



Broader reach

**KPMG Foundation
2016 Annual Report**

kpmg.com



Broader reach

KPMG Foundation
2016 Annual Report



3

K-12 education

KPMG's Family for Literacy (KFFL)
Junior Achievement
National Academy Foundation
American College Application Campaign

8

Higher education

The PhD Project
PhD Project AHEAD
Matching Gifts
Faculty Professional Development
KPMG Future Leaders Program
KPMG Minority Accounting Doctoral Scholarships
AICPA Accounting Doctoral Scholars Program
KPMG Professors

16

Campus and Community

Beta Alpha Psi (BAP)
Beta Gamma Sigma (BGS)
Campus Compact
Enactus

18

Community Support

KPMG Disaster Relief Fund
Points of Light Institute
KPMG New York Fund



Each year our Foundation's flagship program, The PhD Project, convenes its annual recruitment conference with a musical exhortation for an audience of future business professors to "Reach!"* for a new, greater goal.

Each year too, we at KPMG Foundation encourage the organizations we support to extend their reach – to explore new ways of serving their communities, and to collaborate with each other to leverage their strengths.

Fiscal 2016 was our Foundation's own turn to reach. We developed a strategy and plan – which came to life on July 1, 2016 – to streamline, enhance and strengthen the way KPMG conducts its numerous charitable giving efforts. As a result, we are poised to be more nimble, flexible, effective and efficient.

At the heart of this strategy, we reorganized to become a public charity – KPMG U.S. Foundation, Inc. This new entity is comprised of four hubs: the organization historically known as KPMG Foundation; the KPMG Disaster Relief Fund; the KPMG New York Fund and KFFL – KPMG's Family for Literacy program.

While these entities' daily operations will continue as before, they are now united as one group for legal and administrative purposes. Central to this new structure is the status of public charity, which creates more flexibility to accept donations from a wider range of sources. This includes donor-advised funds. As a result, for example, it will now be simpler for KPMG LLP partners and employees to make matching gifts to colleges and universities.

You will read about these hubs in the pages that follow. We invite you to "reach" out to either of us with any questions or thoughts you may have about the new structure.

Next year you will learn more about what we accomplished in the first year of our new identity. Meanwhile, we are greatly excited about this new opportunity to better serve the programs we support. We look forward also to serving KPMG's people – including the thousands who graciously volunteer their own time on several of those programs. For this, we – and the countless members of our communities who benefit from those programs – thank you.

Jose R. Rodriguez
Chair, KPMG Foundation

Bernard J. Milano
President, KPMG Foundation

Broader reach

Enhancing K-12 education

Elementary School: KPMG's Family for Literacy

As a result of the restructuring that created KPMG U.S. Foundation, Inc. (KPMG Foundation or The Foundation in all future references) on July 1, 2016, The Foundation assumed local office fiscal responsibility for the highly successful KPMG's Family for Literacy (KFFL) program.

International expansion of KFFL came with introduction of programs in Mexico, the United Kingdom, India and South Africa.

For the past four years, through The Foundation's support, Beta Alpha Psi (BAP), the nationwide honor and service organization for college students studying financial information, has joined with KFFL in an annual International Day of Literacy.

The FY2016 International Day of Literacy took place on a summer day in Milwaukee, where BAP held its annual meeting. In all, 866 volunteers brought 4,502 books, funded by The Foundation, to more than 2,800 students in underserved communities, and spent the better part of a day engaging the children in learning games and activities. KFFL volunteers also gave them new notebooks, pencils and other school supplies. Continuing into the school year, many BAP chapters returned to elementary schools for similar literacy empowerment activities supported by The Foundation throughout FY2016.

The Foundation doubled its donation to BAP's literacy events, to help the organization expand those activities in 2016 as part of BAP's centennial celebration.



Created to address the nationwide problem of childhood illiteracy, this literacy empowerment initiative rests on the premise that inadequate access to books is a major barrier to achieving literacy in many low income communities. KFFL brings thousands of KPMG LLP's people and their families into classrooms to read to and share the joy of reading with young people. KFFL has given more than 2.5 million books to children from more than 90 underserved and low income communities since 2008 in collaboration with First Book, a respected non-profit organization.

* "Reach," Gloria Estefan

Broader reach

Enhancing
K-12
education

Middle School: Junior Achievement

Junior Achievement USA® (JA) works to prepare young people to succeed in a global economy, and “to inspire students to dream big and reach their potential.” JA pursues this goal in the nation’s schools through volunteer-driven work-readiness, entrepreneurship and financial literacy skills programs that stress experiential learning.

The Foundation strongly supports JA’s goals, and has committed \$1.75 million over eight years to programs that support the middle school level. JA’s mission is consistent with KPMG’s focus on developing the next generation of leaders through support of lifelong learning and development of skills that help ensure future success.

In 2016, more than 1,000 employees and partners from 47 KPMG offices participated in Junior Achievement events across the U.S., contributing nearly 15,000 hours, and earning the U.S. President’s Volunteer Service Award, Gold Level. More than \$685,000 was raised through firm contributions and employee-fundraising events, including bowl-a-thons, golf outings and local hall of fame events.

Through the \$1.75 million multi-year contribution from The Foundation, KPMG and its employees played an integral role in the redevelopment of JA’s signature financial literacy program, JA Finance Park®. The month-long program introduces students to personal financial planning and career exploration. We are the program’s national title sponsor. As a result:

- Participating students demonstrated more financial literacy than comparison students.
- Participating students demonstrated positive attitude changes across all dimensions of interest.
- Students, teachers, volunteers and JA staff all affirmed the value of the JA Finance Park curriculum.

The firm’s long-standing commitment to JA also includes the impressive leadership of almost 60 KPMG professionals who serve on local JA boards across the country.

JA delivers programs to

4.8

million students each year in nearly

210,000 venues nationally.

Nearly

1.5 million of them have experienced JA Finance Park®.

JA reaches an additional

5.8

million students in

120

countries.

For more information, visit www.juniorachievement.org

“Meaningful gain in knowledge” by participating students:

- Teachers perceived strong impacts on students
- Students, teachers, volunteers, and JA staff all affirmed the value of JA Finance Park

Source: Junior Achievement USA, Education Department



High School: National Academy Foundation

NAF, the National Academy Foundation, addresses some of our country's greatest challenges in education and in the economy – and brings an innovative approach to solving them.

Focused primarily on underserved urban areas, this national network of education, business and community leaders works to ensure that the nation's high school students are college, career and future ready.

The Foundation's role, and reason for partnering with NAF: to introduce many of those young people to the promise of a career in accounting – and to help prepare them for one.

In recent years, The Foundation support has enabled NAF to modernize and enhance the accounting curriculum at its more than 200 Academies of Finance, located all over the country.

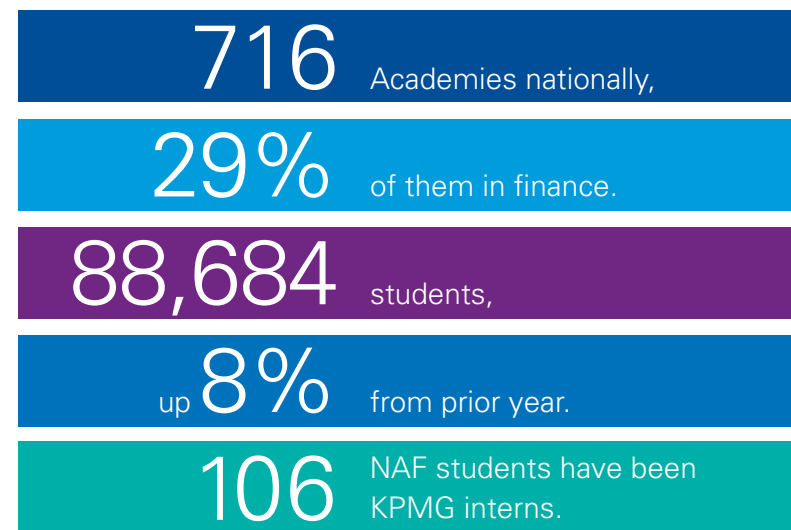
KPMG LLP is a vital and active partner in the NAF network.

Volunteers from 19 firm offices devote countless hours to the shared goal of attracting more young people to accounting. They bring students into their offices for job shadowing, mentoring and role-modeling. They provide work-based learning opportunities and résumé-writing skills. They prepare students for work interviews, and they introduce them to the fundamentals of business etiquette.

Significantly, they also launch NAF students into accounting careers: nationally, KPMG LLP has hired 106 NAF students as summer interns since 2010.

Many KPMG employees have served as NAF Champions in 13 states, where they sit on advisory boards, take part in learning experiences and secure paid internships. KPMG LLP Chairman and CEO Lynne Doughtie joined the NAF Board of Directors in 2016.

For more information, visit www.naf.org.



American College Application Campaign

FY2016 marked the launch of an important new reach-broadening initiative for The Foundation: support for a major national effort to bring more first-generation and low-income students into the realm of higher education.

The American College Application Campaign (ACAC) reaches high school seniors who might not otherwise attend college, and helps them navigate the seemingly intimidating landscape of the college admissions process. ACAC's goal is to get each student to apply to at least one post-secondary institution.

The Foundation is just one component of this new partnership: KPMG LLP developed plans for firm employees to volunteer in high schools with ACAC programs, helping students with their college applications.

With these twin pillars of engagement, The Foundation and KPMG LLP envision a systemic, long-term commitment to teaming with ACAC to fill college classrooms with students who



might otherwise not have pursued the goal of a higher education. Through The Foundation's introduction, ACAC has begun a collaboration partnership with the National Academy Foundation.

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

For more information visit www.acenet.edu/acac



Impacting higher education

The PhD Project

The PhD Project is a flagship program, created by The Foundation with additional support from prominent companies and academic organizations, to increase workplace diversity by increasing the diversity of business school faculty who will mentor and encourage minorities to study business.

In FY2016, as college campuses around the nation resounded with calls for such reforms as diversifying faculty, The PhD Project stood out as perhaps the only systemic, holistic nationwide approach to the challenge. Since The PhD Project's 1994 inception, the number of minority business faculty nationwide has more than quadrupled from 294 to 1,322.

In FY2016 The PhD Project was designated by the White House Initiative on Educational Excellence for Hispanics as one of the nation's Bright Spots in Hispanic Education.

In response, The PhD Project formed a Committee on Hispanic Excellence. It co-hosted a first-ever Diversity Summit at Northeastern University where 100 leaders and educators from around the country discussed issues relating to Hispanic academe. Additionally, it pledged to ask its sponsors to increase their funding

commitment. Several, in addition to The Foundation, increased either their funding level or years of commitment by more than \$3.5 million.

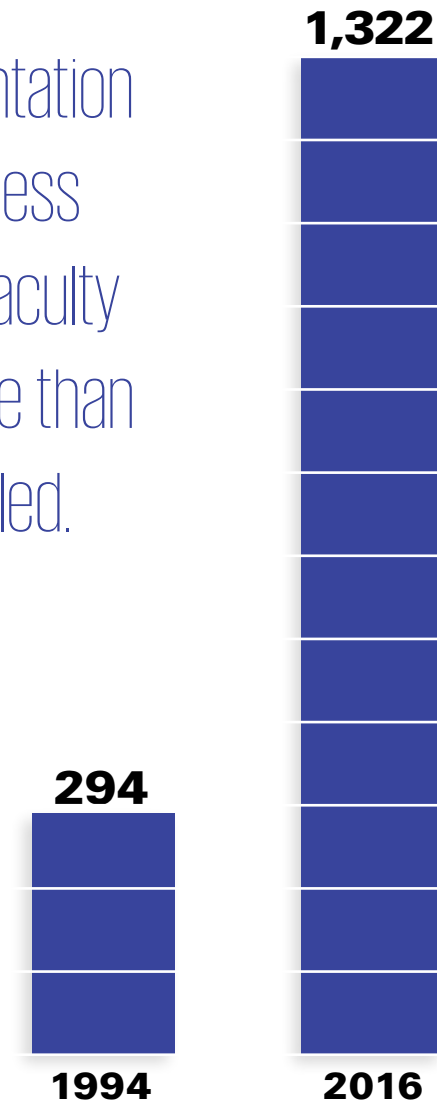
The PhD Project also focused on developing professors to be more effective classroom communicators. The Project teamed with Bentley University on a three-day program of classroom skills enhancement, exclusively for PhD Project professors.

Another new program created for early FY2017 implementation brings together PhD Project alumni – now faculty members – for a round of workshops that coincides with The PhD Project Doctoral Students Associations' meetings. This enables increased networking and mentoring opportunities for tomorrow's professors, as they interact with current professors.

The PhD Project Association is a separate 501(c)(3). The Foundation continues as primary funder and provides all the administration. Combined total support from The Foundation was \$725,000 in FY2016.

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

Minority representation on business school faculty has more than quadrupled.



Reaching far beyond their financial support, PhD Project sponsoring organizations are invited to engage with faculty and doctoral students to further build relationships with the academic community. Lynne Doughtie, KPMG LLP Chairman and Chief Executive Officer (center) spoke at The PhD Project Accounting Doctoral Students Association annual conference, as did AICPA Chairman and KPMG alumna Kimberly Ellison-Taylor (left). At right is new PhD Project Professor Dr. Kecia Williams Smith, who joined the faculty at Virginia Tech, Lynne Doughtie's alma mater, after earning her Ph.D at Texas A&M University, alma mater of KPMG LLP Deputy Chairman and Chief Operating Officer Scott Ozanus.

Broader reach

Impacting higher education

From an undergraduate student evaluation of Dr. Nkansa:

“AWESOME. Great professor, she’s the reason I changed my major to accounting!”



The PhD Project

Dr. John Barrios

- Assistant Professor of Accounting, University of Chicago
- Ph.D: University of Miami, 2015

“The PhD Project was my network of support as a doctoral student. When it came time to interview for a professor position, I felt comfortable. It wasn’t intimidating, because of the networking I had done through The Project.”



Dr. Rachel Martin

- Assistant Professor of Accounting, Utah State University
- Ph.D: University of Wisconsin, Madison, 2015
- Cherokee Tribe

“Through The PhD Project, I learned how to showcase my strengths, and market my papers. In my job search, I was contacted by some universities

solely because they were aware of my involvement in The Project.”



Dr. Porschia Nkansa

- Assistant Professor of Accounting, California State University, Los Angeles
- Ph.D: University of Memphis, 2016
- Former KPMG Tax Associate
- Attendee, 2005 and 2010 PhD Project Annual Conferences

“I knew I was making a contribution with KPMG, but I wanted to leave a different kind of legacy. A PhD Project professor – who is now a KPMG Professor – first told me as an undergraduate that I should become a professor. She was right.”

PhD Project AHEAD

The PhD Project actively encourages and develops minority professors of business to reach for positions of academic leadership. Through workshops, networking opportunities and more, its AHEAD initiative (Achieving Higher Education Administration Diversity) prepares faculty members to become department chairs, program directors, assistant deans, deans and provosts.

In an expansion of the effort, The PhD Project teamed with AACSB International, the accrediting body for business schools, to develop a formal two-day program exclusively for prospective administrative leaders within the ranks of PhD Project professors. Delivered in early FY2017, the seminar was designed to help participants enhance their leadership skill sets, and position them for success in pursuing careers in administration.



Dr. Yuvay Meyers Ferguson

- Chair, Marketing Department, Howard University
- Ph.D: University of Texas at Austin
- Conducts research on consumer behavior of African Americans and their representation in advertising

“The PhD Project conference gave me the confidence to move forward and enroll in a doctoral program. After making tenure at my first academic position, becoming a department chair was a natural fit. I’ve worked hard to help my department by bringing in professionals to present to students and by securing scholarship funds from the business community.

I owe my career to the KPMG Foundation and The PhD Project.”



Dr. Jorge Pérez

- Vice Provost for Institutional Effectiveness, Kennesaw State University
- Heads his university’s Office of Institutional Effectiveness
- Ph.D: Florida State University
- Past recipient of the prestigious American Council on Education (ACE) Leadership Fellowship.

“I pursued a Ph.D because I wanted to look back on my life one day and know that it mattered in a big way. The best decision I ever made in my entire life was to attend a PhD Project doctoral students conference. The support and encouragement people get there can literally make the difference in whether or not they complete their doctorate.”



Dr. Charles Richardson

- Dean, School of Business, Claflin University
- D.M. Pace University
- Holds two Master’s degrees (New York University, Rensselaer Polytechnic Institute) and an undergraduate degree in mathematics (Pratt Institute)
- Past recipient of the prestigious American Council on Education (ACE) Leadership Fellowship.

“I have been committed to serving historically Black colleges. It is less what I decided to do, than what I was called to do. This is a service job; it is about the greater community. Our students are largely first generation and rural. Our job is to ensure they graduate with a place to go – either a good job or graduate school.”



Dr. Jerome D. Williams

- Executive Vice Chancellor and Provost, Rutgers University-Newark
- Ph.D: University of Colorado
- Inductee, The PhD Project Hall of Fame

“Early in my career there were times I was the only faculty member of color in the room. Now I have colleagues of color in my department, throughout the business school – and there are deans as well. We’ve come a long way, though there is a long way still to go. I’m very pleased with the progress The PhD Project has made.”

Matching Gifts: New Options

As a result of The Foundation restructuring, new options have been created for KPMG LLP partners, retired partners and employees to make KPMG Foundation-matched contributions to the college of their choice.

With The Foundation established as a public charity, it can now accept such contributions directly via donor advised charitable gift funds, and forward them to the designated college, along with the KPMG match (up to \$7,500 per person, per school, per fiscal year). This is a streamlined process that makes it easier for individuals to make their donation and ensure that The Foundation match is completed.

In FY2016, through combined individual and matching gifts, The Foundation donated \$9,333,203 to higher education. These gifts support student and faculty development, fund student scholarships and faculty research, and enable other activities that enhance higher education.



Fiscal Year	2015	2016
Contributed by partners/ employees to universities	\$4,309,697	\$5,139,261
Matched by The Foundation	\$3,968,944	\$4,315,908



Faculty Professional Development

It is hard to imagine any program or contribution with a greater reach than those supporting America's college professors. Their research enhances business practice and public policy; their interactions with students limitlessly influence future generations of business leaders.

In FY2016, The Foundation was the sole sponsor of the following academic conferences, which were attended by approximately 2,000 accounting professors and 270 accounting doctoral students:

- 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



KPMG Future Leaders Program

Funded by proceeds from the *KPMG Women's PGA Championship* and *KPMG Women's Leadership Summit*, the *KPMG Future Leaders Program* affords top female high school seniors across the country the opportunity to enhance their personal growth through college scholarships, a leadership development retreat at Stanford University, a mentoring relationship with a woman business leader, and an introduction to golf. In 2016, sixteen scholars were selected to participate in the inaugural *KPMG Future Leaders Program* and receive a \$10,000 scholarship for each of four years of college.

KPMG Minority Accounting Doctoral Scholarships

For the first two decades of The PhD Project, The Foundation provided scholarships to further increase the completion rate of PhD Project doctoral students in accounting or information systems. With marketplace factors and The PhD Project's overall success ensuring that this goal was being met, the scholarship program has begun to wind down. Since 1993 the program has awarded more than \$15.5 million to 331 African-American, Hispanic-American and Native Americans. The vast majority of these recipients are now accounting or information systems professors.

AICPA Accounting Doctoral Scholars Program

The AICPA launched the Accounting Doctoral Scholars Program in 2008 to address a growing shortage of academically qualified university auditing and tax faculty members, especially those with recent practitioner experience. At the time, more than 43 percent of accounting faculty members at U.S. colleges were 55 or older and preparing to retire.

After an investment of almost \$18 million from KPMG LLP and other accounting firms, the original program is now approaching its completion date and a revamped program is in place. Through this effort, more than 100 individuals changed their career paths and entered academe. Of those, nearly one third are KPMG LLP alumni.

Broader reach

Impacting higher education

KPMG Professors

In higher education, supporting professors who influence the future through research and teaching is perhaps the ultimate reach.

KPMG Foundation has a long history of enabling distinguished accounting faculty to extend their reach through KPMG Professorships.

Dr. Wayne Landsman

University of North Carolina at Chapel Hill
KPMG Distinguished Professor of Accounting



- KPMG Professor since 1996
- Associate Dean of Ph.D. Programs, 2001-2016
- One of only two to have won the three major AAA awards: Wildman Medal, Outstanding Educator and Notable Contribution to Accounting Literature (The first was his mentor, William Beaver)

“Our research and our teaching are all to inform the profession, and make it better. Research informs the teaching, and the teaching informs the profession. I don’t see a distinction among the three. There’s no either/or.

“When I walk into the classroom, I bring in the insights from my research or others’ research. If you just teach students the rules, there’s no context for understanding how the rules affect the information that decision-makers rely on. I don’t even teach the rules until we’re done with understanding the economics.

“Accounting is communication. It’s a language of communicating performance.”

“There are multiple ways in which we communicate with the profession. The most basic way is by teaching our students – they are the future professionals. We also write practitioner-oriented versions of our research. Another way is to actually speak with and interact with professionals, for example, at conferences that practitioners attend.

“Among the draws for me to join the University of North Carolina accounting program were the close ties between KPMG and UNC, which were established well before I arrived. I am proud to be the KPMG chairholder because of the firm’s strong interaction with the school and its strong commitment to education. The firm has continued to play a role in the refashioning of our program.”

Dr. Joni Young

University of New Mexico
KPMG Professor of Accounting



- KPMG Professor since 2010
- Serves on editorial boards of eight academic journals
- Visiting Professor, London School of Economics

“I was originally a practitioner, at a major global firm. I realized that academia might be a better fit. I like to sit quietly in my office *[laughs]* and think about things, read, and discuss things with a few people. My research looks at the standard-setting process, and at issues surrounding accountability in the non-profit sector.

“A funny thing about academic work is that it’s very difficult to trace direct lines of causality. Your experiences, the people you talk to and the things you’ve read get tossed into an overall stew pot – they simmer and blend, and eventually something percolates up. Different influences come together in unexpected ways. In few cases can you say precisely where something came from. And it’s a stew pot I bring into the classroom, for teaching.”

“I’ve become involved in accounting history. It is interesting to see how people have responded to the changes of the past 100 years, how they resisted or facilitated them. If you don’t know your history, you are probably doomed to repeat it.

“My research peers are located in Europe, so it is very important for me to be able to travel. The KPMG Professorship enables me to do more of that than I otherwise could. I need to maintain my network of peers, and keep in touch with what’s new.”

2016 KPMG Professors

Stephen Asare

University of Florida

Ramji Balakrishnan

University of Iowa
(term ended July 2016)

Bruce K. Billings

Florida State University
(term started August 2016)

Frank Buckless

North Carolina State University

Donald Chambers

Lafayette College

Hsihui Chang

Drexel University

Michael Clement

University of Texas at Austin

Dan Deines

Kansas State University
(term ended June 2016)

Samir El-Gazzar

Pace University

N. Allen Ford

University of Kansas

Alexander Gabbin

James Madison University

George Gamble

University of Houston

John Gardner

University of New Orleans

Barron Harvey

Howard University

Rachel Hayes

University of Utah

Kathy Hurtt

Baylor University

Steven Kaplan

Arizona State University

Indser K. Khurana

University of Missouri-Columbia
(term ended March 2016)

Wayne Landsman

University of North Carolina at Chapel Hill

Henock Louis

Pennsylvania State University

Timothy Louwers

James Madison University

Laureen Maines

Indiana University

David Manry

University of New Orleans

Jennifer Mueller-Phillips

Auburn University

Jeffery Payne

University of Kentucky

Thomas Phillips

Louisiana State University

Sara Ann Reiter

Binghamton University

Bruce B. Rosenthal

St. Peter’s University

Thomas Schaefer

University of Notre Dame

Philip Shane

The College of William & Mary

Kenneth Shaw

University of Missouri - Columbia

Sandra Shelton

DePaul University

Pamela Smith

Northern Illinois University

Theodore Sougiannis

University of Illinois-Urbana Champaign

William Stammerjohan

Louisiana Tech University

Kevin Stocks

Brigham Young University

Jerry Strawser

Texas A&M University

K.R. Subramanian

University of Southern California

Steve Sutton

University of Central Florida

Miklos Vasarhelyi

Rutgers State University

Connie Weaver

Texas A&M University

Gerald Weinstein

John Carroll University

W. Mark Wilder

University of Mississippi

Susan Perry Williams

University of Virginia
(term ended June 2016)

Joni Young

University of New Mexico

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

Georgia State University
University of Maryland
University of Michigan
University of Nebraska
University of Oklahoma
Texas Tech University
Virginia Polytechnic Institute and State University

Broader reach

Strengthening the campus-community connection

Organizations that reach out to create new synergies between higher education and the wider community are of special interest to The Foundation. The Foundation not only supports several such groups financially; it also actively encourages them to explore new kinds of alliances and programs that enhance the campus-community bond.

Beta Alpha Psi (BAP)

BAP's partnership with KPMG LLP's early education literacy programs (see page 3) is an example of The Foundation's belief in leveraging the strengths of different organizations to broaden reach.

Beta Alpha Psi focuses on community service, and The Foundation is its single largest funder. This prominent honors organization for accounting and financial information students has developed leadership skills in more than 300,000 students over the past four decades.



In addition to the literacy activities in FY2016, The Foundation funded 158 BAP "superior" chapters and ten "gold" chapters for a total commitment of \$70,950 annually, plus an additional \$45,500 to the literacy and service program.

For more information, see www.bap.org

Beta Gamma Sigma (BGS)

Cleaning polluted rivers, refurbishing schools, inspiring literacy and feeding hungry people were among the activities in Beta Gamma Sigma's annual BGS Gives Back Day of Service – a global event of which The Foundation is the exclusive sponsor.

Service is a cornerstone value of BGS, and The Foundation has long stood behind it. BGS is an international honor society at business programs accredited by AACSB International. Membership in it is considered the highest honor a business student can attain. It maintains a presence on more than 700 campuses, in all 50 states and 39 countries and territories.

In the Day of Service event, students at SUNY New Paltz helped clean the Hudson River banks. In Greensboro, North Carolina participants collected Halloween candy and costumes, donating them to childrens' centers and charities. In Youngstown, Ohio they took part in a literacy activity for schoolchildren.

The Foundation also supports the BGS Student Leadership Forum. For more information about Beta Gamma Sigma and its leadership programs, visit: www.betagammasigma.org.



Campus Compact

Campus Compact is the only national organization dedicated entirely to higher education-based civic engagement. It advocates for and enables public and community service that develop students' citizenship skills. Through its work, more than 1,100 colleges and universities reach more broadly, deeply and meaningfully into their communities.

The Foundation is a longstanding supporter (since 1998) of Campus Compact. Total funding since 1998: \$600,000 to help enable millions of college students to serve countless people in their communities. For a fourth consecutive year, this support in FY2016 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.

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 18 years.

For more information, visit www.compact.org.

Enactus

The international organization Enactus (formerly Students in Free Enterprise - SIFE) consists of student, academic and business leaders working together to transform lives and improve living standards around the world through the power of entrepreneurial action.



From 36 countries and 1,600 universities, 69,000 active students in Enactus have impacted the lives of almost two million people.

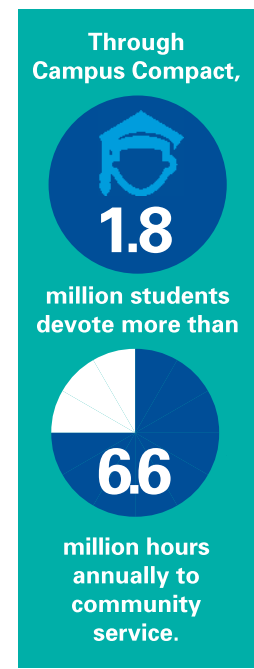
KPMG LLP is one of the five largest supporters of Enactus. The Foundation's multiyear investment in the United States program included \$50,000 for FY2016. Member firms of KPMG International provide more than \$1,000,000 additional annually.

KPMG International is lead sponsor of the signature Enactus event: its annual worldwide "World Cup" student competition. This is where entrepreneurially oriented college students from around the world compete over the public service programs they have been conducting in their communities all year.

More than 80 KPMG partners and employees participated in judging the FY2016 World Cup activities. In addition:

- Tax partner and KPMG International Global COO Shaun Kelly serves on Enactus' Worldwide Board of Directors.
- Emmanuel Tuffuor, 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 <http://enactus.org>



Broader reach

Supporting the community

1992	2001	2005	2006	2010	2011	2012	2013	2015	2016
<ul style="list-style-type: none"> • HURRICANE ANDREW EAST COAST, USA 	<ul style="list-style-type: none"> • 9/11 TERRORIST ATTACKS NEW YORK, PENNSYLVANIA, WASHINGTON D.C. 	<ul style="list-style-type: none"> • HURRICANE KATRINA NEW ORLEANS • TSUNAMI FAR EAST 	<ul style="list-style-type: none"> • SOUTH ASIA EARTHQUAKE 	<ul style="list-style-type: none"> • PAKISTAN FLOOD • HAITI EARTHQUAKE 	<ul style="list-style-type: none"> • HURRICANE IRENE NEW JERSEY • JAPAN EARTHQUAKE 	<ul style="list-style-type: none"> • HURRICANE SANDY NEW YORK, NEW JERSEY 	<ul style="list-style-type: none"> • BOSTON MARATHON Bombing Relief Effort 	<ul style="list-style-type: none"> • NEPAL EARTHQUAKE 	<ul style="list-style-type: none"> • LOUISIANA FLOODS
									

KPMG Disaster Relief Fund

The KPMG Disaster Relief Fund (DRF) was established in 1992 in the aftermath of Hurricane Andrew, initially as a vehicle for KPMG LLP's people to provide assistance to colleagues who experience disaster-related losses, and later expanded to include relief agencies responding to tragedies around the world.

Since then, DRF has disbursed more than \$6.7 million to help people affected worldwide by disasters as diverse as earthquakes in Japan, Haiti and Southeast Asia; Hurricanes Katrina and Irene; the Far East tsunami of 2005; and the September 11 terrorist attacks. DRF also administers funds collected by member firms to support the Millennium Villages Project in Tanzania, a global collaboration to address the root causes of poverty.

As a result of the July 1, 2016 restructuring, DRF is now formally a part of KPMG U.S. Foundation, Inc. It will continue to be a forceful, impactful display of the generosity of KPMG LLP employees and partners. It is the one Foundation program for which we hope to write no more checks – but for which we are prepared to mobilize rapidly and aggressively, any time need arises.

Points of Light Institute

Points of Light Institute is the largest organization in the world that encourages and enables volunteer service on a large scale. It works globally to inspire more people to become volunteers, to increase the impact of volunteer service and create a culture that encourages volunteerism.

Since 1996, The Foundation's total investment well exceeds \$1,000,000. A major element of this support is Points of Light's HandsOn Network, a program that connects more than 250 volunteer action centers reaching 2.6 million people with opportunities for service in 30 countries.

Aligning with a core priority, The Foundation helped Points of Light launch a disaster preparedness initiative. This effort reaches individuals, families, and organizations with tools, resources, and opportunities to create more resilient communities. This has included neighborhood canvassing, preparedness fairs, disaster kit building, and disaster trainings and exercises.

Foundation President Bernard J. Milano is a Director of Points of Light, and serves on the board's Executive Committee.

For more information, visit www.pointsoflight.org

KPMG New York Fund

As part of the July 1, 2016 restructuring, KPMG Foundation assumed administrative responsibility for the KPMG New York Fund, through the Disaster Relief Fund.

This entity, whose history traces to 1971, is a matching contribution charitable vehicle established by the partners of KPMG LLP's New York Office. It encourages and supports firm participation in local community and civic organizations, and makes matching grants to nonprofit organizations as approved by the New York Fund's advisory board members.

In FY2016, 14 grants totaling \$200,000 were disbursed on behalf of the NY Fund. These grants typically range between \$1,000 and \$10,000 each. In some cases multiple partners or employees pool their support to create a larger match opportunity.

In keeping with KPMG LLP's commitment to community service, the KPMG New York Fund expects people requesting a matching grant to be meaningfully involved in the organization, through volunteer time and financial giving.

The KPMG New York Fund's advisory board will continue to perform governance functions. Current 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

Revenue Sources	2016	2015
KPMG LLP Contribution	\$8,000,000	\$ 7,250,000
Matching Gift Donations (from partners/employees/retirees)	3,649,691	3,113,243
Casson Estate	1,431	650,000
Other	14,473	12,468
Program Expenditures		
Matching Gift Program	4,315,908	3,968,944
The PhD Project Association	875,000	713,847
Grants		
- Academic Organizations	299,500	355,498
- Community Organizations	180,950	181,275
- Universities *	1,337,820	435,301
- National Academy Foundation	250,000	250,000
- Junior Achievement	250,000	250,000
Minority Doctoral Scholarships	340,000	365,000
Administration		
- Salaries, Benefits and General Expenses	975,033	943,280

* Includes special grant for retiring Chairman gift to Notre Dame



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

KPMG Foundation,
Three Chestnut Ridge Road,
Montvale, New Jersey 07645
us-kpmgfoundation@kpmg.com

To learn more, visit
www.kpmgfoundation.org

KPMG Foundation Trustees as of June 30, 2016

Jose R. Rodriguez

Chair, KPMG Foundation
KPMG LLP Partner in Charge - Audit Committee
Institute (ACI)

Bernard J. Milano

President, KPMG Foundation

Theresa P. Ahlstrom

KPMG LLP Partner in Charge - Audit

Kelli J. Brooks

KPMG LLP Principal - Advisory

Carrie M. Casciani

KPMG LLP Partner - Audit

Jacquelyn Daylor

KPMG LLP Partner - Audit
Member, KPMG LLP Board of Directors

Robert P. Fisher

KPMG LLP Partner - Advisory

Laura J. Hay

KPMG LLP Principal
Member, KPMG LLP Board of Directors

Tammy Y. Hunter

KPMG LLP Partner - Tax

Paul J. Knopp

KPMG LLP Partner - Audit
Member, KPMG LLP Board of Directors

Rebecca Sproul

KPMG LLP Partner - Audit

French Taylor

KPMG LLP Partner - Tax

Suzanne Townsen

KPMG LLP Partner - Advisory

Emmanuel Tuffuor

KPMG LLP Partner - Tax

Maria C. Walker

KPMG LLP Partner - Audit