Investing in lifelong learning

KPMG U.S. Foundation, Inc.
2018 Annual Report
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In human terms, age fifty is a milestone, indicating maturity, responsibility, and accomplishment. How fitting that KPMG Foundation, an entity created by people to serve people, evidences those same qualities at its half-century mark.

This is due largely to those driving its success: the generations of visionary KPMG LLP leaders consistently committing the firm’s resources and people to serving communities; and a dedicated and engaged foundation team that brings the vision to life as evidenced by lives that are changed.

Truth be told, there is another reason: the need has never been greater.

Our focus is education. We know that education strengthens societies. But we see the skills gap widening, and we see technology transforming the very nature of work. And so the KPMG Foundation aligns with KPMG LLP’s focus on developing the next generation of leaders through a long-term strategic investment in lifelong learning.

From helping to put books in the hands of young children in underserved communities, to empowering successful adults to become business professors who mentor the next generation of leaders, we leave a footprint across the education continuum.

Our 50-year journey began with channeling matching gifts to our people’s designated schools; soon we were making direct grants to colleges. Next, our ambitious effort to upgrade the quality of academic accounting research earned national recognition. We then turned to the still-pressing need for a diverse talent pipeline and diverse business school faculty for today’s global marketplace.

Since then we have expanded and matured. We partner with leading organizations like Junior Achievement, helping middle schools, NAF, serving high schools, Beta Alpha Psi, and Beta Gamma Sigma, focused on colleges, who all share our goal of filling the talent pipeline for tomorrow’s challenges. We dovetailed with KPMG LLP’s citizenship efforts, notably the deep focus on literacy and lifelong learning.

The journey continues. We will meet whatever challenges lie around the next bend. We appreciate your support and we will continue to dedicate ourselves to producing outcomes that change lives and ensure a brighter tomorrow for all of us.

Robert F. Arning
Chair, KPMG U.S. Foundation, Inc.

Bernard J. Milano
President, KPMG U.S. Foundation, Inc.
Investing in lifelong learning

K-12 Education

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Elementary School
KPMG’s Family for Literacy (KFFL)

At the core of lifelong learning is literacy, and achieving full literacy remains an unrealized goal in many underserved communities. In lower income areas, the greatest barrier to literacy is often lack of access to books.

This is where KPMG Foundation’s connection with KPMG LLP’s commitment to lifelong learning starts: with literacy, books, and young children. It is a commitment that covers the entire educational continuum, but the first steps are directed at the youngest learners. For several years, The Foundation has aligned with, enhanced, and supported KPMG’s Family for Literacy (KFFL), the firm’s flagship citizenship program with a mission to eradicate childhood illiteracy by putting new books into the hands of children in need and developing the next generation of young leaders through reading.

Since 2008, KFFL has provided more than four million books to low-income children in communities across the United States. The firm’s people and their families strengthen this commitment by volunteering to read to children in elementary school classrooms, organizing book drives and creative fundraising events, and personally putting new books into children’s hands.

KPMG Foundation’s role in KFFL is a collaboration with the firm and with Beta Alpha Psi (BAP), the undergraduate honors society long supported by The Foundation. With KPMG’s support and participation, BAP conducts an International Day of Literacy each year in the host city of its annual meeting. In FY2018, 891 volunteers visited local organizations in underserved communities of Orange County, CA. Spreading the excitement of reading to 2,400 young people, they also donated 200 backpacks brimming with school supplies and 3,253 books.

International Day of Literacy

891 Volunteers
2,400 elementary school age children
200 backpacks of school supplies
3,253 books donated
KPMG Foundation collaborates with Junior Achievement USA® (JA) to give young people the personal finance skills they need to thrive in the adult world awaiting them.

KPMG is national title sponsor of JA Finance Park®, Junior Achievement’s signature technology- and career-centered financial literacy program. JA Finance Park has been cited by Harvard University’s Global Education Innovation Initiative and other third-party organizations as a model program. Its interactive simulations prepare students for the real-world personal finance challenges of banking, credit, investing, and career readiness.

Four years after enabling a transformation that lifted Finance Park from the check-writing era into the modern environment of digital banking, KPMG Foundation is again partnering with Junior Achievement to broaden the program’s impact. In support of KPMG’s commitment to lifelong learning, The Foundation has made a $1.74 million multi-year grant to expand Finance Park to high school students nationally.

Finance Park originally was geared toward middle school students. Finance Park 2.0 will offer a new, advanced curriculum for high school students that allows them to explore and prepare for their financial future. The initial phase is scheduled for FY2019.

KPMG’s people stand behind JA as well. In 2018, more than 1,200 employees and partners contributed 9,400 hours of their time through volunteer activities with JA. In addition, more than $700,000 was contributed through firm giving and employee-fundraising. In a further example of KPMG LLP’s’ commitment to JA, approximately 60 firm professionals serve on the local JA board in their community, placing KPMG number one in board service among accounting firms.

“For more information, visit www.juniorachievement.org

“Junior Achievement greatly values our partnership with KPMG in empowering students nationwide with financial literacy skills. Significantly, KPMG’s financial support was enhanced by more than 1,200 of its people serving as classroom volunteers during the 2017-18 school year.”

–Jack Kosakowski, President and CEO, Junior Achievement USA
KPMG Foundation’s focal point for high school engagement is NAF, a national network of education, business, and community leaders dedicated to preparing high school students for college, career, and the future. This is consistent with KPMG’s commitment to develop next generation leaders through lifelong learning.

NAF operates 644 academies—small learning communities inside existing high schools—in underserved communities in 36 states. In FY2018, with KPMG taking a leadership role (see below), NAF piloted the Future Ready Lab—a learning experience centered around scaling meaningful, paid internship opportunities.

The Foundation’s partnership with NAF aims to introduce promising high school students to a career in accounting, and to start them preparing for one. In addition to The Foundation’s financial support, KPMG LLP and its people mentor and work, hands-on, with NAF’s students.

Volunteers from 20 firm offices contribute volunteer hours to the goal of attracting students to the accounting profession. They host job shadowing, mentoring and role-modeling activities in their offices, provide work-based learning experiences, and coach students in résumé-writing, employment interviewing, and business etiquette skills.

This partnership intensifies each summer when KPMG brings many of NAF’s leading students into the firm for a paid internship experience. Since 2011, 188 NAF students have interned with the firm.

KPMG LLP Chairman and CEO Lynne Doughtie sits on NAF’s board of directors, and KPMG employees in 10 states and the District of Columbia are NAF Champions serving on advisory boards and interacting with NAF students.

Nearly all—97 percent—of high school seniors in NAF programming graduate high school, and 90 percent are college-bound.

For more information, visit www.naf.org

For more information, visit www.naf.org
Future Ready

KPMG Foundation and KPMG LLP stood with NAF from the onset as NAF piloted its newest innovation: The Future Ready Lab.

The Future Ready Lab is an effort to increase the pipeline of diverse professionals in high-demand fields such as accounting and information technology, by scaling up paid internship experiences for NAF students: As interns, they perform meaningful work in collaboration with business professionals who also mentor them.

Fifteen KPMG professionals from five offices mentored 21 NAF interns in the New York City pilot.

As part of the Lab, KPMG Foundation engaged several college professors to interact with the interns—alumni of The PhD Project, its flagship program developing a new generation of business professors from underrepresented minorities (see page 9).

Most of the students in KPMG’s Future Ready Lab pilot are on track to be the first in their families to attend college, and many had never before met a college professor. The faculty members presented an overview of the college experience awaiting them, and shared backgrounds similar to the students, which established credibility with the group. They even introduced the interns to the idea that they too could become business professors someday.

This component is “a wonderful connection,” said NAF senior managing director Tara Bellevue: Talking to PhD Project professors, the student interns “get to see people who look like them, and can imagine themselves 10 or 15 years down the road.”

“With a grant from KPMG Foundation, we piloted the Future Ready Lab in New York. Volunteers came from five KPMG offices, including 15 KPMG mentors who joined us to help prepare 21 high school students for college and career. That is impactful partnership.”

–Tara Bellevue, Senior Managing Director Network Expansion, NAF
KPMG Future Leaders Program

KPMG’s strong commitment to the advancement, development, and empowerment of women starts early in the talent and career pipeline—in high school. The KPMG Future Leaders Program conducted its third year of developing future generations of women leaders in FY2018.

This program enables outstanding female high school seniors nationwide to enhance their growth through college scholarships, a leadership development retreat at Stanford University, a mentoring relationship with a woman business leader, and an introduction to golf. Deepening the program’s effectiveness, KPMG Foundation pairs several of the students with academic mentors from The PhD Project, the Foundation’s flagship higher education initiative (see page 9).

The 66th U.S. Secretary of State, Condoleezza Rice, served as the program’s ambassador again in FY2018, participating in the activities and reviewing the applications of every student.

With funding provided through the KPMG Women’s PGA Championship and KPMG Women’s Leadership Summit, the program selected 20 young women for the Class of 2018 in a rigorous process that reviewed hundreds of applicants. The program also received support from the Phil and Amy Mickelson Foundation.

The students receive a KPMG Future Leaders Scholarship of $10,000 renewable for each year of college. KPMG Foundation administers the funds and connects program participants with PhD Project professors for mentorship and networking opportunities.
KPMG Future Leader Program participants now attend these colleges:

- Bard College
- Boston College
- Boston University
- Brown University
- California State University, Northridge
- Cornell University
- Dartmouth College
- DePaul University
- Embry-Riddle Aeronautical University
- Emory University
- Fairleigh Dickinson University
- George Washington University
- Georgetown University
- Georgia College & State University
- Georgia Institute of Technology
- Harvard College
- Howard University
- Indiana University
- James Madison University
- Kennesaw State University
- Meredith College
- Northern Kentucky University
- Princeton University
- Rollins College
- Rutgers University
- Skidmore College
- Smith College
- Southern University of New Orleans
- St. Catherine University
- St. John’s University
- Stony Brook University
- The College of New Rochelle
- The University of Texas at San Antonio
- Tufts University
- University of California, Berkeley
- University of California, Davis
- University of California, Santa Cruz
- University of Georgia
- University of Maryland
- University of Miami
- University of North Carolina at Chapel Hill
- University of Notre Dame
- Vassar College
- Wayne State University
- Wesleyan University
- Xavier University
- Yale University
Higher Education

Changing the face of business academia

- **395%** increase in minority business school professors
- **90%** of PhD Project doctoral students defend their dissertations
- **97%** of PhD Project faculty remain in academe
Well into its third decade, KPMG Foundation’s flagship investment, The PhD Project, is changing the face of business academia—literally, by providing colleges with diverse faculty candidates—and increasingly aligning with KPMG’s lifelong learning commitment.

Created, primarily funded, and fully administered by KPMG Foundation, The PhD Project is increasing workplace diversity by increasing the diversity of business school faculty to attract, mentor, and encourage future minority business students.

The Project’s maturity is evidenced foremost in its outcomes: At its inception in 1994, there were just 294 doctorally qualified business professors from underrepresented minorities in the entire country. By June 2018 1,480 African-Americans, Hispanic-Americans and Native Americans had earned business doctorates.

The maturity is also evidenced through recent collaborations that extend the Project’s reach:

- With Bentley University, a program to enhance PhD Project faculty’s skills in classroom communications, an area for which aspiring professors generally receive little formal preparation
- With Baruch College, a symposium for PhD Project doctoral students to develop their research scholarship
- As part of a White House initiative, a Committee on Hispanic Excellence, holding diversity summits around the country for educators to discuss improving outcomes and increasing access in education for Hispanic students
- With KPMG LLP and Board Fit, a seminar to prepare PhD Project professors for service on corporate and large nonprofit boards

Prominent businesses and academic organizations have joined KPMG Foundation in funding the program, which is a separate 501(c)(3). The following from KPMG LLP serve on The PhD Project Association Board of Directors:

**Bernard J. Milano**  
President, KPMG U.S. Foundation, Inc.  
President, The PhD Project

**Milford McGuirt**  
Partner, KPMG LLP

**Jose Rodriguez**  
Partner, KPMG LLP

**Rebecca Sproul**  
Partner, KPMG LLP

For more information visit [www.phdproject.org](http://www.phdproject.org)
PhD Project Professors In the News

“Poets and Quants” 2017 MBA Professor of the Year

“To him, the job of connecting with students and shaping their life trajectories is as important as his work in class or at his desk.”

Gregory Fairchild, PhD
Associate Professor of Strategy, Ethics, and Entrepreneurship
University of Virginia

*Poets & Quants, January 2018

“Poets and Quants” 2018 Best 40 Under 40 Professors

“In his case, leadership by civic engagement isn’t just a topic to teach about, it’s a teaching style and an actual way of life.”

Oscar Holmes IV, PhD
Assistant Professor of Management
Director of Access and Outreach for Business Education
Rutgers School of Business-Camden

“All the world’s a stage in James Alvarez Mourey’s classes… his cause is teaching and his strategy often involves theater [as a past member of the Second City comedy company].”

James Alvarez Mourey, PhD
Assistant Professor of Marketing
DePaul University

*Poets & Quants, April 2018

Educating Through Filmmaking

“I’m sure that I’m the only accounting professor in the country who is making feature films.”

Kelly Richmond Pope, PhD
Associate Professor of Accounting
DePaul University

Directed a documentary, “All the Queen’s Horses,” about the largest municipal fraud in U.S. history

Won five awards including two HBO Best Documentary awards; top-rated on iTunes, Amazon, Google Play, and DIRECTV; shown at 15 film festivals

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PhD Project Ahead

With The PhD Project’s maturation, many of its professor-alumni have achieved significant seniority. Those who wish to enter leadership (as department chairs, deans, provosts, or similar) receive encouragement and support from The PhD Project AHEAD initiative. In addition to conducting annual informational programs for its aspiring administrators, The PhD Project collaborates with AACSB, the accrediting body for business schools, in a two-day Aspiring Leaders Seminar. The FY2018 event was attended by 40 PhD Project professors.

A major milestone occurred in FY2018 when PhD Project professor Dr. Miles Davis (see below) became the first Project participant to become a college president, and when three other faculty members affiliated with the Project also rose to that position—Dr. Linda Oubre (Whittier College), Dr. Irma Becerra (Marymount University), and Dr. Jorge Haddock (University of Puerto Rico).

Dr. Nicole Thorne Jenkins
Executive Associate Dean
Gatton College of Business and Economics
University of Kentucky

— Started her academic journey at The PhD Project’s second-ever informational conference—in 1995.

— Chief operating officer, overseeing management, financing and budgeting of a $45 million educational program.

— Driving a college-wide inclusion initiative.

— Observes that when a decision-making group is diverse, “People naturally slow down and think more inclusively.”

— Says of her appointment to leadership, “Some opportunities have meaning and reason beyond your own personal success.”

Dr. Miles Davis
President, Linfield College

— Started his academic journey at the 1995 PhD Project conference.

— First PhD Project professor to become a college president (July 2018).

— “The greater meaning of this is that The PhD Project works. Unquestionably in my mind, without it I would not be where I am.”

— On being a role model as well as an achiever: “If I am Black, Hispanic, or Native American and I see a person holding this position in higher education, it makes me feel that I am capable of achieving it also.”
KPMG Foundation has deep and longstanding ties to many of the nation’s most prominent and influential accounting scholars.

For many of them, it has been virtually a career-long engagement: before becoming KPMG Professors, they were recipients of doctoral student scholarships and research grants funded through now-completed Foundation programs.

All are exemplars of lifelong learning. They have impacted countless thousands of students in the classroom, and entire generations of practitioners and thought leaders through their research and publishing.

KPMG Foundation support enables them to enhance their research, share knowledge with peers, and magnify their impact. Each year, their contribution and value to the profession grows. KPMG Foundation is proud to help make possible their achievements.

Dr. Sandra W. Shelton, DePaul University
KPMG Distinguished Professor of Accountancy and the Director of the Internal Auditing Program

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2018 KPMG Professors

Stephen K. Asare
University of Florida

Reza Barkhi
Virginia Polytechnic Institute & State University

Bruce K. Billings
Florida State University

Frank A. Buckless
North Carolina State University

Hsihui Chang
Drexel University

Michael B. Clement
University of Texas at Austin

Gus DeFranco
Tulane University

Martha Eining
University of Utah

Samir El-Gazzar
Pace University

N. Allen Ford
University of Kansas

Alexander L. Gabbin
James Madison University

George O. Gamble
University of Houston

Barron H. Harvey
Howard University

Kathy Hurtt
Baylor University

Steven E. Kaplan
Arizona State University

Wayne R. Landsman
University of North Carolina at Chapel Hill

Henock Louis
Pennsylvania State University

Laureen A. Maines
Indiana University

David Manry
University of New Orleans

Roger E. Martin
University of Virginia

Jennifer Mueller-Phillips
Auburn University

Mary Kate Naatus
Saint Peter’s University

Venkatesh K. Nagar
University of Michigan

Jeffrey L. Payne
University of Kentucky

Thomas J. Phillips
Louisiana State University

Michael Riordan
James Madison University

Thomas F. Schaefer
University of Notre Dame

Karen Schuele
John Carroll University

Phillip B. Shane
The College of William and Mary
(term ended June 2018)

Kenneth W. Shaw
University of Missouri-Columbia

Sandra W. Shelton
DePaul University

Pamela A. Smith
Northern Illinois University

Theodore Sougiannis
University of Illinois at Urbana-Champaign

William W. Stammerjohan
Louisiana Tech University
(term ended June 2018)

Kevin D. Stocks
Brigham Young University
(term ended June 2018)

Jerry R. Strawser
Texas A&M University

K.R. Subramanyam
University of Southern California

Steve G. Sutton
University of Central Florida
(term ended June 2018)

Steve Swidler
Lafayette College

Miklos Vasarheyli
Rutgers, The State University of New Jersey

Connie Weaver
Texas A&M University

W. Mark Wilder
University of Mississippi

Joni J. Young
University of New Mexico
(term ended June 2018)

The following professorships are currently unfilled. In certain cases, endowment earnings have been temporarily designated, with KPMG U.S. Foundation, Inc. approval, for other purposes:

Georgia State University, Kansas State University, Texas Tech University, University of Iowa, University of Maryland, University of Nebraska, University of Oklahoma
KPMG Foundation’s Matching Gifts Program is a powerful vehicle for KPMG LLP’s people to demonstrate and leverage their own support of higher education and lifelong learning.

Unlike a standard one-off transactional gift match, The Foundation’s initiative is strategic. When partners, retired partners, or employees step forward to request a KPMG gift match to the institution of their choice, The Foundation consolidates multiple gifts to the same college into a larger, combined donation. Often this consolidated gift funds a specific purpose, such as research, student scholarships, or faculty development.

The Foundation donated $10,379,415 to higher education in FY2018, through combined individual and matching gifts. Colleges use such donations to support faculty research and development, and to fund student scholarships.

<table>
<thead>
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<th>Fiscal year</th>
<th>2017</th>
<th>2018</th>
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<td>Contributions by partners/employees to universities (includes gifts made directly to the university)</td>
<td>$5,294,167</td>
<td>$5,531,754</td>
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<td>Matched by Foundation</td>
<td>$4,757,218</td>
<td>$4,847,661</td>
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Although the general public may envision college professors as having reached the pinnacle of education attainment and achievement, these scholars consider themselves lifelong learners still on a journey of knowledge creation.

KPMG Foundation supports their journeys with significant commitment. Academic conferences are opportunities for the community of scholars to share research and exchange ideas. The Foundation provides meaningful financial support for many such conferences. In FY2018, The Foundation was sole sponsor of these academic meetings:

- American Accounting Association (AAA)
  - Auditing Section Midyear Meeting and Doctoral Consortium
  - Diversity Section Midyear Meeting
  - Government and Nonprofit Section Midyear Meeting
  - Information Systems Section Midyear Meeting and Doctoral Consortium
  - International Section Midyear Meeting and Doctoral Consortium
  - American Tax Association Doctoral Consortium
- New York University Journal of Law, Finance and Accounting Conference
- University of Chicago Journal of Accounting Research Conference
- University of Colorado Summer Accounting Research Conference
- 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
Community-centered service

The power of a higher education is magnified when students are empowered to apply classroom theory in the wider world. Increasingly, colleges are establishing and encouraging opportunities for students to learn while serving their communities. KPMG Foundation proudly embraces and supports service-oriented organizations that link campus and community for the good of all. And, along with KPMG LLP, it goes one step further: active participation of the firm’s people in many of the organizations The Foundation supports financially.
Beta Alpha Psi (BAP)

This honor and service student organization partners with KFFL, KPMG LLP’s early literacy program (see page 1) as one component of its extensive focus on community service. KPMG Foundation is the largest funder of this 300-chapter international organization for honor students in the accounting and the financial fields.

In addition to the literacy collaboration, KPMG Foundation in FY2018 funded 153 BAP “superior” chapters and 10 “gold” chapters for a total commitment of $100,000 annually, and $55,000 to the literacy and community service programs.

For more information, see www.bap.org

Beta Gamma Sigma (BGS)

Beta Gamma Psi is the international business honor society, providing programs and opportunities to the best students in the world’s leading institutions of higher education. Membership is an honor extended only to the top 10 percent of undergraduates, the top 20 percent of graduate students, and all PhD students at business schools accredited by AACSB, the Association to Advance Collegiate Schools of Business—only five percent of the world’s business schools.

KPMG Foundation is an enthusiastic supporter of Beta Gamma Sigma and its strong focus on service. Support includes the Global Leadership Summit, which brings together top students from around the world for opportunities to connect, lead, and learn, and BGS Gives Back, a yearlong platform for student volunteers to better their communities.

Bernard J. Milano, President of KPMG Foundation, serves on the BGS Board and Executive Committee.

For more information, visit www.betagammasigma.org
Enactus

Enactus is a network of global business, academic and student leaders dedicated to creating a better world while developing the next generation of entrepreneurial leaders and social innovators.

Sharing an interest in developing next generation leaders with a head for business and a heart for communities, KPMG collaborates with Enactus. KPMG Foundation’s investment in the U.S. program remained at $50,000 in FY2018. Member firms of KPMG International provide more than $1,000,000 in total annually. KPMG International is also the Presenting Sponsor of Enactus’s signature event, the annual “World Cup” competition where entrepreneurial college students across the globe present their public service projects. More than 100 U.S. KPMG partners and employees serve as judges at this and other Enactus regional, national and global competitions, providing over 1,000 hours of service annually.

In addition:

— Tax Partner and KPMG International Global COO Shaun Kelly serves on Enactus’ Worldwide Board of Directors.

— Melisa Denis, Senior Partner, National Tax Leader - Consumer Goods; Brad Sprong, Office Managing Partner - Kansas City; and Foundation President Bernard J. Milano all sit on the Enactus U.S. Board of Advisors.

For more information, visit http://enactus.org
Campus Compact

This nationwide alliance of more than 1,000 colleges and universities works to build democracy through civic education and community development. The only national association dedicated exclusively to campus-based civic engagement, it enables campuses to develop students’ citizenship skills and forge effective community partnerships through community-based teaching, scholarship, and action in the service of public good.

KPMG Foundation in FY2018 marked the 20th anniversary of its support for Campus Compact, which now totals more than $900,000 enabling millions of college students to serve millions of people.

KPMG Foundation sponsors two civic engagement awards that match with KPMG LLP values:

The Newman Civic Fellows Award recognizes inspiring college student leaders who will be the next generation of public problem solvers and civic leaders.

The Thomas Ehrlich Civically Engaged Faculty Award honors a senior faculty member for leadership in civic learning, community-based research, and enhancing higher education’s contributions to the public good.

For more information, visit www.compact.org

Points of Light

Points of Light is the world’s largest organization dedicated to volunteer service. Through its programs, events, and campaigns, it mobilizes individuals to volunteer and take action on causes they care about.

With its focus on large-scale community citizenship, Points of Light enables 20 million hours of volunteer service engaging five million people a year. The dollar value of those volunteer hours is $482 million.

Foundation President Bernard J. Milano is a member of the Board of Directors of Points of Light, and serves on the board’s executive committee.

For more information, visit www.pointsoflight.org

KPMG New York Fund

KPMG Foundation administers the KPMG New York Fund through the Disaster Relief Fund.

The New York Fund encourages and supports professionals in the New York office to deepen their engagement in the community and civic organizations they serve as volunteers or board members. It provides matching grants to these organizations, upon the approval of an advisory board.

In FY2018, the fund awarded 17 grants totaling $234,075 ranging typically between $1,000 and $10,000 each.

The advisory board members are KPMG LLP Partners Bob Garrett (Chairman), Don Rose, Brian Redington, Mary Rosano, Lorna Stark, Terry Lamantia, Joe Giordano, Elias Lambros and John Boucher.
Rosana Lopez  
Director, Audit – San Juan office  
KPMG Employee since 1984

— House flooded, windows blown out by Hurricane Maria
— Slept on floor of husband’s office with 30 others, living largely on canned food, until KPMG airlift
— Through DRF support, stayed with her family in a Miami hotel nearly two months
— KPMG employees donated diapers, wipes, and other personal care items she forwarded to people in need back home

“It was a wonderful moment when the plane arrived in Miami and we saw all those KPMG people greeting us at the airport. We never expected such a welcome party.

“Everything was set up for us so nicely. There was a strong sense of caring. I am very grateful to everyone in the firm who contributed to the Disaster Relief Fund: Without them it would have been very difficult to continue in the spirit we were able to maintain.

“I feel that we are working in a great family. People all over the country who didn’t even know us stepped up to care for us. And I know that if something ever happens to them, we will all care for them too.”

KPMG Disaster Relief Fund

FY2018 was, unfortunately, an uncommonly active year for natural disaster relief, with Hurricanes Harvey, Irma, and Maria.

In the devastating aftermath of Hurricane Maria in Puerto Rico, KPMG LLP’s people and KPMG Foundation responded vigorously and comprehensively: With funds raised through KPMG Foundation’s Disaster Relief Fund (DRF), the firm chartered an airplane to relocate half of the San Juan office, including families, to Florida. There, they were welcomed warmly at the airport by KPMG partners and employees, and then housed in hotels with living expenses provided for as long as three months. For those who remained on the island, the relief effort delivered 3.2 tons of supplies. KPMG LLP Partner Rebecca Sproul, then a member of KPMG Foundation’s board of directors, called the effort “an example of us living our core values.”

This collaboration between The Foundation and KPMG LLP’s citizenship group marked the first such coordinated response in the DRF’s 26-year history, and was made possible through the contributions of KPMG people across the country. An expansion, to $1 million, of the firm’s cap on matches to individual donations helped raise the total contributed to victims of the three hurricanes to nearly $2.15 million.

DRF provides relief not only for KPMG’s people who suffer losses, but to relief organizations around the world wherever a natural disaster inflicts pain.
## Financial Highlights

### Revenue Sources

<table>
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<th>Source</th>
<th>Amount</th>
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<td>KPMG LLP Contribution</td>
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<tr>
<td>Matching Gift Donations (from partners/employees/retirees)</td>
<td>$4,348,447</td>
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<td>Contributions for DRF, NY Fund, FLP, KFFL</td>
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<td>Other</td>
<td>$55,955</td>
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### Program Expenditures

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<tbody>
<tr>
<td>Matching Gift Program</td>
<td>$9,096,932</td>
</tr>
<tr>
<td>The PhD Project Association</td>
<td>$600,000</td>
</tr>
</tbody>
</table>

#### Grants

- Academic Organizations             | $602,500        |
- New York Fund                      | $231,575        |
- Future Leaders Program             | $600,240        |
- Universities                      | $283,661        |
- KFFL                               | $215,715        |
- Junior Achievement                 | $250,000        |
- NAF                                | $250,000        |
- KPMG Disaster Fund                 | $1,885,035      |

| Community Organizations             | $77,500         |

| Minority Doctoral Scholarships      | $100,000        |

#### Administration

- Salaries and Benefits              | $595,295        |
- Management and General Expenses    | $525,629        |
KPMG U.S. Foundation, Inc.

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

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Montvale, New Jersey 07645
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To learn more about KPMG Foundation, visit www.kpmgfoundation.org

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