



February 6, 2020

Dear Community Members and Friends:

As I begin my tenure with the National Center for Family Philanthropy, I am inspired by what lies ahead. Much of my time over the last few months has been spent imagining the future; however, this transition has also afforded me a unique and powerful opportunity: to pause and reflect. It is not often that we are presented with such an occasion—to question how we arrived at this moment and what it means for the future.

Ten years ago, I was humbled by the opportunity to serve on the launch team of the Giving Pledge. Throughout the last decade there have been a number of subtle but often powerful reminders that I am indeed committing my time to a movement that has transformative power. These moments may take the form of an afternoon huddled around a kitchen table or a site visit to a local grantee partner, but all have one thing in common—the acknowledgment that giving has the ability to profoundly affect not only the lives of those to whom it's gifted, but to those who make a heartfelt commitment to serve something greater than themselves.

Most recently, I had an opportunity to meet an accomplished entrepreneur who many years prior established a private foundation to further his long-held commitment to do good. He was exploring the option to spend down the foundation in hopes that it might alleviate a burden on future generations; yet, the dialogue within the family had been limited. Through a series of open and honest conversations, the second generation began to feel empowered and an interest emerged that had not yet been realized. It is in these moments—and many like them—that the promise and joy of family philanthropy comes alive and carries me forward.

One of the greatest privileges of my professional career has been the gracious invitation to sit alongside inspired families as they explore their commitment to give back. It has been an enlightening and overwhelmingly positive experience; yet, in conducting countless meetings of this kind, something unexpected has emerged—the realization that well-intentioned givers often do not have the tools and resources needed to navigate the complex journey of philanthropy. The same pronouncements are made time and time again: “I don't know what I don't know; I haven't been able to find a community; the process is complicated and unclear; I am not convinced giving makes a difference.” These exclamations represent a sector in its infancy, and one of great possibility.

The National Center for Family Philanthropy is committed to further illuminating the path forward for donors and their families—to serve as a beacon for philanthropists eager to explore their values and motivations, to clarify practices that promote effective giving, and to be a safe and trusted community where likeminded peers gather to learn and collaborate. And given its rich history, the organization is uniquely positioned to not only empower a diverse range of givers, but to strengthen a sector and further the movement of family philanthropy.

Since its founding in 1997, the organization has served as a leading voice and unabashed advocate for the value and practice of family philanthropy in all its forms. It is credited by many for pioneering the field and owns an impressive list of accomplishments. Through robust in-person programming and countless phone and email conversations, it has provided direct advice and support to more than 10,000 individuals and families; featured the voices and perspectives of more than 1500 sector leaders; developed and made publicly available the first and most comprehensive online Knowledge Center for family philanthropy; commissioned the first and only statistically viable research study on the field; and continues to deliver a



breadth of expertise to donors and their families through conferences, events, publications, and consultations.

As we look to the future, it is important for us to consider how the sector is changing and how the National Center for Family Philanthropy can grow and evolve to best prepare philanthropists to realize the potential of their giving. Therefore, in effort to gain a better understanding of donor behavior, we recently commissioned a study to inquire about the interests and actions of 500 charitable families. A number of thought-provoking themes emerged that we believe are strong indicators for the future of family philanthropy:

1. **New Voices in the Field:** Although the discipline of family philanthropy has a long and established history, a new generation of givers is emerging—one that is positioned to effect significant changes. We are witnessing an overwhelming number of new entrants to the field: an estimated 70% of all registered foundations in the United States were created in the past 30 years. Moreover, a profound generational shift is underway: one-third of family foundations plan to increase board representation to include younger members over the next four years. Families are also actively diversifying their boards to include nonfamily members and increasingly seeking the advice and expertise of diverse voices.
2. **Desire for Collaboration:** As the profile of donors continues to progress, so does the practice of giving. More and more, families are orientating towards impact, and in order to do so, they recognize the need for cooperation within the family and without. When asked about their greatest opportunities and challenges, 57% of family foundations report that increasing overall effectiveness is paramount; however, many are unsure on how best to proceed. Our study indicates that foundations that self-report as being *very effective* place a strong emphasis on the needs of group decision making rather than individual discretion. Similarly, we are observing families seeking out partnership with peer funders in recognition that cross-learning and collaboration is necessary to adequately address persistent and challenging social issues.
3. **Shift from Place to Issue:** Historically, families focused their giving on a discrete geography; however, there is a fundamental shift underway with many of the newer philanthropies prioritizing issue over place. Our report indicates that while more than 80% of foundations established *before* 1970 identify geography as the primary lens for their grantmaking, the inverse is true for foundations established *after* 2010. There are a number of contributing factors: many donors feel compelled to support larger systemic reforms that, in turn, ultimately benefit local communities; moreover, families are increasingly mobile but find commonality and connectivity in exploring social issues together.

These trends tell the story of a sector in motion—one that strives to welcome new and diverse perspectives, seeks to promote fellowship, and desires to foster ongoing learning and exploration. We must explore and redefine how the National Center for Family Philanthropy is prepared to advance the desired momentum in light of shifting priorities and a growing acknowledgement that donors need more comprehensive support. As we look to the future of the organization, there are a number of critical questions to consider:

1. **How do we reach new and diverse audiences?**



The National Center for Family Philanthropy has a long history serving donors and their families; however, as we noted earlier, there are many new voices in the sector and it is critical for our organization to consciously grow to reflect the greater philanthropic community. We must ask ourselves: are we relevant to givers of all ages, race, gender, abilities and experience? Are we welcoming first generation wealth creators with the same openness as wealth inheritors?

2. How do we grow our offering to reflect the evolving needs of donors and their families?

Our programs are built on years of experience; nevertheless, it is important for us to review our current suite of services in light of the changing needs of philanthropists and innovate to further empower them to accomplish their charitable objectives. We must ask ourselves: are we prepared to meet the needs of a new generation of donors? How do we better understand the needs of giving families—now and in the future?

3. What does it mean to partner with giving families?

There are fundamental responsibilities one accepts in choosing to serve donors and their families: to listen, earn trust, and promote learning. We are rooted in this duty but have the opportunity to amplify our role as partner—to serve as a hub of community, ideation, and innovation. We must ask ourselves: how are we preparing donors to be responsible and effective grantmakers? Are we furthering learning and promoting collaboration?

This is an important moment in time for the National Center for Family Philanthropy—one that must honor its past while orienting towards the future. It is an opportunity to reach new audiences, offer new services and embrace the spirit of partnership. I am grateful for the opportunity to serve the family philanthropy community, but need your help. As I begin my tenure, I am eager to hear from you. Please take a few moments to share your feedback; we prepared a [brief survey here](#) or welcome your thoughts and suggestions via email to nick@ncfp.org.

With Gratitude,

A handwritten signature in black ink that reads "Nicholas A. Tedesco". The signature is fluid and cursive, with the first name being the most prominent.

Nicholas A. Tedesco
President & CEO