professor in 1994, year of The PhD Project's inception
- Associate Dean, University of Georgia's Terry College of Business, 2008-2015
- Named Terry College's first director of diversity in 2004, he developed programs to attract minority students to the school
- Became Dean of Coggin College of Business, University of North Florida, 2015

"We need to have more people of color not only in the front of the classroom, but also making decisions about the priorities of the university and the direction that it takes. As professors we have direct impact on students through teaching, but in administration you have a broader impact on the university."

I am the first in my family to get a doctoral degree. I feel I can make a special connection with minority students who come from backgrounds similar to mine. I've already taught students who have changed their major, to pursue accounting.

DR. KERRIANN SANDERSON
Assistant Professor of Accounting, Bentley University

ADDING VALUES: Higher Education

KPMG Professors

Accounting professors create and transmit knowledge—adding value to workforce development, and our country's economy.

A select few, at the highest levels of the profession, add *values*. They embody the ideals of higher education, and they can alter the landscape for students and their scholarly peers, and for the business community. Of the several thousand accounting professors in the U.S., fewer than 50 are recognized and supported by KPMG Foundation as **KPMG Professors**.

ADDING VALUES: Dr. Michael Clement

University of Texas at Austin
KPMG Professor of Accounting



"Dr. Clement's body of research on the role of financial analysts in capital price formation has been highly influential in both the academic and practitioner communities. His sustained commitment to cutting-edge research and his personal integrity are qualities that set him apart."

DR. WAYNE R. LANDSMAN
KPMG Professor of Accounting, University of North Carolina at Chapel Hill

Dr. Clement, one of the original guiding spirits in the 1994 formation of The PhD Project, is one of seven PhD Project professors who are now KPMG Professors. One of the first recipients of a KPMG Minority Accounting Doctoral Scholarship, he was honored by The PhD Project Accounting Doctoral Students Association for serving the organization throughout his two-decade academic career as a mentor and advisor. He was inducted into The PhD Project Hall of Fame in 2015.

His research explores a topic that ultimately affects all Americans: The activities of the analysts whose earnings and stock market predictions often drive Wall Street.

Unofficially and in his role as University of Texas Austin's faculty liaison to the National Collegiate Athletic Association (NCAA), Dr. Clement mentors many African-American student athletes. While agents and financial advisors swoop in around the emerging superstars, Dr. Clement seeks out those athletes less likely to have lucrative professional careers awaiting them.

"I care about the use of financial accounting information and how we can use it to make better decisions. I like to tell young people thinking about careers just how important accounting is to our economy. When we have good data and insight into what's happening with a company, we can direct our capital to where it can be used most efficiently. I think that's one of the reasons our economy does so well: We can allocate our capital to where it can be used most efficiently, because we have good sources of information."

ADDING VALUES: Dr. Miklos Vasarhelyi

Rutgers, The State University of New Jersey
KPMG Distinguished Professor of Accounting Information Systems



"He has an unusually fertile mind and the ability to understand the implications of emergent technologies well before most people do."

ROBERT K. ELLIOTT
Retired Partner, KPMG

Dr. Vasarhelyi is recognized as the creator of continuous auditing, and is the leading researcher in the field. He has written more than 200 articles and 20 books, and is an expert in the emergent field of artificial intelligence in accounting and auditing.

With a full academic load of responsibilities, he has a 20-year history of supporting The PhD Project and its people. A pioneer in introducing the Internet to professional accounting organizations, he helped the Project develop the first listserv of minority faculty and doctoral students in the business disciplines. That database became the modern day online/social media channel for the Project's growing community. As a doctoral dissertation adviser at Rutgers, Dr. Vasarhelyi has overseen or mentored numerous PhD Project doctoral students who went on to become professors.

"Over time, there will be some replacement of labor by Artificial Intelligence applications. Usually the labor intensive applications are the ones that get replaced first, rather than the free-thinking ones. Auditors are not going to disappear, and they will not be replaced by a big AI machine, but many little functions of audits will be automated, step by step. Traditional thinking about the auditor being totally independent will have to be re-thought, in the sense that the auditor of the future will have to help management understand the data it gets... I find it very energizing to interact with students: I spend more than half of my time working with PhD students these days. I've chaired probably close to 40 dissertations."

2015 KPMG Professors

Stephen K. Asare University of Florida	George O. Gamble University of Houston	Jeffrey L. Payne University of Kentucky (effective July 1, 2015)	Miklos Vasarhelyi Rutgers, The State University of New Jersey
Ramji Balakrishnan University of Iowa	John C. Gardner University of New Orleans	Jennifer Mueller Phillips Auburn University	Connie Weaver Texas A&M University
Stanley F. Biggs University of Connecticut (term ended January 2015)	Barron H. Harvey Howard University	Thomas J. Phillips Louisiana State University	Gerald Weinstein John Carroll University
Frank A. Buckless North Carolina State University	Rachel M. Hayes University of Utah	Sara Ann Reiter Binghamton University	W. Mark Wilder University of Mississippi
Donald R. Chambers Lafayette College	Kathy Hurtt Baylor University	Thomas F. Schaefer University of Notre Dame	Susan Perry Williams University of Virginia
Hsihui Chang Drexel University	Steve Kaplan Arizona State University	Philip B. Shane The College of William and Mary	Joni J. Young University of New Mexico
Michael B. Clement University of Texas at Austin (effective September 2015)	Inder K. Khurana University of Missouri-Columbia	Sandra W. Shelton DePaul University	The following professorships are currently unfilled. In certain cases, endowment earnings have been temporarily designated, with KPMG Foundation approval, for other purposes:
Paul A. Copley James Madison University (term ended June 2015)	Wayne R. Landsman University of North Carolina at Chapel Hill	Pamela A. Smith Northern Illinois University	Florida State University Georgia State University Louisiana Tech University St. Peter's College University of Maryland University of Michigan University of Nebraska Virginia Polytechnic Institute and State University
D. Larry Crumbley Louisiana State University (term ended December 2014)	Henock Louis Pennsylvania State University	Theodore Sougiannis University of Illinois at Urbana-Champaign	K.R. Subramanyam University of Southern California
Dan S. Deines Kansas State University	Timothy J. Louwers James Madison University (effective July 2015)	Kevin D. Stocks Brigham Young University	N. Allen Ford University of Kansas
Samir ElGazzar Pace University	Laureen A. Maines Indiana University	Jerry R. Strawser Texas A&M University	M. Herschel Mann Texas Tech University
Alexander L. Gabbin James Madison University	David Manly University of New Orleans	Steve G. Sutton University of Central Florida	

Faculty Professional Development

Knowledge is not a static body of information. Especially in today's rapidly changing world, and in the highly fluid environment of global business, it is a dynamic force field of energy. Even the most brilliant professors and forward-looking curricula need a steady inflow of the new, the experimental, and the "cutting-edge" to retain their leadership in teaching and research. They also benefit from direct interaction with practitioners in the field, where the currents of change constantly alter the landscape of accounting.

Accounting professors find these experiences at high-level national conferences, where the academic community, often in tandem with practicing accountants, gathers to exchange emerging knowledge. KPMG Foundation invests substantially in this process because it recognizes the value that accounting students, and the profession itself, receive from it.

- o Government and Nonprofit Section Midyear Meeting
- o Forensics and Investigative Accounting
- o Information Systems Section Midyear Meeting and Doctoral Consortium
- o International Section Midyear Meeting and Doctoral Consortium
- o American Tax Association Doctoral Consortium
- University of Chicago Journal of Accounting Research Conference
- University of Colorado Summer Accounting Research Conference
- University of Illinois Audit Research Symposium
- University of North Carolina/Duke "Accounting Camp"
- University of North Carolina Tax Policy Symposium
- University of North Carolina Journal of Business Finance and Accounting Annual Conference
- New York University Journal of Law, Finance and Accounting Conference



In FY2015 KPMG Foundation was the sole sponsor of the following academic conferences, which were attended by approximately 1,500 accounting professors and 270 accounting doctoral students:

- American Accounting Association (AAA)
- o Auditing Section Midyear Meeting and Doctoral Consortium
- o Diversity Section Midyear Meeting

KPMG Minority Accounting Doctoral Scholarships

In 1993 KPMG Foundation launched a scholarship program that for more than two decades has provided financial support to the doctoral students attracted and encouraged by The PhD Project to become accounting professors. Over that time the program has

awarded more than \$15.5 million to 331 underrepresented minority students, most of whom are now accounting professors.

By the middle of this decade, with shifts in the academic marketplace and increased university resources available for accounting scholars, the need for this type of support had lessened. Accordingly, KPMG Foundation closed new applications for the

AICPA Accounting Doctoral Scholars Program

The American Institute of Certified Public Accountants' (AICPA) nearly-completed multi-year initiative to address the shortage of doctoral-qualified accounting professors is now producing results, and the effort reflects the heavy influence of KPMG LLP's participation.

The program, created in 2008, encouraged accountants to switch careers and pursue the doctoral degree that will enable them to become professors. It was modeled closely after The PhD Project.

With the last class of students entering in 2012, the program provided scholarships to 108 future professors. Of those, 33 are alumni of KPMG LLP. By the end of FY2015, 33 of the scholarship recipients had completed studies and become professors – 14 of them KPMG LLP alumni.

Matching Gift Program

KPMG Foundation adds value to the generous donations of KPMG partners, retired partners, and employees to higher education, with a dollar-for-dollar match. The Foundation adds values through a holistic approach of channeling, leveraging, and enhancing those individual gifts.

The traditional role of an employer-matching gift program is passive: To solicit, direct, and disburse contributions in accordance with the donor's wishes. KPMG Foundation takes a wider-reaching, more proactive approach by multiplying the impact of donor gifts.

KPMG Foundation's matching gift program is strategic: We work with donors and colleges to identify and fund programs that align with KPMG LLP's core values, and exemplify a college's commitment to excellence, including student scholarships, faculty research projects, or other activities.

We may also solicit funding requests for large projects from colleges that match our criteria for excellence and our values. We often conduct matching gift campaigns among KPMG LLP professionals who are alumni of those colleges, with a defined purpose, to maximize participation and dollar value.

Additionally, KPMG Foundation strategically directs the matching gift program through its commitment to and focus on under-prepared and economically disadvantaged students. In times of reduced state and federal support, and the resulting pressure on tuition prices that can disproportionately affect the disadvantaged, the matching gift program aims wherever possible to alleviate those negative impacts.

As part of its expanded financial allocation to the Foundation, KPMG LLP increased the pool of money available for matching gifts. Individuals can have their gift matched to a newly-increased maximum of \$7,500 per school, per year.

FISCAL YEAR	2014	2015
Contributed by partners/employees to Universities	\$3,287,542	4,290,234
Matched by Foundation	3,068,614	3,989,458

ADDING VALUES: Strategic Approach to Major Gift

In FY2015 KPMG Foundation received an unexpected and unrestricted bequest of \$650,000 from the widow of a deceased KPMG LLP partner. It was the largest individual gift to the Foundation in its 47-year history.

Reflecting on our values and our commitment to diversity in business education, we convened a task force to determine an appropriate beneficiary. The funds were awarded to a university with a focus on diversity and excellence that aligns with ours, DePaul University, and established an endowment for a previously un-endowed KPMG Professorship there. The seat is held by Dr. Sandra Shelton, an original and continuous member of The PhD Project.

ADDING VALUES: Higher Education's Community Engagement

KPMG LLP maintains meaningful relationships with – and has a strong impact on – the communities it serves. Guided by its corporate citizenship goals, the firm helps communities through workforce readiness efforts.

KPMG Foundation and KPMG LLP share a commitment to this strategic investment, which addresses an essential need – filling the talent pipeline with future leaders who will embrace the challenges of a global marketplace.

KPMG Foundation pursues this vision by supporting proven, high-quality community workforce readiness programs – especially those that engage college and high school students in community service.

Programs that work at the nexus of higher education and community service are pivotal because they not only benefit communities; they introduce the next generation of America's business leadership to the value – and values – KPMG LLP attaches to strengthening communities.

The programs KPMG Foundation supports represent a modest investment that has the potential to multiply endlessly, over countless lifetimes.

Beta Alpha Psi (BAP)

KPMG Foundation continues to be the single largest donor to Beta Alpha Psi, the honor organization for financial information students and professionals who place high value on community service.

Each year, with KPMG Foundation funding and KPMG LLP volunteers, BAP holds a service activity focused on literacy, aligned with KPMG's Family for Literacy program. This year's International Day of Literacy took place in Atlanta. (See page 3.)

KPMG Foundation's FY2015 support also included \$38,775 in awards to 141 "superior" chapters and \$37,500 to 15 "gold" chapters.

For more information, see www.bap.org

Beta Gamma Sigma (BGS)

KPMG Foundation is the exclusive sponsor of this international honor society's annual BGS Gives Back Day of Service.

In U.S. locations as diverse as San Diego, Cleveland, New Orleans, and many others, student members cleaned up a river, volunteered at a food bank, conducted a food drive, and gave back through similar community service activities.

Beta Gamma Sigma chapters encourage and honor academic achievement at

business programs accredited by AACSB International, The Association to Advance Collegiate Schools of Business. Membership in Beta Gamma Sigma is the highest recognition a business student can receive.

KPMG Foundation also supports another BGS effort: the Student Leadership Forum.

For more information about Beta Gamma Sigma and its leadership programs, visit www.betagammasigma.org

Enactus

Enactus is an international organization dedicated to inspiring students to improve the world through entrepreneurial action. It connects student, academic, and business leaders to create community development projects that empower people to be a part of their own success.

From 36 countries and 1,700 universities, 70,000 active students in Enactus have impacted the lives of nearly 2 million people.

KPMG LLP continues to be one of the five largest supporters of Enactus. KPMG Foundation's multiyear investment in the United States program includes \$50,000 for FY2015, and the member firms of KPMG International provide more than \$1 million additional annually.

The signature event of Enactus is its annual

worldwide "World Cup" student competition. Entrepreneurial young men and women from around the world compete to be recognized for excellence in the public service programs they have been conducting in their communities all year. KPMG International is lead sponsor of this signature event, and more than 80 KPMG LLP partners and employees from the U.S. member firm participated in the FY2015 World Cup activities.

In addition:

- KPMG LLP Partner Shaun Kelly serves on Enactus' Worldwide Board of Directors.
- Emmanuel Tuffour, Tax partner; Melisa Denis, Tax partner; Patrick Dolan, National Managing Principal, Market Development; Rema Serafi, Tax partner; and Foundation President Bernard J. Milano all sit on Enactus' U.S. Board of Advisors.
- Partners of member firms of KPMG International participate in more than 30 countries. Several are Enactus chairpersons and board members.

For more information, visit www.enactus.org

Campus Compact

This national organization, located at 1,100 colleges and universities, connects "town and gown" as it educates and prepares students for civic and social responsibility.

The only national higher education association dedicated solely to campus-based civic

engagement, Campus Compact enables campuses to develop students' citizenship skills and forge effective community partnerships. Each year, it engages 1.8 million students in more than 6.6 million hours serving their communities.

KPMG Foundation has supported Campus Compact since 1998. Total funding since then has exceeded \$600,000. FY2015 marks the third consecutive year that this support has included sponsorship of two awards – one to a student and one to faculty – that promote civic engagement:

- The **Newman Civic Fellows Award** honors inspiring college student leaders who represent the next generation of public problem solvers and civic leaders. They serve as national examples of the role that higher education plays in building a better world.
 - The **Thomas Ehrlich Civically Engaged Faculty Award** recognizes one senior faculty member for outstanding leadership in advancing students' civic learning, conducting community-based research, and in other ways enhancing higher education's contributions to the public good.
- KPMG Foundation President Bernard J. Milano sits on the national Board of Directors, and KPMG LLP has held a seat on the board for the last 17 years.
- For more information, visit www.compact.org

Points of Light Institute

Points of Light, with more than 250 affiliate volunteer centers, encourages, inspires, and enables community engagement globally. It helps and mobilizes millions of volunteers to take action on a range of causes through innovative programs, events, and campaigns.

Each year Points of Light enables 250,000 service projects, currently in 30 countries, affecting millions of lives through a combined 30 million hours of volunteer community service. These hours amount to an annual dollar value of \$635 million. Its

dependent Sector

FY2015 KPMG Foundation extended a funding and support relationship with an organization whose mission aligns directly with our focus on community service and sustainability.

dependent Sector is the leadership network for nonprofits, foundations, and corporations committed to advancing the As such,

HandsOn Network supplies volunteers with resources like toolkits and training.

KPMG Foundation's 20-year investment in Points of Light includes the HandsOn Network and now exceeds \$1 million in total.

250,000 countries, a volunteer amount to \$1 million. Its As part of this funding, the Foundation enabled Points of Light to establish a disaster preparedness unit. This support aligns with KPMG LLP's long-standing concern about disaster relief. Since its inception in 1992, the KPMG Disaster Relief Fund, adminis- of Directors. For more information, visit www.pointsoflight.org.

IG Foundation, has disbursed
to assist KPMG LLP personnel
suffered losses due to disasters,
including

ation President Bernard J.
s on the Points of Light Board
and Executive Committee.

Information, visit
flight.org

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www.elsevier.com

Revenue Sources		Program Expenditures	
KPMG LLP Contribution	\$7,250,000	Matching Gift Program	\$7,052,395
Matching Gift Donations (from partners/employees/retirees)	3,100,280	The PhD Project Association	713,847
Casson Estate	650,000	Grants	
Other	1,003	<ul style="list-style-type: none"> - Academic Organizations 585,221 - Community Organizations 128,750 - Universities 466,397 - National Academy Foundation 250,000 - Junior Achievement 250,000 - Casson/DePaul 650,000 	
		ADS Program	100,000
		Minority Doctoral Scholarships	410,000
		Administration	
		<ul style="list-style-type: none"> - Salaries and Benefits 636,619 - Management and General Expenses 141,180 - Accounting and Tax Prep Fees 52,325 - Professional Organization Dues 52,010 	

KPMG Foundation

For further information about the initiatives described in this annual report or to order additional copies, please contact us at:

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us-kpmgfoundation@kpmg.com

To learn more about The KPMG Foundation, visit www.kpmgfoundation.org

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