

Assets Under Influence

NCFP Community Foundations Workshop

June 2022

Financial Advisor Trend

“Assets Under Management” (AUM) vs.
“Assets Under Advisement” (AUA)

Some advisors charging fees for AUA
(comprehensive or holistic advice), especially for
mass affluent clients

Foundations

Messy & conflicting language – influence, leverage, co-investment, advised...

Same goal – As a result of our actions, how many additional resources are now devoted to the goals we have set out?

More about gifts/grants, not invested assets

Proposed Framework

Advised \$

Influencing the focus, quality, effectiveness of donors' own philanthropic goals

Leveraged \$

Influencing resources toward CF-defined needs, goals, initiatives, values sets

Influenced \$

Influencing longer-term uses of government funds and resources

Advised \$
(Funds at CF)

Also “Consulted \$”

- Donors who ask for advice about their priorities
- Fee-for-service customers asking for guidance on their priorities

Leveraged \$
(Funds *in* & *out* of CF)

Count: # funds, % of funds
Total \$ of grants

Influenced \$
(Public funding policies)

Advised \$
(Funds at CF)

Also “Indirect Cash”

- CF’s donors, DAFs, supporting orgs
- Other donors, funders, corporate giving offices

Leveraged \$
(Funds *in & out* of CF)

Typically counting:

- \$ flowing through CF
- \$ flowing alongside CF

Influenced \$
(Public funding policies)

Advised \$
(Funds at CF)

Leveraged \$
(Funds *in & out* of CF)

Influenced \$
(Public funding policies)

Challenges

- Having clear initiatives, projects, or values sets you're selling
- Relationship management time – this is fundraising
- Counting *intentionality* - how actively the relationship and \$ were solicited
- Are we OK if they never establish a fund or legacy gift?

Advised \$
(Funds at CF)

- Using CF's advocacy, strategic communications, lobbying along with other partners
- Changing how gov't agencies allocate resources (aligned with better practices, CF initiatives)

Leveraged \$
(Funds *in & out* of CF)

Count: # funding sources, laws, admin policies changes
\$ annually used differently

Influenced \$
(Public funding policies)

Changing Donor/Funder Behavior

CF Actions

- Donor meetings
- Education events
- Issue briefs, stories
- Site visits
- Meeting people with lived experience

Short-Term Changes

- Knowledge, empathy
- Will, urgency
- One-time gifts/grants

Long-Term Changes

- Focus (issues, geographies)
- Giving style (trust-based, GOS, DEI)
- Aligned estate gifts
- Donor-directed \$ converted to foundation-directed \$
- Dedicated public funding streams

Advice (so far)

- ✓ Count conservatively. Start with \$, then maybe easily-valued tangible resources
- ✓ Do you count robbing Peter to pay Paul?
- ✓ Internal dashboarding, external storytelling
- ✓ Think contribution not attribution
- ✓ Watch the switches from “we help you do things your way” to “we’re sending you offers” to “we’re actively soliciting you”

Advised \$
(Funds at CF)



Leveraged \$
(Funds *not* at CF)

Donor/Fund Tiers

1. Co-creators/co-investors
2. Highly engaged
3. Mildly engaged
4. Transactional

Influenced \$
(Public funding policies)



HAWAI'I COMMUNITY
FOUNDATION
Amplify the Power of Giving

Advised \$
(Funds at CF)

Leveraged \$
(Funds *in & out* of CF)

Influenced \$
(Public funding policies)

- “Snowplowed” the way during the early phases of COVID
- Actively published thinking about vetted list, ‘good grantmaking’
- First \$ have more influence
- Surprise Mackenzie Scott \$