2012 STUDY ON
THE STRATEGIC VALUE OF DONOR ADVISED FUNDS

The Philanthropy and Community Foundation fields have been asking themselves tough questions around Donor Advised Funds (DAFs). A Recent NYT Op-Ed and Treasury Report highlighted the interest shown by policy makers and a broader audience. In response, CF Insights and FSG, in collaboration with the Council on Foundations (COF) and the James Irvine Foundation, are conducting a study on the strategic value of Donor Advised Funds. The key questions we’re trying to answer are:

To what extent do DAF donors with funds at Community Foundations…?

Become more active in local grantmaking
Contribute to the growth and sustenance of the CF
Become engaged with the CF and actively partner to address priorities
Create planned gifts or leave bequests

What policies and practices lead to these outcomes?

Results will be released in a White Paper to the field and presented during the 2012 COF Fall Conference in New Orleans. High level trends and case studies will feed into DAF advocacy support for Foundations on the Hill in March 2012

PARTICIPANTS IN THE STUDY

33 participants have signed up, representing a diverse field and a significant portion of Community Foundation DAF activity:

- 16 states are represented by Community Foundations serving both rural and urban communities
- Asset sizes range from $13M to $2B, allowing us to understand the position and thinking of both small and large Community Foundations
- The study accounts for around 1/3 of Community Foundation DAF Assets, DAF Contributions and DAF Grantmaking

We hope this will build the foundation for a comprehensive, representative and interesting study!
METHODOLOGY

The study will mix quantitative and qualitative methods, with four types of data being collected from participating Community Foundations:

- **Longitudinal Perspective**
  - DAF giving and grantmaking activity and connection to other funds at the CF over a period of up to 20 years (determined based on data availability)

- **Current Perspective**
  - DAF engagement with the community foundation as represented by specific behaviors (e.g., partnerships, planned giving)

- **Donor Stories**
  - Illustrative details of the CF’s 3 most “strategic” DAFs, as defined by the CF to illustrate the different roles DAFs can play in a CF strategy

- **Community Foundation Choices**
  - Insights into the strategic intent, policies, and practices of the community foundation with respect to DAF management
The project is guided by the Community Foundations Leadership Team (CFLT), the CF Insights Advisory Board, and COF. Throughout the project representatives from the field will come together to shape the study through **Steering and Methodology Committees**. During the fall, these committees have helped us define the research questions and develop data collection templates.

**TIMELINE**

<table>
<thead>
<tr>
<th>Month</th>
<th>Events</th>
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<tbody>
<tr>
<td>March 2012</td>
<td>Advocacy Support Support Materials for the <strong>Foundations on the Hill</strong> in March 2012</td>
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<tr>
<td>May – July 2012</td>
<td>CFs and DAFs Analysis Individual CFs receive reports</td>
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<tr>
<td>September 2012</td>
<td>Field-wide Knowledge Building <strong>COF Fall 2012 Conference</strong></td>
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In the months ahead we are going to release three separate DAF research products.

First off is the advocacy support materials for the **Foundations on the Hill** in March 2012, second are the individual reports to study participants based on CFs and DAFs analysis, and last is the field-wide white paper for the **COF Fall 2012 Conference** in New Orleans.

We are excited to be collaborating with the Community Foundation and Philanthropic fields to generate much awaited research and analysis and look forward sharing our findings with you.

We continue to seek engagement and feedback from both the Community Foundation field and other stakeholders so please reach out to us with questions, concerns or ideas.

Your **CF Insights / FSG** team,

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**CF INSIGHTS** responds to a hunger for shared knowledge and greater impact: Community foundations grow stronger when their decisions are based on timely, accurate, and complete information.

**IN PARTNERSHIP** with the Community Foundations Leadership Team, FSG has been a driving force for CF Insights since its inception.

**created by** COMMUNITY FOUNDATIONS

**propelled by** FSG