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Giving Circles: Spinning Gold or Chasing Your Tail

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THE COMMUNITY
FOUNDATION
FOR NORTHEAST FLORIDA

Giving Back. Giving Forward.



Framing our Discussion

- ❖ Why Community Foundations
 - ❖ The Community Foundation for Northeast Florida (TCF)
 - ❖ Research & Characteristics of Giving Circles
 - ❖ TCF Models
 - ❖ Considerations
-

Cleveland 1914



Frederick H. Goff

Stimulate Philanthropy to build a better community



THE COMMUNITY
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THE COMMUNITY
FOUNDATION
FOR NORTHEAST FLORIDA

- ❖ 2017
- ❖ Founded in 1964
Oldest & largest in Florida
- ❖ 397.4 assets under management
65% endowed
- ❖ 40.5MM granted
83% Northeast Fl
- ❖ 19 staff

Giving Circles are changing the face of philanthropy

Recent Research



Collective Giving
RESEARCH GROUP

**GIVING
CIRCLE
NETWORKS
GATHERING**

Collective Giving Research Group



❖ Nov 2017 The State of Giving Circles Today

Jessica Bearman Principal, Bearman Consulting

Julia Carboni, Ph.D. Assistant Professor, Maxwell School of Citizenship and Public Affairs, Syracuse University

Angela Eikenberry, Ph.D. David C. Scott Diamond Alumni Professor of Public Affairs, School of Public Administration, University of Nebraska at Omaha

Jason Franklin, Ph.D. W.K.Kellog Chair in Community Philanthropy, Dorothy A. Johnson Center for Philanthropy, Grand Valley State University

Funded by: Bill & Melinda Gates Foundation, via Women's Philanthropy Institute at IU Lilly Family School of Philanthropy

Charles Stewart Mott Foundation

Giving Circle Networks Gathering



- ❖ 20 networks
- ❖ Representing 1500 circles

Coordinated by: Women's Collective Giving Grantmakers Network, Amplifier, Asian American and Pacific Islanders in Philanthropy Giving Circle Network, Community Investment Network

Funders: Bill & Melinda Gates Foundation and Charles & Lynn Schusterman Family Foundation

10 Key Findings – Collective Giving Research Group

- ❖ GCs have tripled in number since 2007 – 1,500 across the country
- ❖ GCs have granted up to 1.29 billion
- ❖ Women are the majority of GC members
- ❖ GS engage a diverse range of donors – 150,000 across 50 states
- ❖ Funding remains largely local

10 Key Findings – Collective Giving Research Group

- ❖ GC donors are motivated by a desire to “give back”
- ❖ Donors join GCs with a goal of “giving better”
- ❖ GCs are more connected-to each other and to the philanthropic sector
- ❖ GC hosts seek to grow a culture of philanthropy
- ❖ Covering costs is a challenge

Key Findings - Network Gathering of GCs

- ❖ Core identities in networks
- ❖ 30% of GCs do not specifically focus their funding
- ❖ Grant sizes vary
- ❖ The majority of GCs meet in person
- ❖ Networks provide an array of supports
- ❖ Networks are funded by individuals and grants
- ❖ Growing Field of Giving Circles

Giving Circle characteristics

- ❖ Donors pool their funds
- ❖ Leverage all types of resources
- ❖ Educate members about philanthropy and community issues
- ❖ Include a social dimension
- ❖ Engage members in volunteering
- ❖ Maintain their independence by not affiliating with any one particular charity

Connections

Institutional Host:

- ❖ Community foundation, other public foundation, nonprofit or university

Hosts:

- ❖ May simply hold the circles' funds
- ❖ Often provide administration and staffing

When Hosted:

- ❖ The host charity takes care of all grant administration and asset management and normally charges a fee.

Not all circles are hosted.

General Benefits to Community Foundations

- ❖ They provide grant making dollars to the community
- ❖ They allow donors to learn together about community issues and hosting entity
- ❖ They engage and cultivate donors
- ❖ They build community
- ❖ They promote Civic Engagement

Giving Circle Members say:

“Deeper and more sophisticated grantmaking”

“Donor Education and making participants stronger givers and fundraisers”

“We can achieve transformational change”

“Research based grantmaking”

“Stronger together”

“Leverages my investment”





7 Habits of Highly Effective People Stephen R. Covey

Motivation: What result to you want?



- ❖ Fund/Asset Development
- ❖ Support for a specific area of grantmaking or initiative
- ❖ Leadership on a community issue
- ❖ Community Engagement
- ❖ CF visibility

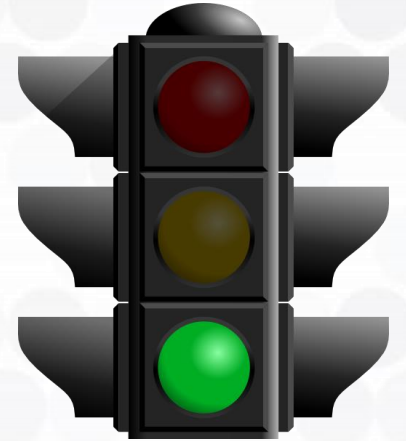
Our TCF Giving Circles

Circle	Motivation
Beaches Community Fund	Development
LGBT Community Fund	Community Leadership
Women's Giving Alliance	Development to Community Leadership
My Village Project Community Fund	Community Leadership

Our TCF Giving Circle Statistics

	Investment (Annual Member Fee)	Number of Members	Fee to TCF	TCF estimated Fee 2018	Endowment	Total Grantmaking to Date	Members who have a fund with TCF
Beaches Community Fund	\$10,000	33 Families	10%	\$24,000	No	\$343,060	22/26
LGBT Community Fund	\$2,500	44	10%	\$20,000	No	\$485,717	18/53
Women's Giving Alliance	\$1,500	410	10%	\$63,750 + \$45,500= \$109,250	Yes	\$5.5M	78/151

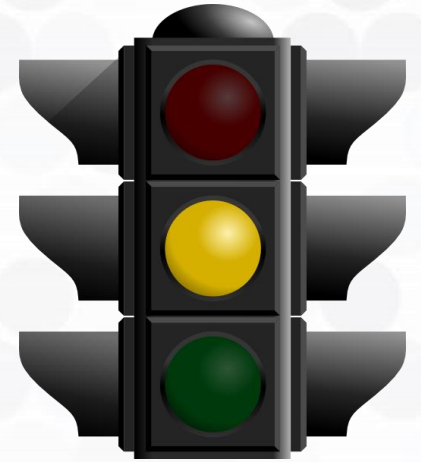
Why Host a Giving Circle?



- ❖ Donor Interest
- ❖ Engagement of donors/ prospective fund holders
- ❖ Exposure of Community Foundation to larger community
- ❖ Opportunity for donors to learn about the community
- ❖ Power of the collective: on a topic/area of interest
- ❖ Potential to grow a field of interest endowment: perpetuity

Considerations

- ❖ Need a memorandum of understanding
- ❖ In kind contribution from Community Foundation
- ❖ Educating your CF Board of Trustees of the value
- ❖ Staff with “donors as volunteers” experience
- ❖ Utilize multi-year giving
- ❖ Create an endowment early on

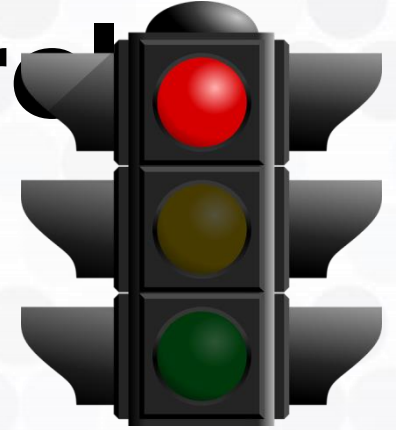


Caution if Considering

- ❖ Do you know how to manage volunteers?
- ❖ Volunteer leadership changes: Ground hog day
- ❖ Teaching the value your CF brings to the circle
- ❖ The art of saying “no”
- ❖ Allow time to pursue and capture the splash
- ❖ Be transparent about operating costs
- ❖ Strong circles adjust and adapt to growth and longevity



Why Not to Host a Giving Circle



- ❖ No interested donors
- ❖ Ask - Is this ours to do? Community Foundation mission
- ❖ Lack of support from Board of Trustees
- ❖ Band width of current staff
- ❖ Lack of donor understanding of operational costs
- ❖ No capacity to pursue or capture the splash
- ❖ It's not just grant making
- ❖ Time intensive



[Jeremy Thomas](#) on [Unsplash](#)



Photo by [Jeremy Ricketts](#) on [Unsplash](#)

We believe...

Our job is to help our donors see the opportunity for philanthropy and fulfill their motivation for giving.

Questions?



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