



2021 Community Foundations Family Philanthropy Services Financial Model Survey

July 13, 2021



NATIONAL CENTER FOR
FAMILY PHILANTHROPY

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22 Responses

■ \$50-\$100 ■ \$100-\$250 ■ \$250-\$500 ■ \$500+



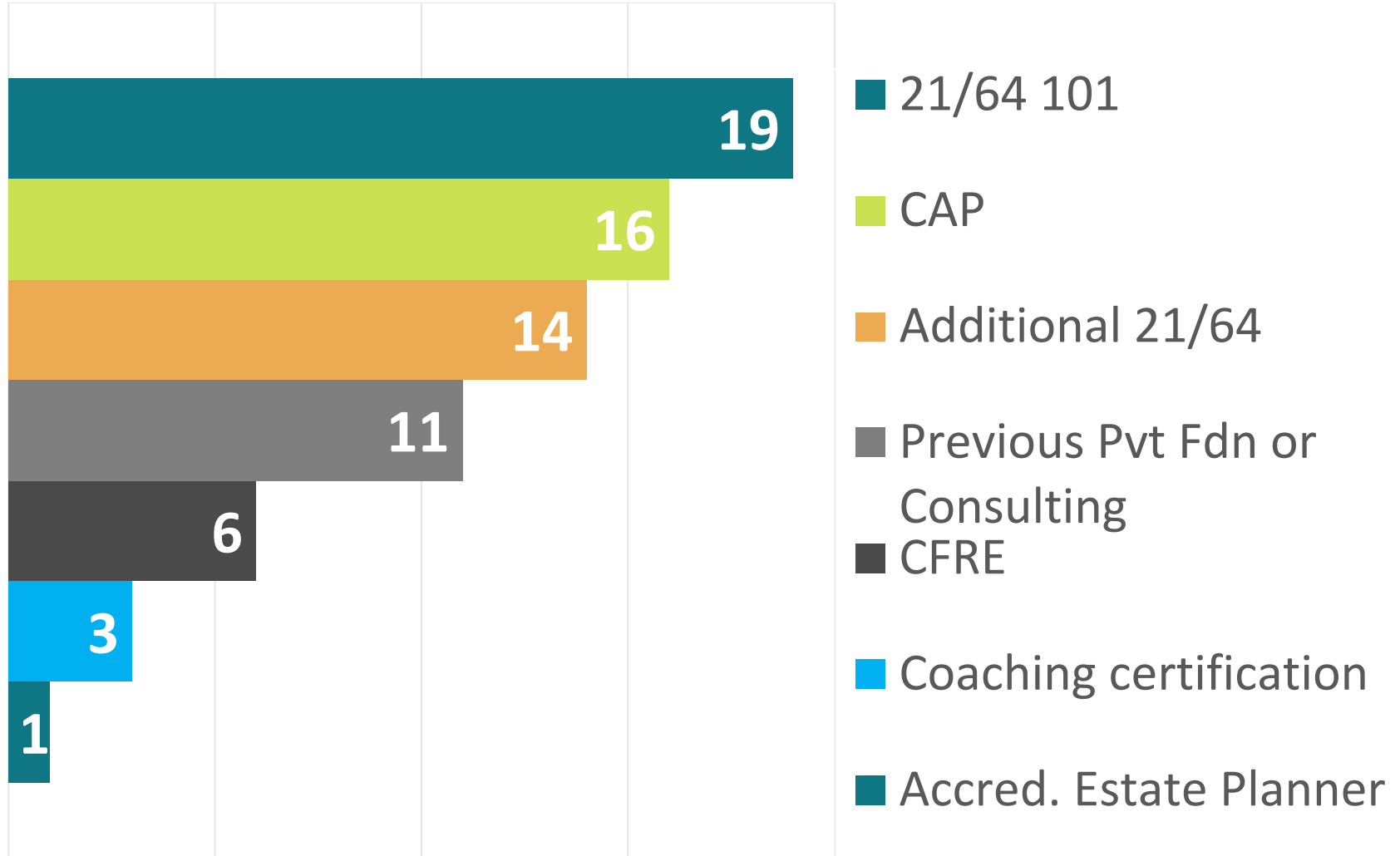
■ 1910s-50s ■ 1960s-80s ■ 1990s-now



FTE Dedicated to Philanthropic Services

	\$100- \$250M	\$250- \$500M	\$500M+
Range	.25 – 8.1	1.5 – 9	3 – 25
Average	2.7	4.9	12.8

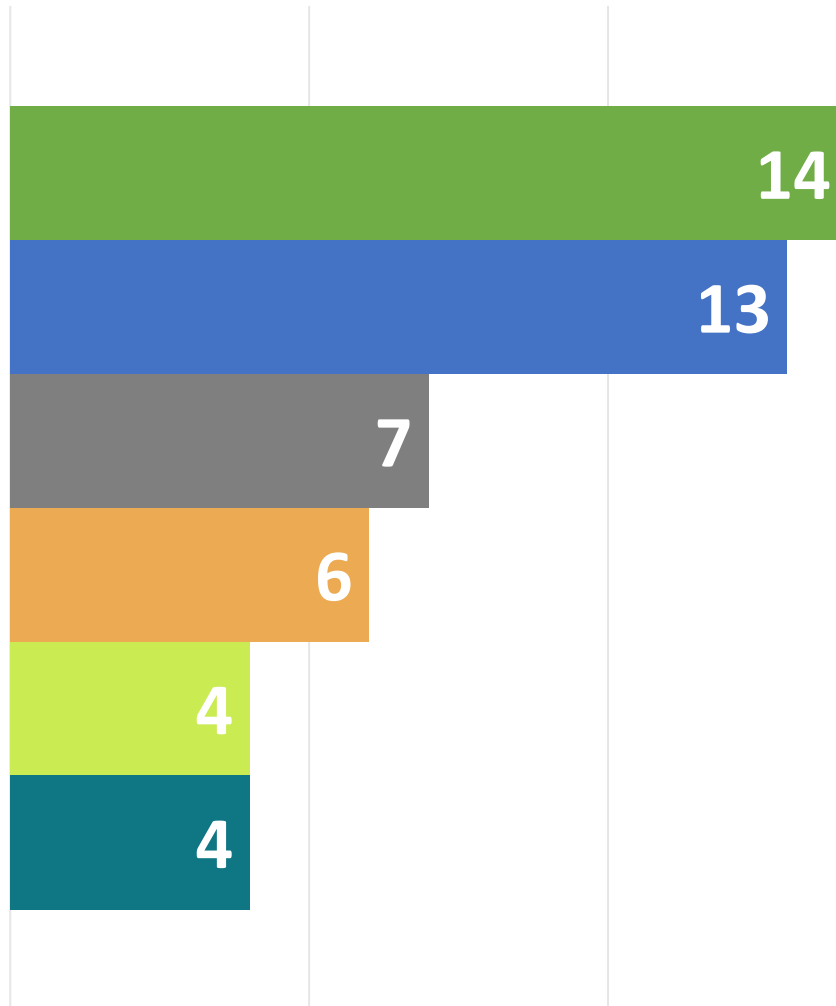
Foundations with at Least 1 Staff Certified



Pricing

Philanthropic Services Pricing Structure

Methodology (check all that apply)



- Peer community foundation rates
- Internal DIY cost study
- Philanthropic consultant or advisory firm rates
- Other DAF sponsor rates
- Cost study (CF Insights or another provider)
- Other (nothing separate from admin fee)

% Revenues for Philanthropic Services

\$0-250M	<ul style="list-style-type: none">• 100% admin fees• Except 1 with 50% admin, 50% hourly rate
\$250-500M	<ul style="list-style-type: none">• Primarily 100% admin fees• 1 with 5% from fees per transaction• 2 with other
\$500M+	<ul style="list-style-type: none">• 95%+ admin fees with mix of hourly rate, flat fees, fees per transaction• Except 1 with 25% from hourly rate fee

Age not a good predictor of use of other revenue sources

Plan to Change Pricing in Next 2 Years?

Yes	8	<ul style="list-style-type: none">• Looking to align revenues with effort (4)• Continually review (2)• Seeking revenue diversification (1)• Lost large prospects due to pricing structure (1)
Unsure	6	<ul style="list-style-type: none">• Assume admin fee will cover all work• Researching options• Want a track record of services before change
No	8	<ul style="list-style-type: none">• Confident things working well• Updated recently• Want a track record of services before change

Donor Services

Donor education programs and materials, youth philanthropy programs, and opportunities to give or grant collaboratively. Offering basic support for helping donors clarify their goals, interests, and giving styles. Offering more intensive grantmaking, evaluation, or research services for donor-advised funds.

To Whom Do You Offer Donor Services?

7 *Any customer, including contracted services to customers without a fund with us.*

6 Only customers with a fund or supporting org with us. We offer customized or personalized services *only to certain funds or fund sizes.*

6 Only customers with a fund or supporting org with us. We offer *standard services* for most all funds and all fund sizes.

3 We decide on a case-by-case basis.

Current Demand

Top Response (9)	2-3 Responses Each	1 Each
Grant recommendations/ nonprofit & issue research	Philanthropic advisory Family meetings Strategic grantmaking Next gen Connect with greatest needs	Legacy planning Disaster philanthropy Corporate guidance Events

Projected Demand

Top Response (7)	2-3 Responses Each	1 Each
<p>Generation shifts leading to:</p> <ul style="list-style-type: none"> • family meetings • succession planning • next gen engagement 	<p>Legacy conversions</p> <p>Premier/ultra HNW services</p> <p>Transfer of wealth - new clients</p> <p>Connecting like-minded donors</p> <p>Co-investment with our priorities</p> <p>Grant recommendations/nonprofit research</p>	<p>Intentional services driving asset growth, fund activity</p> <p>DEI</p> <p>Private foundation contracts</p> <p>Impact investing</p>

“Our community has a lot of generational wealth and philanthropy in family foundations. Some have expressed they don't feel a strong connection to the Founders' causes or a sense of family.

Older family members are wanting their children to grow a stronger interest in giving and would like to encourage the next generations to learn about giving styles.”

Family Philanthropy Services

Actively involve multiple generations and/or branches of a family in effectively giving, granting, learning, investing, and/or volunteering together. Examples include creating family mission and values statements, facilitating family meetings, creating governance and succession plans, preparing heirs for leadership roles (“next gen programs”), and helping the family engage in community leadership and problem-solving activities.

% DAFs Eligible for Fam Phil Services

100% are eligible (17)

- Range of 1-40% using the services
- Average 13%

Not all are eligible (4)

- % eligible ranged from 6-40%
- Range of 5-6% using the services

Note: data on supporting orgs too spotty

Timeframe for ROI of Fam Phil Services?

- | | |
|---|---|
| 8 | Long-term. Investing in capacity and services now will pay off in long-term donor satisfaction, retention, and connection to our community. |
| 4 | Medium-term. After some start-up costs and a couple years of testing things out, the fees we earn from the funds and services should start paying for the costs. |
| 3 | Short-term. The services should create little or no new internal costs and should help us build new assets. |
| 6 | We don't have direction or clarity from the board. |
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Tracking ROI

10 Responses	3-4 Responses Each	1 Each
Not tracking or informal tracking	Grants aligned with CF priorities, cofunding Volume, size, payout of grants Cost benefit (hours tracked etc.) Additions to funds	Tier 1 fund use of services # incoming funds because of family services Next gen engagement Family service conversion formula

Services Offered (# foundations)

	Part of fees on assets	Charge fund holders extra fee	Offer as contracted service
Values, mission, giving style exercises	18	3	8
Multi-generation site visits	17	3	6
Guidance on succession planning	16	3	7
Bringing in speakers for events	15	0	2
Facilitating family meetings, retreats	13	5	7
Guidance on governance structures	12	3	9
Legacy storytelling exercises, videos	12	2	3
Family volunteer events or activities	12	2	4
Custom grant programs, RFPs	10	10	8
Next Gen prep (young adult or older)	10	3	4
Next Gen (children/youth/teens)	10	2	4
Donor-led initiatives (not just grants)	9	2	4

Current Demand

Top Responses (6)	2-4 Responses Each	1 Each
Grant recommendations/ nonprofit & issue research	Values/purpose/ mission/vision	Multi-gen impact reporting
	Strategic grantmaking	Engaging youth
Family meetings	Successor preparation	Governance documents
	Custom grant program	Site visits

Projected Demand

Top Response (5)	2-3 Responses Each	1 Each
Succession/ legacy plans	Governance & multi-gen engagement strategies	Co-investment with our priorities
	Next gen/successor prep	Social justice issues
	Grantee research	Site visit & service project coordination
	Facilitating family meetings	
	Values/purpose/ mission/vision	
	Raising philanthropic children, dealing with wealth and money	

“Many donors want to connect personally as well as give financially to organizations working in their areas of interest.

Families want their children to understand the why and how and connect with kids from other charitable families when possible.”

Upcoming Community Foundation Programs

Aug
10

Topical Call: Youth Philanthropy Services
Survey Results

Sep
14

Spark Session: Advising Business-Owning
Families – with AdNet

Nov
9

Spark Session: Supporting Young
Changemakers

Register at ncfp.org/events