### Connecting talent to tomorrow

**KPMG U.S. Foundation, Inc.**
**2017 Annual Report**

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At the end of the day, connections are the essential element.

Whether it is linking people with opportunities and resources, binding communities’ needs to the members who can serve them, or joining business with talent, nothing happens until a connection is made.

KPMG Foundation aims to make meaningful connections, especially on the critical business—and societal—goal of connecting talent with tomorrow.

Our strategic focus is education, because education is the vital connection between talent and tomorrow. For an elementary school child, the connection to tomorrow might be an introduction to the power of lifelong learning. For an older student, it can mean the options and opportunities awaiting in college and beyond.

At KPMG Foundation, we think about tomorrow holistically. Each step in the educational chain from K-12 through postgraduate, important as it is, is a distinct component. We support educational organizations that think and act beyond their borders—with an eye on the tomorrows ahead and the wider communities surrounding them. We enable organizations that build vital connections: students to their talents; those talents to opportunity; and their strengths to serving their communities.

All that we do connects with KPMG LLP’s core values. We participate in the development of next-generation leaders. We support programs that develop a diverse, values-driven talent pipeline. We advance the commitment to improving communities through skills and experience.

We do this not only by channeling financial resources, but also by mobilizing human resources: we present opportunities for KPMG LLP’s people to engage meaningfully with organizations that connect today’s talent with tomorrow’s needs.

This combination of KPMG LLP’s talents, time, and treasure is powerful. It is capable of contributing significantly to the development of tomorrow’s business leaders and public citizens, and to enhancing life in the communities we serve. As stewards of this vision, we accept and welcome the great responsibility of continuing to drive the ambitious and necessary agenda ahead.

Jose R. Rodriguez
Chair, KPMG U.S. Foundation, Inc.

Bernard J. Milano
President, KPMG U.S. Foundation, Inc.
**Strengthening the fundamentals: K-12 education**

**Elementary School:**

**KPMG’s Family for Literacy**

KPMG’s citizenship efforts are centered on lifelong learning, which is essential to unlocking the potential in people, building economies, and above all, improving lives. Literacy is at the foundation of lifelong learning, and access to books is necessary to build strong reading skills.

KPMG’s Family for Literacy (KFFL) is 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. This unique program is particularly effective because it harnesses the energy and enthusiasm of KPMG’s extended family; not only partners and employees, but also spouses, children, interns, retirees, alumni, and professional golfers and KPMG Brand Ambassadors Phil Mickelson, Stacy Lewis, and Mariah Stackhouse.

Since its inception in 2008, KFFL has distributed over 3.7 million new books to low-income children in 100+ communities across the United States. KFFL translates across borders, having spread through KPMG’s global network to India, Mexico, South Africa, Zambia, the United Kingdom, Kenya, Canada, and China.

**Beta Alpha Psi International Day of Literacy**

Each year the undergraduate honor society Beta Alpha Psi (BAP) partners with KPMG LLP and KPMG U.S. Foundation, Inc. (KPMG Foundation or The Foundation in future references) to hold an International Day of Literacy. The FY2017 event unfolded in Baltimore, site of that year’s annual BAP meeting. Visiting 11 Bell summer program locations at select Baltimore City Public Schools, 866 volunteers held fun-filled Literacy Fair activities and gave out 3,084 books to preschoolers and elementary school children.

The beneficiaries of this activity are not only the small children who receive books, but the young adults of BAP. One college student who participated later said: “Even though getting ahead may seem like the most important thing in business, it is extremely valuable to give back to communities that lack in education, such as those lacking in basic literacy. The day left a lasting impact on me as I met kids that were beyond excited to take home a book that belonged to them, something I had always taken for granted while growing up.”
Middle School: 
Junior Achievement

Consistent with KPMG’s citizenship strategy of developing next generation leaders—through lifelong learning and skill development—The Foundation collaborates with Junior Achievement USA® (JA), to prepare and inspire young people to succeed in the 21st century economy.

KPMG is a central partner of Junior Achievement USA, with a $2.5 million KPMG Foundation commitment to JA’s flagship financial literacy program, JA Finance Park®. Through this partnership, JA Finance Park has been updated and upgraded comprehensively to create a dynamic, more relevant (i.e., an introduction to online banking rather than teaching children how to write checks), technology-based and career-centered program. The simulation-based curriculum teaches students how to make intelligent personal finance and career path decisions that will serve them for a lifetime.

A third-party review in FY2016 attested to the redevelopment’s successes in increasing student financial literacy knowledge. This external validation was so compelling that the Financial Services Roundtable, a respected industry organization, presented it in a national Webinar and panel discussion. Harvard University, New York University, and Brigham Young University requested further briefings on the effort.

“In JA has done evaluations for many years, but has never had this level of academic interest,” JA reported. That, JA said, “underscores the significance of the conclusions drawn in this KPMG Foundation supported work.”

In 2017, more than
1,700 employees and partners from
52 KPMG offices participated in JA volunteer efforts
across the United States, serving thousands of hours. Additionally,
$696,000 was contributed
via firm giving and employee-fundraising efforts.
As of October 1, 2017,
55 KPMG professionals are serving on local JA boards
across the country.

For more information visit www.juniorachievement.org
NAF (formerly known as National Academy Foundation), a national network of education, business, and community leaders, connects high school students with their futures. Its slogan speaks directly to young people: “Be future ready.”

NAF is a nationwide collection of 675 academies—small learning communities within existing high schools in high-need communities—that focus on finance, IT and other professions. NAF works to transform the high school experience through industry-specific curricula and work-based learning experience—preparing more than 96,000 teenagers for college and careers.

KPMG Foundation, in FY2017, extended its commitment to NAF with a second multiyear grant of $1 million. The KPMG connection runs deeper than dollars, and it centers on introducing students to accounting: Since 2011, KPMG LLP employees from 19 offices have touched the lives of thousands of NAF students. They serve as mentors and role models; teach résumé, interviewing, and business etiquette skills; and provide job-shadowing opportunities.

KPMG LLP Chairman and CEO Lynne Doughtie serves on NAF’s board of directors. KPMG people have also provided guidance and expertise to thousands of NAF educators, including presentations at NAF’s annual conference.

The connection between KPMG and NAF’s brightest students is even stronger: 135 NAF students have interned at KPMG LLP offices since 2010. In addition, The Foundation connected NAF in FY2017 to two organizations—the AICPA and the American College Application Campaign (see next page)—with programs that align with NAF’s mission.

Ninety-six percent of NAF seniors graduate high school, with 92% of graduates planning to attend college.

For more information visit www.naf.org
KPMG Future Leaders Program

FY2017 marked the second year of the KPMG Future Leaders Program, an initiative focused on developing future generations of women leaders. With the 66th U.S. Secretary of State Condoleezza Rice as the program’s ambassador, the KPMG Future Leaders Program gives outstanding female high school seniors from around the country the opportunity to enhance their personal growth through college scholarships, a retreat at Stanford University, mentorship, and an introduction to golf.

Funded by proceeds from the KPMG Women’s PGA Championship and KPMG Women’s Leadership Summit, 20 young women were selected based on a specific set of criteria from hundreds of applicants to participate in the Class of 2017. A donation from the Phil and Amy Mickelson Foundation enabled KPMG to increase the program’s reach in FY2017 from 16 to 20 recipients. Recipients received a KPMG Future Leaders Scholarship of $10,000 renewable for each year of college, attended a three-day leadership development retreat in July at Stanford University, and were paired with a woman business leader from the KPMG Women’s Leadership Summit for ongoing mentorship.

KPMG Foundation administers the funds and connects the young women with PhD Project professors for additional on campus support.

American College Application Campaign

Children from low-income families and first-generation students face special challenges in connecting to productive business careers. Foremost among them is gaining access to a college education. The American College Application Campaign (ACAC) is a national effort to get more students from those two populations into higher education.

ACAC helps high school seniors unfamiliar with the often intimidating college admissions process to navigate it. ACAC aims to have each student apply to at least one higher learning institution.

FY2017 marked KPMG Foundation’s second-year investment in what is envisioned as a long-term, comprehensive partnership with ACAC to fill more college classroom seats with students who might not otherwise pursue post-high school education.

ACAC is an activity of the American Council on Education (ACE).

For more information visit www.acenet.edu/acac
The PhD Project

In a year marked by college unrest over issues of inclusion and diversity, The PhD Project continued as a national model for addressing a leading subject of concern to minority students: the scarcity of faculty who look like them.

The PhD Project is perhaps the only national example of a systemic approach to diversify faculties. Created in 1994 by KPMG Foundation, it is a nationwide effort to encourage and enable African-Americans, Hispanic-Americans, and Native Americans to earn doctorates in the business disciplines. With the PhD degree they become business school professors—role models and mentors inspiring future generations of minority students to pursue business careers.

Before The PhD Project, there were only 294 minority professors in the entire nation in the five business disciplines. At the close of FY2017, the total number of minorities who earned a business PhD had increased to 1,373.

With so many program alumni now on faculties, they mentor and support the next cohorts following their footsteps. To further enable that, and to provide Project professors with peer support appropriate to their level, The PhD Project formally expanded its summer conferences for doctoral students to include sessions for all Project alumni.

The PhD Project Association is a separate 501(c)(3). KPMG Foundation is a primary funder and provides all the administration. The following from KPMG LLP serve on The PhD Project board of directors:

Bernard J. Milano  
President, KPMG Foundation  
President, The PhD Project

Milford McGuirt  
Partner, KPMG LLP

Jose Rodriguez  
Partner, KPMG LLP

Rebecca Sproul  
Partner, KPMG LLP

For more information about The PhD Project, visit www.phdproject.org
Among the three under-represented groups, Native Americans are the least represented. Several PhD Project professors are developing models for enhancing traditional business school curricula with new materials and methods that relate to the Native way of life, on the theory that this will increase Native American participation in business studies. “We discovered there was no book for this,” says Dr. Gavin Clarkson, so the group wrote one. Scheduled for FY2018 publication, *American Indian Business Practice and Principles*, edited by PhD Project professors Dr. Deanna Kennedy, Dr. Amy Verbos, Dr. Daniel Stewart, and Dr. Joseph Gladstone; Dr. Charles Harrington, and Dr. Clarkson, is intended for classroom use in universities and tribal colleges.

The PhD Project has been designated a Bright Spot in Hispanic Education by the White House Initiative on Educational Excellence for Hispanics. The Project created a Committee on Hispanic Excellence, bringing together the academic, business, and public policy communities. The committee held a regional diversity summit at Iowa State University to address issues relating to ensuring a qualified and equitable workforce. The committee cochair, Dr. Cinthia Satornino, spoke at a White House conference in FY2017 about Latinas achieving their full potential in education. Two more regional diversity summits are scheduled for FY2018.
Developing tomorrow’s business leaders: Higher education

Minority representation on business school faculty has more than quadrupled.

The PhD Project

Dr. Kayla Booker
— Assistant Professor, accounting, Roosevelt University
— PhD: Jackson State University
“The top scholars in my field know me by name and offer me advice. That would never happen without The PhD Project.”

Dr. Willie Reddic
— Assistant Professor, accounting, DePaul University
— PhD: Syracuse University
“You’ve got big brothers and big sisters looking after you—mentors who believe in you.”

Patricia Navarro-Velez
— Doctoral student, University of Central Florida
“Before The PhD Project, I thought it would never be possible, with four children, to leave my job, relocate from Puerto Rico, and go back to school. The conference just changed my life. Thanks to you, I have a chance to achieve what I thought was impossible and I will always be grateful.”
Connecting minorities to opportunities in academia now includes PhD Project AHEAD, which encourages and facilitates business faculty to step up to such leadership positions as dean or department chair. The PhD Project reported in FY2017 that there are fewer than 50 business school deans who are African-American, Hispanic-American, or Native American.

AHEAD (Achieving Higher Education Administration Diversity) conducts information sessions and meetings aimed at improving the extraordinarily low representation of African-Americans, Hispanic-Americans, and Native Americans within academic administration. Each of The PhD Project’s five business discipline subgroups hold sessions to encourage Project alumni faculty to continue and strengthen their mentoring relationships with Project doctoral students and, most importantly, to pursue administration leadership positions in their universities. Currently, more than 100 minorities hold some form of administration position, and there are 49 minority deans.

In FY2017, for the first time, AHEAD amplified its impact by partnering with AACSB International, the business school accreditation organization, to conduct a two-day event, the PhD Project Aspiring Leaders Seminar. It was attended by 47 faculty members. A second program held early in FY2018 attracted 40 attendees.

Dr. Eli Jones: Coming Home

Dr. Jones earned his undergraduate, Master’s, and PhD degrees at Texas A&M. He went on to become Dean of the business school at Louisiana State University, then at the University of Arkansas. When his alma mater’s Mays Business School asked him to become its Dean, he headed home.

“I don’t go about my daily business as Dean thinking about my race. But when minority students in a classroom see me, I see smiles on their faces. I see hope.”

Dr. Lisa Ordoñez: Greater Impact

As Vice Dean, College of Business, University of Arizona, Dr. Ordoñez says, “I can impact all levels: faculty, students, and staff.” Recently, a department chair came to her in frustration, having identified an outstanding prospective doctoral student of Hispanic origin—after the year’s funding was exhausted: “I told him, go get her and we’ll find money somewhere. Within 24 hours she was a finance student in our doctoral program, and part of The PhD Project.”

“I call the AHEAD program, PhD Project 2.0. Now that they’ve done such great work at the faculty level, the next step is getting us into dean positions so we can make bigger changes.”
Developing tomorrow’s business leaders: Higher education

Matching Gifts

KPMG Foundation’s matching gifts program enables KPMG LLP’s people to strengthen the connection with their alma maters by making it easier and more impactful to donate to them.

A typical matching gift program would simply match the donations of partners, retired partners, and employees. The Foundation’s strategically designed program combines and compounds such individual gifts to provide the recipient institution with a consolidated larger gift to fund a specific purpose.

The Foundation donated $10,051,385 to higher education in FY2017, through combined individual and matching gifts. Colleges use such donations to support faculty research and development, and to fund student scholarships.

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<tr>
<th>Fiscal Year</th>
<th>2016</th>
<th>2017</th>
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<tr>
<td>Contributions by partners/employees to universities*</td>
<td>$5,139,261</td>
<td>$5,294,167</td>
</tr>
<tr>
<td>Matched by Foundation</td>
<td>$4,315,908</td>
<td>$4,757,218</td>
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*(includes gifts made directly to the university)
Faculty Professional Development

Professors connect with each other at scholarly conferences, as frequently as academic calendars and budgets permit, to share and advance knowledge. KPMG Foundation funding stretches those often limited budgets to facilitate academic gatherings. In FY2017, The Foundation was sole sponsor of the academic conferences listed below.

— American Accounting Association (AAA)
  - Auditing Section Midyear Meeting and Doctoral Consortium
  - Diversity Section Midyear Meeting
  - Government and Nonprofit Section Midyear Meeting
  - Forensics and Investigative Accounting
  - 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
Dr. Stephen K. Asare
University of Florida

You have a law degree and a PhD. Are you a lawyer who teaches accounting, or an accounting professor who can practice law?

Being both allows me to bring the interplay of law and accounting into the classroom. I’ve always seen a connection between law and accounting.

How does that play out in the classroom and in your research?

I teach forensic accounting—the interaction between law, crime, and accounting. My recent research looks at the collaboration between auditors and forensic specialists: How can it be enhanced? What are the antecedents of careful collaboration? When and why should you bring in a forensic specialist?

Do auditors generally bring them in too late? Too soon?

This is what I’m studying. Being late doesn’t help you at all, but being early can create its own problems—groupthink, where the forensic people start thinking like the auditor. So there is no magic answer. I’m trying to understand the circumstances under which it is better to bring them in early, in the middle, and later.

Do you anticipate the day when auditors will use a checklist to answer that question?

There is always a move in the profession toward checklists. From a risk management standpoint lists can be useful. But they can be harmful. Use them, but also allow the auditors to exercise their judgment.

What do you love about being a professor?

The ability to help exercise the minds of up-and-coming professionals. Sometimes I get an e-mail from a former student who writes, “Twenty years ago you said something in class that has affected my thinking.” That really excites me.

Dr. Jennifer Mueller-Phillips
Auburn University

You became director of the School of Accountancy in 2016. What have been some highlights?

We celebrated the school’s 30th anniversary, we earned our AACSB reaccreditation, we significantly increased student internships and scholarships, and we hosted our first CPE conference on campus. Oh… (laughs)… and we hosted over 400 alumni at our football tailgate! That’s always a fun way to connect.

How important is interaction between the academy and practitioners?

It’s crucial. Our relevance as an academy is rooted in this relationship, whether we are educating tomorrow’s accounting leaders or researching issues facing the profession.

How could those relationships be more meaningful?

We [the academy and the profession] seem to collaborate well on educating tomorrow’s professionals, but less well on research. I would love to see the profession support and participate in academic research to an even greater extent. KPMG, I believe, is a leader on that front.

And how about the relationship in the opposite direction?

Professionals have too many time demands to sit and read academic journals. So, we have to share our findings in a more organized and efficient manner. I’ve had the opportunity to spearhead a project for the Auditing Section of the AAA that does just that. We’ve created over 700 executive summaries of published audit research, arranged topically, and designed for the practice community.

What does being a KPMG Professor mean to you?

Serving on the firm’s Academic Research Panel has allowed me to help facilitate the kind of research collaboration I mentioned earlier. Working with KPMG Business School – Audit has kept me up-to-date on current audit methodology. Collectively, opportunities like these have made me a better teacher and scholar.

Developing tomorrow’s business leaders:
Higher education

KPMG Professorships

— Honoring Achievement
— Enabling Scholarship
— Strengthening Connections

“It’s an investment by KPMG in me. And when you invest in a professor, you educate the whole profession: A better prepared professor educates future professionals in a more enlightened and relevant way.” — Dr. Stephen Asare
The following professorships are currently unfilled. In certain cases, endowment earnings have been temporarily designated, with KPMG Foundation approval, for other purposes:
- Georgia State University
- Kansas State University
- Texas Tech University
- University of Connecticut
- University of Iowa
- University of Maryland
- University of Nebraska
- University of Oklahoma

2017 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

Donald R. Chambers
Lafayette College

Hsihui Chang
Drexel University

Michael B. Clement
University of Texas at Austin

Gus DeFranco
Tulane University

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

Rachel M. Hayes
University of Utah

Kathy Hurt
Baylor University

Steve 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

Venkatesh K. Nagar
University of Michigan

Jeffery L. Payne
University of Kentucky

Thomas J. Phillips
Louisiana State University

Sara Ann Reiter
Binghamton University

Michael P. 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

Kenneth W. Shaw
University of Missouri-Columbia

Sandra W. Shelton
DePaul University

Joni J. Young
University of New Mexico

Kevin D. Stocks
Brigham Young University

Jerry R. Strawser
Texas A&M University

K.R. Subramanyam
University of Southern California

Steve G. Sutton
University of Central Florida

Miklos Vasarheyli
Rutgers, The State University of New Jersey

W. Mark Wilder
Texas A&M University

LAURIE F. CARTER
Bucks County Community College

Theodore Sougiannis
University of Illinois at Urbana-Champaign

W. Mark Wilder
Texas A&M University

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Theodore Sougiannis
University of Illinois at Urbana-Champaign

W. Mark Wilder
Texas A&M University

Theodore Sougiannis
University of Illinois at Urbana-Champion
Aligning with KPMG LLP’s commitment to serving and improving communities, KPMG Foundation supports and collaborates with campus-based community service organizations that develop tomorrow’s exemplary public citizens.

**Beta Alpha Psi (BAP)**

The nationwide college student honor society that partners with KPMG on childhood literacy activities (see page 3) channels accounting and financial information undergraduates into community service programs.

KPMG is, and has been for four decades, the largest donor to Beta Alpha Psi (BAP). In that time, BAP has enabled more than 300,000 students to broaden their educational experience and hone their leadership skills through service.

KPMG Foundation FY2017 support also included funding 153 BAP “superior” chapters and eight “gold” chapters for a total commitment of $91,500 annually, plus an additional $45,000 to BAP’s literacy and community service programs.

For more information, see [www.bap.org](http://www.bap.org).

**Beta Gamma Sigma (BGS)**

Beta Gamma Sigma encourages and honors academic achievement in business study. It engages undergraduate students at 700 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 at an AACSB accredited business program can achieve.

Serving the community is a central BGS value, and the reason KPMG Foundation supports BGS activities including the Global Leadership Summit and BGS Gives Back. These activities afford students opportunities to sharpen their talents while better defining their leadership style through volunteering in the community.

Bernard J. Milano, President of the KPMG Foundation, serves on the BGS board and executive committee.

For more information about Beta Gamma Sigma and its leadership programs, visit: [www.betagammasigma.org](http://www.betagammasigma.org).
Campus Compact

Campus Compact is a coalition of more than 1,000 colleges and universities working to deepen their ability to improve community life, and to educate students for civic and social responsibility. Its values and mission resonate strongly with the KPMG commitment to communities and to lifelong learning.

The only national higher education organization focused exclusively on campus-based civic education, Campus Compact promotes community service, and helps colleges connect more closely to their communities.

KPMG Foundation has supported Campus Compact for 20 years, with over $900,000 total funding that has touched the lives of millions of college students and many millions more in communities.

This support includes sponsorship of two awards that align closely with KPMG LLP’s values and priorities concerning civic engagement, and that The Foundation has funded for many years:

— 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.

For more information, visit [www.compact.org](http://www.compact.org)

Enactus

A collaborative international organization of student, academic and business leaders, Enactus invests in student entrepreneurial actions that benefit others, impact lives, and improve the world. Its name is an amalgam of three words: Entrepreneurial (connecting business innovation with integrity and passion), Action (social enterprise and social impact), and Us (its three constituency communities).

**Impacting lives in**

- 36 countries through
- 72,000 student members from
- 1,730 university programs

Enactus has 550 corporate, organization and individual partners. KPMG LLP is one of the five largest. KPMG Foundation’s ongoing investment in the United States program included $50,000 for FY2017. Member firms of KPMG International provide more than $1,000,000 in total annually.

The centerpiece event of Enactus is its annual “World Cup” competition. From around the world, entrepreneurially oriented students compete to be recognized for excellence in public service programs they have conducted in their home communities. KPMG International is the Presenting Sponsor of the “World Cup” competition.

KPMG LLP collaborates with Enactus given the shared interest in developing next generation leaders with a head for business and a heart for communities. In 2017, more than 100 U.S. KPMG partners and employees served as judges at regional, national, and global competitions, providing over 1,000 hours of service. In addition:
- Tax Partner and KPMG International Global COO Shaun Kelly and Arun M. Kumar, Chairman and CEO, KPMG India, serve on Enactus’s Worldwide Board of Directors.
- Emmanuel Tuffuor, senior lead partner, Alternative Investments Tax practice; Melisa Denis, senior partner, national Tax leader – Consumer Goods; and KPMG Foundation President Bernard J. Milano all sit on Enactus’s U.S. Board of Advisors.

For more information, visit [http://enactus.org](http://enactus.org)
Points of Light Institute

The largest organization of its kind in the world, Points of Light Institute connects individuals globally with opportunities to serve their communities. In alignment with KPMG LLP culture and values, it mobilizes people to take action on the causes they care about.

Around the world, Points of Light works to encourage, facilitate, and create positive changes in communities with needs. Community citizenship, on a large scale, is central to its vision. It makes possible 30 million hours of volunteer service in 30 different countries, with a total of 250,000 service projects annually. The dollar value of those volunteer hours is $635 million.

KPMG Foundation’s total investment in Points of Light is more than $1,000,000. A feature of this support is Points of Light’s HandsOn Network, which connects more than 250 volunteer action centers reaching 2.6 million people with service activities in 30 countries.

KPMG 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 Disaster Relief Fund

The KPMG Disaster Relief Fund (DRF) has disbursed more than $7.5 million since 1992 to help people impacted by disasters. The recipients of those funds include people victimized by earthquakes in Japan, Haiti, and Southeast Asia; Hurricanes Katrina and Irene; the Far East tsunami of 2005, and the September 11 terrorist attacks. During FY2017 the DRF disbursed $76,000 to KPMG employees impacted by the flooding in Houston.

DRF was originally conceived as a vehicle for KPMG LLP’s people to provide assistance to colleagues who experience disaster-related losses. It was later expanded to include relief agencies responding to tragedies around the world.

FY2017 marked the first year, following a reorganization, that DRF was formally a part of KPMG Foundation.
KPMG New York Fund

KPMG Foundation holds administrative responsibility for the KPMG New York Fund.

KPMG New York Fund is a vehicle that embodies KPMG LLP’s core values of corporate social responsibility. It provides a way for professionals in the New York office to augment their commitments to the non-profit organizations they serve, as board members or volunteers, through firm financial support.

This fund awards matching grants to those nonprofit organizations, also encouraging and supporting firm participation in their activities. An advisory committee reviews and approves all gifts.

In FY2017, 24 grants totaling $581,961 were disbursed on behalf of the New York Fund. These grants typically range between $1,000 and $10,000 each. However, in some cases, multiple partners or employees pool their support to create a larger match opportunity.

The advisory committee continues to perform governance functions. Its members are KPMG LLP Partners Bob Garrett (chairman), Don Rose, Brian Redington, Mary Rosano, Lorna Stark, Terry Lamantia, Jamie Klein, Elias Lambros, and John Boucher.
### Financial Highlights

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<tr>
<th>Revenue Sources</th>
<th>2017</th>
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<tbody>
<tr>
<td>KPMG LLP Contribution</td>
<td>$8,920,598</td>
</tr>
<tr>
<td>Matching Gift Donations (from partners/employees/retirees)</td>
<td>3,983,917</td>
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<tr>
<td>Contributions for DRF, NY Fund, FLP, KFFL</td>
<td>2,155,955</td>
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<tr>
<td>Other</td>
<td>68,442</td>
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<table>
<thead>
<tr>
<th>Program Expenditures</th>
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</thead>
<tbody>
<tr>
<td>Matching Gift Program</td>
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<tr>
<td>The PhD Project Association</td>
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<tr>
<td>Grants</td>
</tr>
<tr>
<td>Academic Organizations</td>
</tr>
<tr>
<td>New York Fund</td>
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<tr>
<td>Future Leaders Program</td>
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<tr>
<td>Universities</td>
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<tr>
<td>KFFL</td>
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<tr>
<td>Junior Achievement</td>
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<tr>
<td>NAF</td>
</tr>
<tr>
<td>KPMG Disaster Fund</td>
</tr>
<tr>
<td>Community Organizations</td>
</tr>
<tr>
<td>Minority Doctoral Scholarships</td>
</tr>
<tr>
<td>Administration</td>
</tr>
<tr>
<td>– Salaries and Benefits</td>
</tr>
<tr>
<td>– Management and General Expenses</td>
</tr>
</tbody>
</table>
### KPMG Foundation Board of Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jose R. Rodriguez</td>
<td>Chair, KPMG Foundation</td>
</tr>
<tr>
<td>KPMG LLP Partner in Charge</td>
<td>KPMG’s Audit Committee Institute</td>
</tr>
<tr>
<td>Bernard J. Milano</td>
<td>President, KPMG Foundation</td>
</tr>
<tr>
<td>Ann Armstrong</td>
<td>KPMG LLP Principal – Advisory</td>
</tr>
<tr>
<td>Robert F. Arning</td>
<td>KPMG LLP Vice Chair – Market Development</td>
</tr>
<tr>
<td>Darren H. Burton</td>
<td>KPMG LLP Vice Chair – Human Resources</td>
</tr>
<tr>
<td>Carrie M. Casciani</td>
<td>KPMG LLP Partner – Audit</td>
</tr>
<tr>
<td>Jacquelyn Daylor</td>
<td>KPMG LLP Partner – Audit</td>
</tr>
<tr>
<td>Tandra C. Jackson</td>
<td>KPMG LLP Office Managing Partner</td>
</tr>
<tr>
<td></td>
<td>Principal – Advisory</td>
</tr>
<tr>
<td>Paul J. Knopp</td>
<td>KPMG LLP Partner – Audit</td>
</tr>
<tr>
<td></td>
<td>Member, KPMG LLP Board of Directors</td>
</tr>
<tr>
<td>Heidi Murdy-Michael</td>
<td>KPMG LLP Principal – Legal</td>
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<tr>
<td>James Powell</td>
<td>KPMG LLP Partner – Audit</td>
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<tr>
<td>Bradley N. Sprong</td>
<td>KPMG LLP Office Managing Partner</td>
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<td></td>
<td>Partner – Tax</td>
</tr>
<tr>
<td>Rebecca Sproul</td>
<td>KPMG LLP Partner – Audit</td>
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<tr>
<td>French Taylor</td>
<td>KPMG LLP Partner – Tax</td>
</tr>
<tr>
<td>Suzanne Townsen</td>
<td>KPMG LLP Partner – Advisory</td>
</tr>
<tr>
<td>Emmanuel Tuffuor</td>
<td>KPMG LLP Partner – Tax</td>
</tr>
<tr>
<td>Maria C. Walker</td>
<td>KPMG LLP Partner – Audit</td>
</tr>
</tbody>
</table>

For further information about the initiatives described in this annual report or to order additional copies, please contact us at:
KPMG Foundation
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Montvale, NJ 07645
www.kpmgfoundation.org
us-kpmgfoundation@kpmg.com

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

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