

Alexandria Giving Survey & Donor Advised Fund Holder Survey

Overview:

From June 8-18 we emailed three surveys:

1. Alexandria Giving Survey
2. Donor Advised Fund Holder Survey
3. Professional Advisor Survey.

We partnered with Reingold - a marketing and communications firm - on the survey design and email campaign.

The purpose of the Alexandria Giving Survey was to understand the motivations for giving, who people turn to for advice, and the degree of familiarity with donor advised funds. We received 70 responses to this survey (25% response rate). The survey was emailed to everyone who has given a donation to ACT (excluding Fund Holders) – a list of 276 people. We also posted the survey to social media and asked respondents to forward the survey to friends.

The purpose of the donor advised fund holder survey was to understand fund holder motivations and their satisfaction with ACT, and to identify how we could provide more value. The survey was emailed to 89 people; we received 28 responses (31% response rate).

The purpose of the advisor survey was to understand professional advisors' familiarity with donor advised funds and how they engage their clients in conversations about charitable giving. The survey was emailed to 55 advisors; only 8 completed the survey. We heard from several advisors about company policies that prohibit participation in outside surveys and technical challenges associated with firewalls. We are not including the results from this survey in this packet. We are exploring other ways to engage professional advisers, so that we can garner more in-depth, actionable information.

Industry Trends:

The following data is a snapshot of trends regarding philanthropic giving:

Increasing high net worth (HNW)¹ households'/individuals' donor knowledge leads to increased satisfaction and fulfillment with charitable giving.

- Nearly 30% of HNW donors would like more information about nonprofits.
- The more “expert” a HNW donor feels, the more likely they are to give at a greater level, use a giving vehicle like a DAF, and engage advisors.

Donor advised funds continue to be one of the fastest growing vehicles for charitable giving; however, most of that growth is with commercial DAFs (like Fidelity or Vanguard).

- Charitable assets in donor-advised funds totaled \$85 billion, an increase of 9.7 % over the prior year. This growth reflects increased contributions to donor-advised fund accounts (up by 7.6 percent) and investment gains.
- The average DAF has \$298K in assets.
 - The average DAF at a community foundation has \$423K in assets.
 - The average ACT fund has \$153K in assets.
- Most of the growth in DAFs is with “national charities” like Fidelity.
 - Donor advised funds with community foundations grew by 2% from 2015 – 2016.
 - Donor advised funds with “national charities” grew by 10%.

Although giving to donor advised funds has doubled in the last six years, most people give directly to nonprofit organizations.

- Giving to DAFs is only 8% of total charitable giving.
- Giving vehicles are growing, but only 18% of donors are taking advantage of them.

Sources:

[Giving USA](#)

[Fidelity Charitable's Future of Philanthropy Report](#)

[The 2016 US Trust Study of High Net Worth Philanthropy](#)

[A Golden Age of Philanthropy Still Beckons](#)

[The National Philanthropic Trust 2017 Donor Advised Fund Report](#)

Challenges & Opportunities for Charities after the 2017 Tax Cuts and Jobs Act, by Eugene Steuerle

Patterns of Giving by the Wealthy, Wealth Taxation, Entrepreneurship, and Philanthropy, by Eugene Steuerle

Steuerle

¹ The US Trust study of high net worth philanthropy is based on U.S. households with a net worth of \$1M (excluding the value of their primary home) and/or an annual household income of \$200K.

Alexandria Giving Survey Insights

Headline: While everyone thinks charitable giving is important, there are differences based on gender and age in what motivates giving and who people turn to for advice.

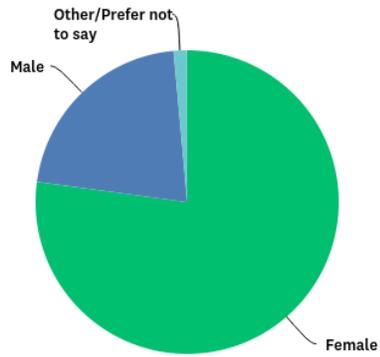
- Women and older people tend to be more independent when it comes to making decisions about charitable giving.
- Men are more motivated by tax benefits. Younger people are more motivated by a personal ask.

Details:

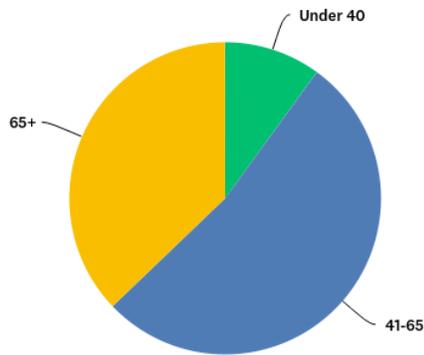
- Sixty-one (61) people completed the survey.
 - Survey respondents are primarily married women between 41-65 years old.
 - The older the respondent, the higher their net worth. Thirty-two percent (32%) of respondents older than 65 have net worth greater than \$5M; whereas none of the respondents under 40 had a net worth greater than \$5M.
- The clear majority (87%) report that charitable giving is very or extremely important to them.
 - There was no meaningful difference in importance based on age or gender.
- In general, respondents give because they want to help others and support causes they care about.
 - 98% of respondents give to support causes they care about. This factor is more important to Alexandrians vs other Americans. According to Fidelity Charitable, 59% of donors give to support causes they care about.
 - Men are more likely to identify tax benefits as a motivator for their giving (44% of men said they give for tax benefits vs 31% of women).
 - Half of respondents under 40 said they give because someone asked them; this is significantly less important to older respondents and to men.
- Most respondents turn to family and friends for advice on giving.
 - None of the respondents under 40 identified a financial advisor, lawyer or CPA as someone that they turn to for advice.
 - Women are least likely to rely on anyone else outside of family. Thirty percent (30%) noted that they “make their own decisions.”
 - Older respondents are less likely to turn to family. Forty-five percent (45%) of respondents 65+ said that they turn to family vs 83% of respondents under 40.
- When selecting a partner to assist them with charitable giving, knowledge of nonprofits is important across the board.
 - However, most men (60%) said by ability to address specific needs was important; 40% said reputation was most important.
 - Roughly one third of older respondents also rated customized support as important; whereas none of the respondents under 40 said it was important.

- Older respondents are also more likely to rate knowledge of potential tax benefits as important. No respondents under 40 said it was important.
- The older you are, the more likely you are to be familiar with and/or have a donor advised fund.
 - None of the respondents under 40 had DAFs; nearly a quarter of respondents older than 65 had DAFs.
 - One third (33%) of younger respondents have never heard of DAFs vs 19% of respondents 65+.

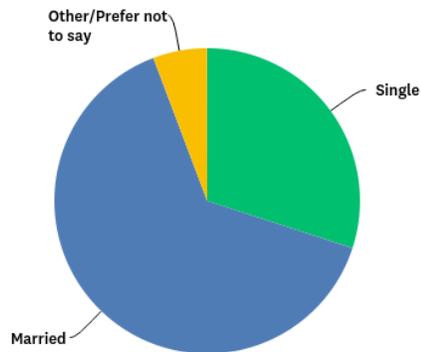
Q1 What is your gender?



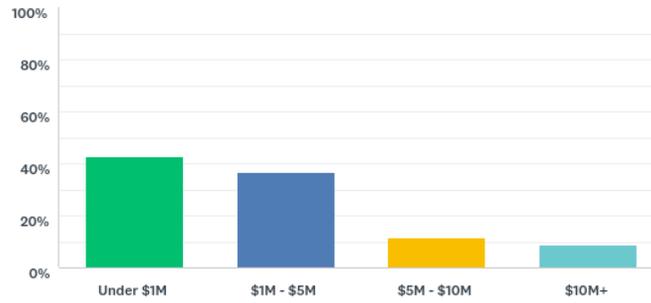
Q2 What is your age?



Q3 What is your marital status?

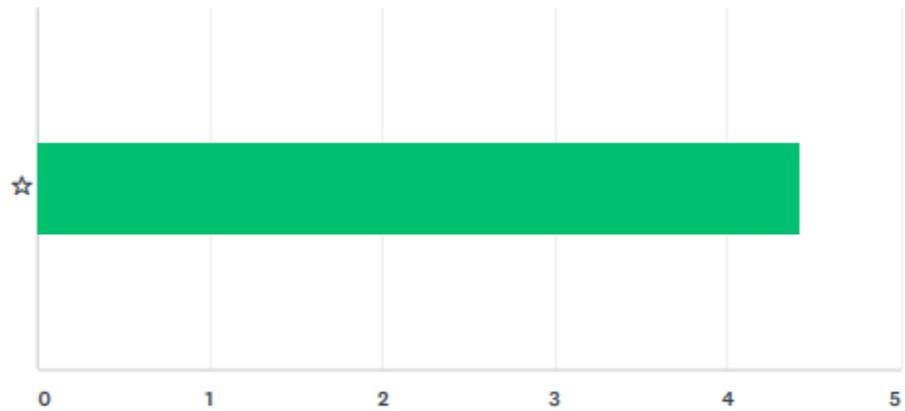


Q4 What is your approximate household net worth (i.e. annual salary, real estate, investments, etc.)?



Q5 How important is charitable giving to you?

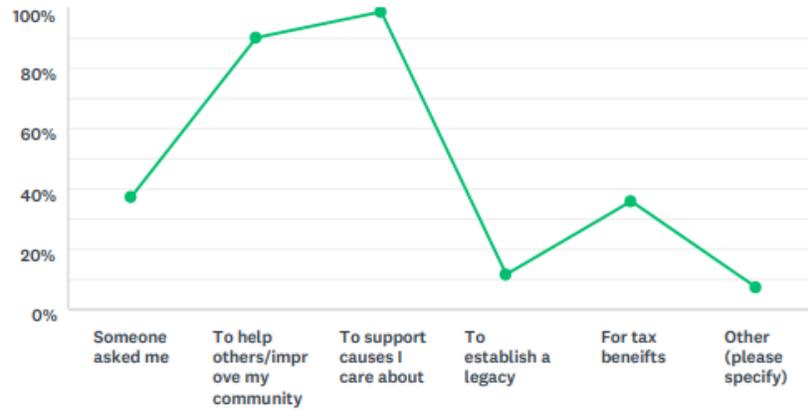
Answered: 70 Skipped: 0



	NOT IMPORTANT	(NO LABEL)	(NO LABEL)	(NO LABEL)	EXTREMELY IMPORTANT	TOTAL
☆	1.43% 1	1.43% 1	7.14% 5	34.29% 24	55.71% 39	70

Q6 Why do you give? Check all that apply.

Answered: 70 Skipped: 0



ANSWER CHOICES	RESPONSES	
Someone asked me	37.14%	26
To help others/improve my community	90.00%	63
To support causes I care about	98.57%	69
To establish a legacy	11.43%	8
For tax benefits	35.71%	25
Other (please specify)	7.14%	5
Total Respondents: 70		

#	OTHER (PLEASE SPECIFY)	DATE
1	Religious convictions (including giving outside of religious institutions)	7/5/2018 9:32 AM
2	It is a duty of good citizenship.	7/4/2018 11:34 AM
3	It's part of my DNA	7/3/2018 2:55 PM
4	Mission; multiplier effect; impact	6/14/2018 4:57 PM
5	I feel a moral obligation to give something back.	6/9/2018 10:26 AM

14	No one advises me. I give what I can to the charities I care most about.	6/8/2018 5:04 PM
15	myself	6/8/2018 3:28 PM
16	Make my own decisions	6/8/2018 3:04 PM

Q7 Who do you turn to for advice on giving? Check all that apply.

Answered: 70 Skipped: 0

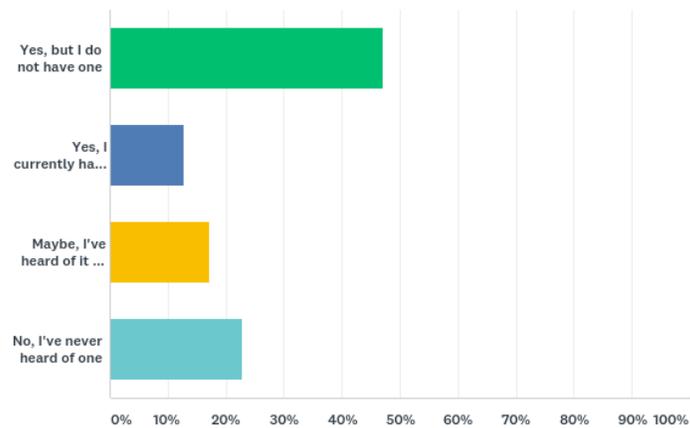


ANSWER CHOICES	RESPONSES	
Family/Spouse	60.00%	42
Financial Advisor	14.29%	10
Lawyer	0.00%	0
CPA	7.14%	5
Friend	41.43%	29
Nonprofit professional (ex: Development Director)	22.86%	16
Other (please specify)	30.00%	21
Total Respondents: 70		

#	OTHER (PLEASE SPECIFY)	DATE
1	Web sources and newspapers that offer honest, well-sourced information about charities.	7/4/2018 11:34 AM
2	Guidestar, local charities we know	7/3/2018 5:48 PM
3	Director(s) of not-for-profit	7/3/2018 12:29 PM
4	news stories, personal connections who share what organizations are doing	7/3/2018 11:47 AM
5	I make my own independent decisions	6/20/2018 7:56 AM
6	Myself	6/14/2018 9:13 PM
7	I make my own, informed choices.	6/14/2018 4:57 PM
8	None.	6/14/2018 3:06 PM
9	No one	6/14/2018 3:04 PM
10	No one	6/14/2018 8:57 AM
11	I don't ask advice about charitable giving	6/13/2018 10:42 PM
12	make many decisions myself	6/13/2018 7:54 PM
13	I am in the philanthropy world.	6/13/2018 7:29 PM

14	friends, things that touch my life, articles I read, being asked	6/13/2018 6:19 PM
15	What I read or hear about	6/11/2018 11:46 AM
16	No one.	6/10/2018 9:02 PM
17	I do some research before giving.	6/9/2018 10:26 AM
18	Charity Navigator	6/8/2018 9:03 PM
19	No one advises me. I give what I can to the charities I care most about.	6/8/2018 5:03 PM
20	myself	6/8/2018 3:27 PM
21	Make my own decisions	6/8/2018 3:04 PM

Q9 Do you know what a donor advised fund is?



Q8 When selecting a partner to assist you with your charitable giving, what is most important to you? Select 2.

Answered: 70 Skipped: 0



ANSWER CHOICES	RESPONSES	
Knowledge of nonprofits	45.71%	32
Responsive customer service	4.29%	3
Knowledge of potential tax benefits	12.86%	9
Experience working with people like me	14.29%	10
Ability to address my specific interests and needs	41.43%	29
Ease of making donations	28.57%	20
Reputation of the advisor	21.43%	15
Other (please specify)	15.71%	11
Total Respondents: 70		

#	OTHER (PLEASE SPECIFY)	DATE
1	My spouse and news sites that offer useful information are my primary "partners."	7/4/2018 11:34 AM
2	Dont need assistance	6/14/2018 9:13 PM
3	This question assumes I defer to others	6/14/2018 4:57 PM
4	None of the above	6/14/2018 3:04 PM
5	Doesn't apply	6/13/2018 10:42 PM
6	Advisor are not important in my decisions	6/13/2018 7:54 PM
7	Don't use an advisor.... there is no trouble finding places to give	6/9/2018 10:31 AM
8	I don't have any assistance.	6/9/2018 10:26 AM
9	I have no partner to assist me. I make the decisions on my own.	6/8/2018 5:03 PM
10	Not applicable	6/8/2018 3:40 PM
11	I do not ask anyone to assist me with charitable giving	6/8/2018 3:29 PM