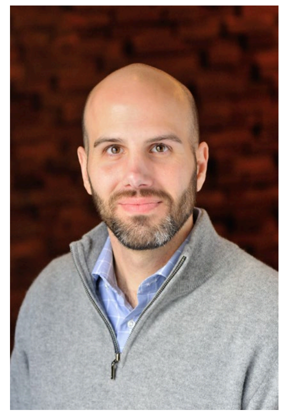
Trends in Family Philanthropy

On April 20, 2022 The Community Foundation for Northeast Florida hosted a Donors Forum on Trends in Family Philanthropy. Guest speaker Nicholas (Nick) Tedesco, President and CEO of the National Center for Family Philanthropy, discussed the Family Giving Lifecycle, addressing the unique nature and qualities of family philanthropy, and current trends in the field. A full recording of the presentation is available [here] and the slides from Nick's presentation are available [here].



General Highlights from Nick Tedesco:

- Regardless of vehicle (private foundation, DAF, checkbook, etc.), family philanthropy is a unique type of giving, with individuals acting as a collective, and it requires a commitment to a shared understanding of motivations and values.
- Families should consistently reflect on the mission of their philanthropy, both internally and externally. How are we promoting engagement and a sense of collective within the family? What does success look like for us, and how are we making that happen?
- Clear decision making is vital for effective giving. Families should establish the "who and how," understand the core of governance, and name what structures are in place – unilateral, consensus, majority vote, etc.
- Engaging outside help early and often is one of the keys to effective philanthropy. Whether it is engaging a community foundation, hiring consultants, or just having discussions with other philanthropic families, it is extremely valuable to have objective perspectives on your giving from those who are less emotionally connected to the work.
- Philanthropy takes time. If you want to give away money well, it takes a deep commitment to listening. It is also important to challenge your assumptions, revisit values, and apply feedback and learning to your impact strategies.
- Let your family's philosophy be a source for good. Make sure you tap into the joy of giving, celebrate the chance to come together, and appreciate the opportunity for stewardship.

Current Trends in Family Philanthropy

- The pace of giving has accelerated over the last several years in response to recognition of need – brought on by such factors as the pandemic, racial injustice, threats to democracy, and global shifts. This has also called into question the importance of taking risks. Many donors are asking "If not now, when?"

- Donors are considering more flexible constructs to address opportunity-driven giving. For example, while a 5-7 percent annual giving is typical for an endowment, donors are discovering that flexing above this amount in any given year or for a period of time does not endanger perpetuity.
- Trust-based philanthropy is gaining in popularity as a way to utilize multi-year commitments, streamline the process, and lessen the burden on non-profits.
- There is a growing shift from donor-centric philosophies to community philosophies, which places more meaningful alignment on issues, and a rise in donor collaboration and collaboratives across the country.
- While in the past, "social justice" has been relegated to one giving basket of a portfolio, donors are more increasingly applying equity as a lens for everything they do. One way to accomplish truly meaningful giving is to focus on root causes and invest in movements and community movement leaders.
- Our society at large is challenging and redefining the concepts of stewardship, philanthropy, wealth, and transparency. This begs the question: What is the responsibility of every donor to put capital back into the community?

Reflection Questions for Families:

- What is motivating you to give? What do you want to accomplish with your philanthropic efforts?
- Who makes decisions, and what is your framework or governance structure?
- How will you use resources to achieve your purposes? What strategies do you plan to employ to accomplish your objectives?
- What are your goals? How are you growing and learning toward these goals?
- How can you support and empower the next generation to continue the family's philanthropic legacy?
- What are your near- and long-term objectives? How can you apply and embrace shifts to look beyond your current impact?
- What is the purpose and timeline of your philanthropic capital? Who will continue to shepherd your philanthropy?
- What is your role as a donor and steward?

Additional Resources

- Learn more about NCFP resources by visiting their online Knowledge Center, which includes deeper dives into each lifecycle stage.
- Consider attending the NCPF's 2022 National Forum on Family Philanthropy in October 2022 in San Francisco.
- Contact Tom Caron (tcaron@jaxcf.org) if you'd like to explore strategies for effective intergenerational giving leveraging TCF's center of expertise.