

Launching a New Study: The Strategic Value of Donor Advised Funds

The idea behind CF Insights is simple: What if *each* community foundation could know what *all* community foundations collectively know?

CFs need to learn from one another

Across CFs, DAFs represent the majority of growth and grantmaking, but there are many questions about the role DAFs play in community foundation operating models and strategic priorities, and hypotheses about what the future will hold in terms of growth, grantmaking, and endowment.

“DAFs represent one third of our assets and nearly 80% of our grantmaking dollars. What will it mean for our strategy if this trend continues?”

“How will investing in growing donor advised funds impact the community foundation’s endowment and grant-making over the long term?”

Despite the importance of DAFs, the fact base is thin

DAFs are a major engine for community foundation growth and there is now an extensive history of managing DAFs, but there is little data and analysis about trends, donor behaviors, or effective practices.

To what extent do DAF donors...?

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?

Lead funding for the study provided by:

the **James Irvine** foundation
Expanding Opportunity for the People of California



COUNCIL on FOUNDATIONS

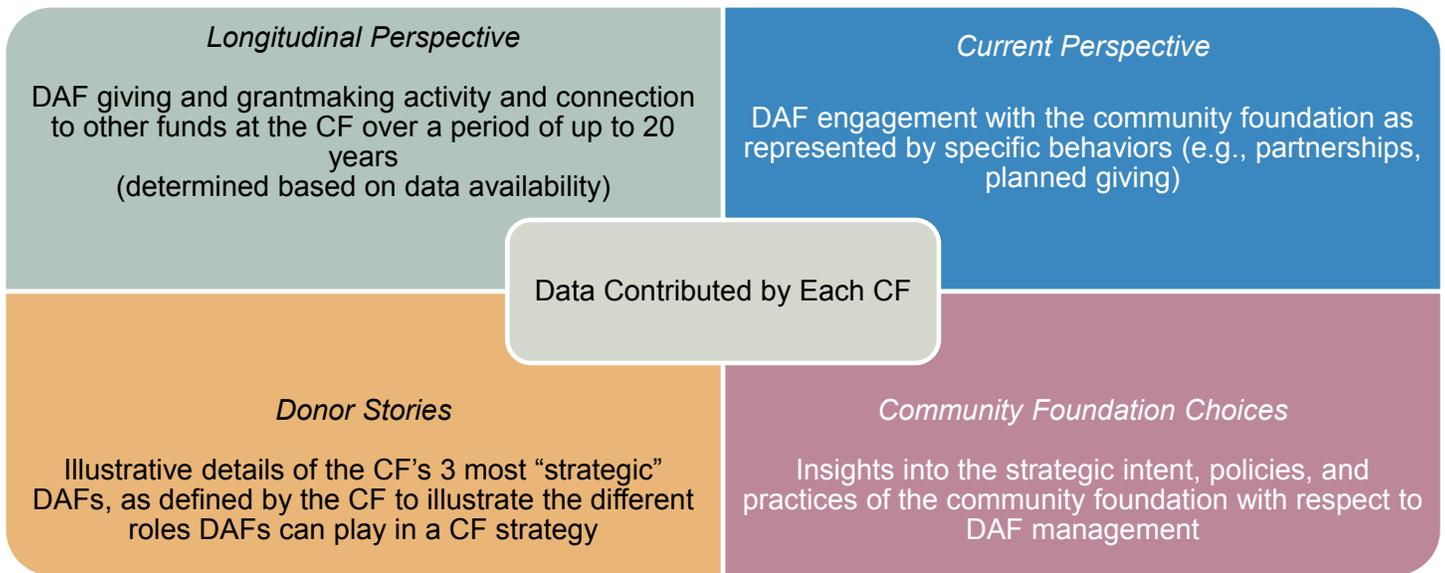
Community Foundations Leadership Team

In partnership with COF, the CFLT, and The James Irvine Foundation, CF Insights is conducting research to answer these questions in 2012

WE NEED 30-40 CFs TO CONTRIBUTE TO THE STUDY IN ORDER TO ACHIEVE THE FOLLOWING OBJECTIVES:

1. Create common metrics for donor behaviors and community foundation choices with regard to strategic intent, policies, and practices
2. Generate and analyze data
3. Test hypotheses about the ways in which DAFs serve as a strategic lever for community foundations
4. Build case studies of DAFs that have created value in their communities beyond their own dollars
5. Share knowledge about effective practices

Each participating community foundation will contribute four types of data



Data collection begins in January—Findings released at 2012 Fall Conference



Participate in the Study: The Strategic Value of Donor Advised Funds

THE STUDY NEEDS 30-40 COMMUNITY FOUNDATIONS TO CONTRIBUTE TO THE EFFORT

What does it mean to participate?

Participation by your community foundation represents an opportunity to advance your DAF strategy and field-wide knowledge. Your contributions would entail:

- \$10,000 to support the study—which can be in the form of a grant in 2011 or 2012. These contributions will represent 30-40% of the study funding with the lead funding provided by The James Irvine Foundation, the Community Foundations Leadership Team, and the Council on Foundations
- Observations about your CF's choices and policies, as well as data about behaviors across your portfolio of DAF donors—activity over time, engagement today, top stories of strategic DAFs — with data collection supported by CF Insights in early 2012
- Consent to share your data in the aggregate

You help *your* community foundation

Through your participation, you will gain:

- Insights into your own strategic priorities, policies, and practices regarding Donor Advised Funds
- Data specific to your own DAF donors' behaviors
- Insights about the policies and practices most likely to achieve your strategic priorities
- Comparative data and a Board-ready presentation comparing your own choices and outcomes to field-wide trends

You help *all* community foundations

Your participation makes it possible:

- To build a diverse set of data about Donor Advised Funds, donor behavior, and the strategies and management approaches pursued by CFs
- To create a set of shared definitions and metrics which can be used by the field going forward that reflect a spectrum of activities and goals
- To test hypotheses driving CFs' management of DAFs and provide insights about the results of different policies and practices

TO EXPLORE PARTICIPATION, CONTACT REBECCA GRAVES
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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.

created by **COMMUNITY FOUNDATIONS**

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

propelled by **FSG**