



# Giving and Planning

## RESEARCH INSIGHTS

*A 2015 survey explores how Fidelity Charitable® donors plan their philanthropy. This survey report examines donors' time invested in philanthropy, yearly giving objectives, and long-term philanthropic planning. It also uncovers how age, life stage, gift size, and gender impact these approaches.*

## Key Highlights

- Donors approaching retirement expect to ramp up the amount of time they devote to philanthropy over the next several years. (page 3)
- Most donors have a direction for their giving but are less likely to have a concrete giving plan.
  - Donors know which charities they will give to (page 4), and many are planning for a bequest or legacy giving vehicle. (page 7)
  - Just one in five donors say they have a charitable mission statement or set of articulated goals to guide their giving (page 6), and only half know about how much they will donate each year. (page 5)
  - Donor-advised funds have helped some donors plan further in advance. (page 6)
- Yearly donation amount correlates with the amount of time and planning donors put into their philanthropy.
  - Donors who give \$100,000 or more in a year spend more time on activities related to giving than those who give less than \$25,000 in a year. (page 8)
  - Donors who give \$100,000 or more in a year are more likely to have a formal giving plan and identify different priorities in that plan. (pages 8-9)
- Men and women approach giving in different ways.
  - Compared to men, women spend more time on giving activities and are more likely to have a formal legacy plan and a set of articulated giving goals. (page 10)



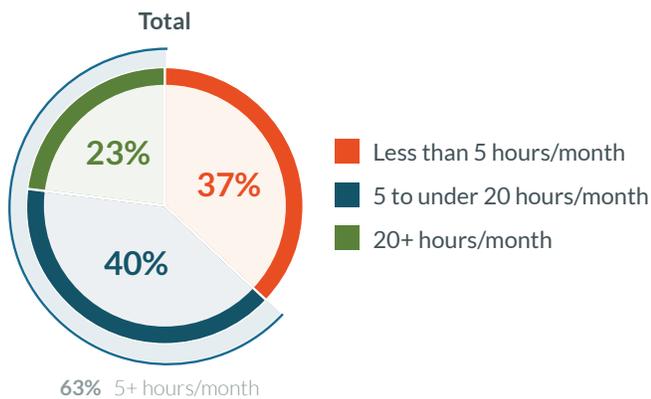
**FIDELITY** Charitable<sup>SM</sup>

# Fidelity Charitable donors dedicate time to their giving.

While all Fidelity Charitable® donors dedicate significant time to giving-related activities, such as volunteering, donors working full time spend less time on their philanthropy than those who are retired.

Sixty-three percent of donors spend five hours or more a month on philanthropic activities.

Number of hours spent on philanthropy among all donors



Retired donors spend more time on their philanthropy than donors employed full time.

Number of hours spent on philanthropy, by employment status

## Less than 5 hours/month



## 5 to under 20 hours/month



## 20+ hours/month



Donors in their 60s spend the most time on their giving, though the time spend gradually decreases among older donors.

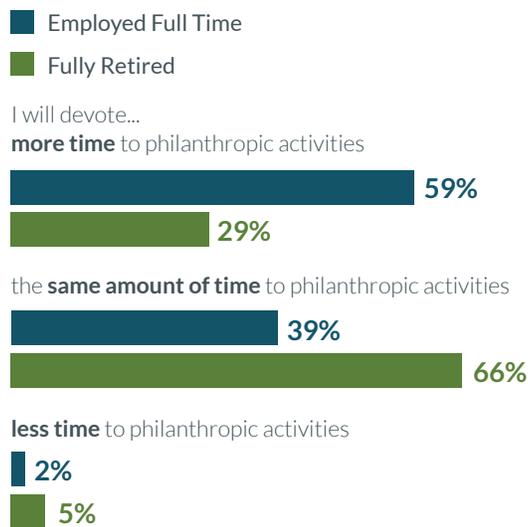
- 68 percent of donors 60-69 spend five hours a month or more on philanthropic activities.
- 50 percent of donors 80 and older spend five hours a month or more on philanthropic activities.

# Donors in their 50s expect to spend more time on their philanthropy in coming years.

Over the next five years, donors who work full time, including more than two-thirds of full-time workers in their 50s, plan to increase the amount of time they spend on their giving. This anticipated increase may be influenced by other changes common at this stage of life, such as children transitioning into adulthood and requiring less care, as well as the approach of retirement age.

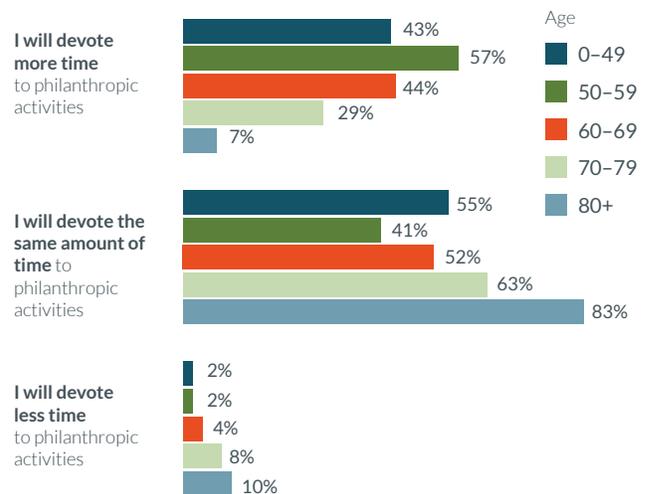
Donors who work full time are twice as likely as retired donors to say they plan to increase the hours they devote to philanthropic activities in the next five years.

*Expected time on philanthropy over the next 5 years, by employment status*

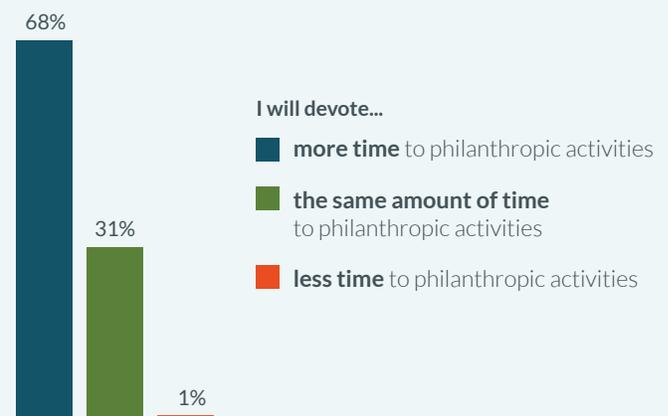


Fifty-seven percent of donors in their 50s expect to devote more time to philanthropy over the next five years. Among full-time employees in their 50s, 68 percent expect to devote more time.

*Expected time on philanthropy over the next 5 years, by age*



*Full time employed; 50-59*



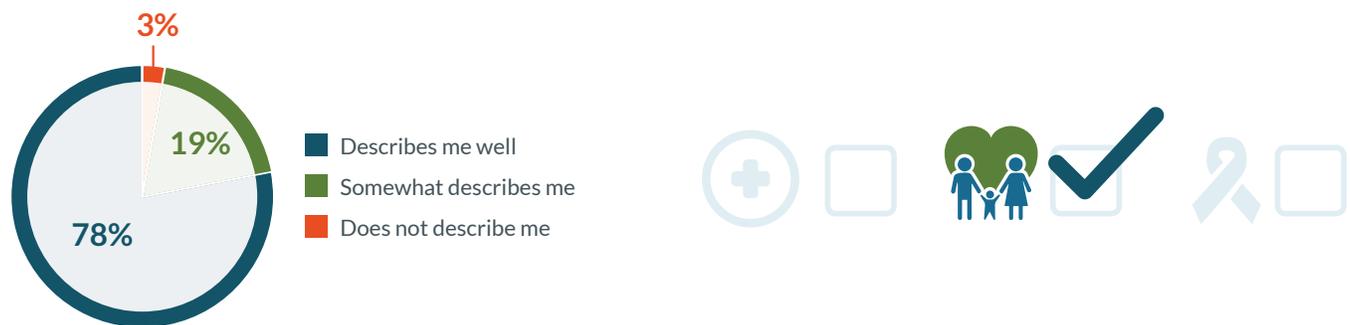
# Donors have a clear sense of where they will give and prefer to fund short-term nonprofit needs.

Fidelity Charitable donors have a clear sense of which charities they will support each year, reflecting their commitment to active charitable giving. Fewer donors indicate a preference for donating to a charity's long-term needs as compared to short-term needs. Given the importance of this support to nonprofits, this indicates an opportunity for charities to better communicate the importance of investing in ways that will make a long-term difference for the organization.

## More than three-quarters of donors say they have a good sense of which charities they will donate to each year.

I have a good sense of which charities I will donate to each year.

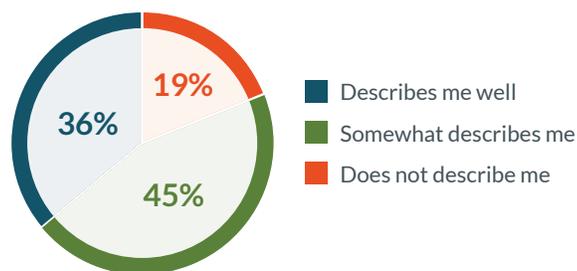
Percentage who say this describes them<sup>1</sup>



## Just one in five donors prefers to make donations that make a long-term difference for the organizations they support, while two in five prefer to donate to short-term needs.

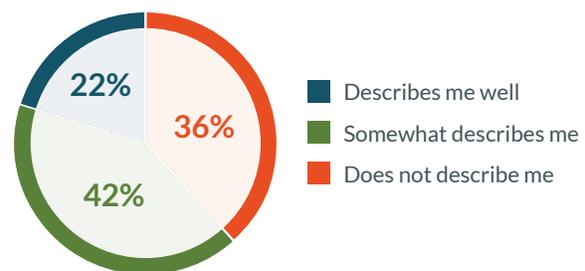
I prefer to make donations that will make an immediate difference for the organizations I care about, such as current operating support for a charity's program or services.

Percentage who say this describes them



I prefer to make donations that will make a long-term difference for the organizations I care about, such as giving to an endowment fund, capital campaign, or infrastructure plan.

Percentage who say this describes them



<sup>1</sup> Throughout this report, unless otherwise noted, "percentage who say this describes them" refers to questions where donors rated their response on a 1-7 scale, where a 6 or 7 meant this response describes me well, 4 or 5 meant this response somewhat describes me, and a 1, 2, or 3 meant this response does not describe me.

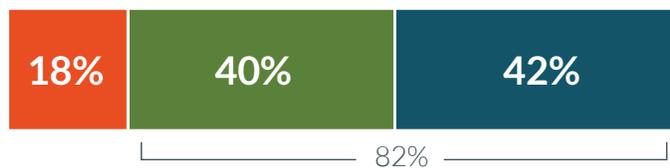
# Only a fraction of donors have a mission statement or formal set of giving goals. However, they do involve others in giving decisions.

For Fidelity Charitable donors, giving is a shared experience. Most say someone else either has input into their decisions about where to give or that those decisions are shared equally with others. But few are taking the step to create a set of articulated goals to guide their individual or collective giving decisions.

Eight in 10 donors say they make giving decisions with others, with 42 percent saying they share the decision making equally with someone else.

*How household makes charitable giving decisions.*

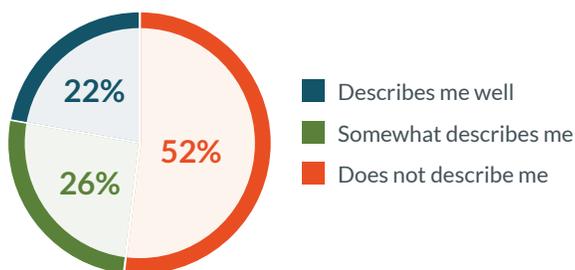
- I make all the decisions
- I make most of the decisions, with some input from others
- I share the decision making equally with others



Only one in five donors has a charitable mission statement or set of articulated giving goals.

I have a charitable mission statement or set of articulated goals that guides my charitable giving.

*Percentage who say this describes them*



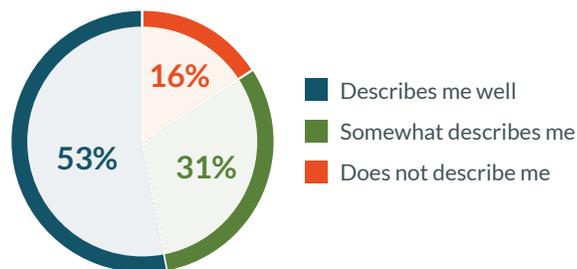
# Many donors are uncertain about how much they will give each year. Donor-advised funds have helped some donors plan further in advance.

While many donors have a clear idea of the organizations they plan to support, they are less likely to know how much they will donate each year or to plan for funding unanticipated needs. This may be influenced by the number of donors who view giving as part of their discretionary income and something that is closely impacted by their overall financial picture. Because of this, many donors may not feel confident about how much they will give in a year until late in the year. However, nearly a third say their donor-advised fund has helped them plan further in advance.

## Just over half of donors know how much they will donate each year.

I typically know how much monetary support I am going to donate each year to charitable organizations.

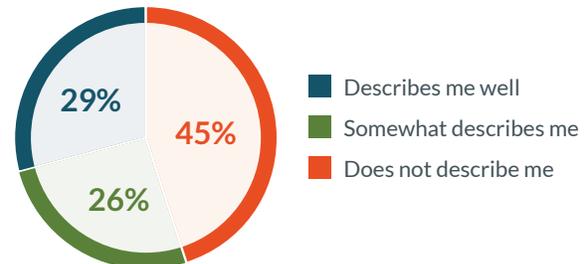
Percentage who say this describes them



## Three in 10 donors say using a donor-advised fund has changed their charitable giving behavior, allowing them to plan giving further in advance.

I plan my giving further in advance than I did before opening a donor-advised fund.

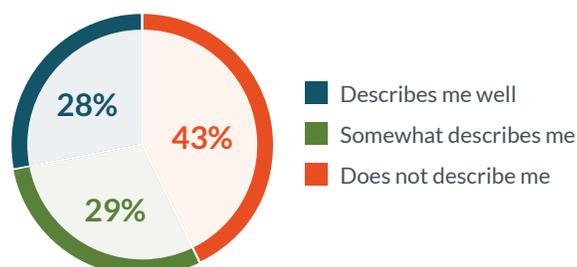
Percentage who say this describes them



## Nearly 30 percent of donors reserve funds to support unanticipated charitable needs.

Each year, I typically reserve a certain amount of charitable giving to respond to unanticipated needs, such as the requests of friends or a natural disaster.

Percentage who say this describes them



# Donors are making giving a long-term priority through legacy planning.

A high proportion of Fidelity Charitable donors are planning for legacy giving. More donors in retirement say they've already established a bequest or charitable legacy vehicle, and donors approaching retirement say they plan to establish one in the near future. The prevalence of legacy planning among this group suggests that many donors are taking a comprehensive, long-term view of how they can best make giving to charity a priority.

## More than half of donors are factoring giving into their estate plans.

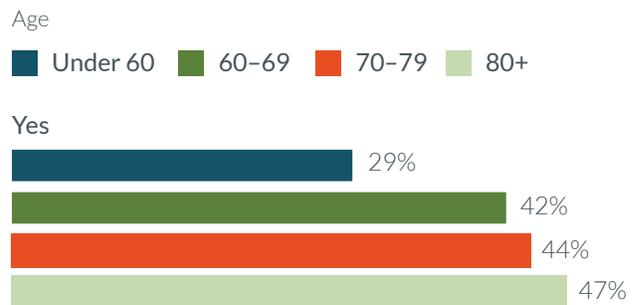
Have established a bequest or legacy giving vehicle in my will



58% are planning for legacy giving

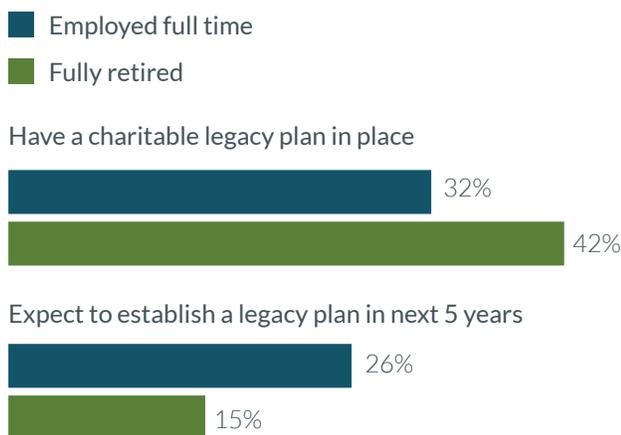
## The older donors are, the more likely they are to have a legacy plan, with nearly half of those 80 and older saying they have a bequest or legacy giving vehicle.

Have established a bequest or legacy giving vehicle in my will

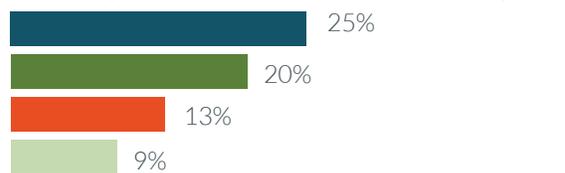


## Retired donors are more likely to have a bequest or other legacy planning vehicle in place, where more full-time workers expect to establish one in the next five years.

Have established a bequest or legacy giving vehicle in my will



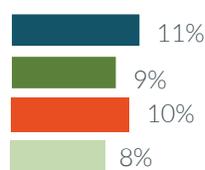
No, but I plan to establish one in the next five years



No, and I have no plans to establish



Don't know/not sure



# Donors who give \$100,000 or more in a year spend more time on philanthropy and are more likely to have a formal legacy plan.

Donors who give \$100,000 or more in a year are investing more time in activities around their philanthropy—volunteering or planning a giving strategy, for example. Significant financial commitments may be closely tied to significant volunteer commitments, such as board service or time spent working with nonprofit staff to understand the organization and its needs. These donors are also more likely to have a structured legacy giving vehicle—perhaps because donors at this level often have engaged a financial planner in long-term, holistic wealth planning, of which estate planning is a key component.

Among donors who gave \$100,000 in a year, 75 percent spend more than five hours a month on philanthropy, with a third investing 20 or more hours per month. In comparison, among those who gave less than \$25,000 in a year, 56 percent of donors dedicate five hours or more per month.

## Number of hours spent on philanthropy, by yearly donation

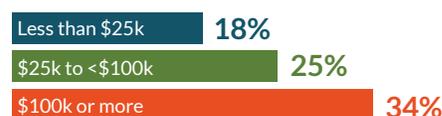
### Less than 5 hours/month



### 5 to under 20 hours/month



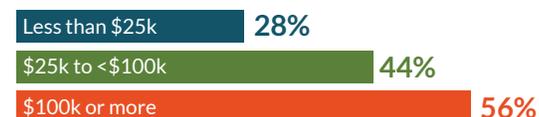
### 20+ hours/month



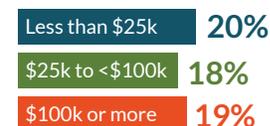
More than half of donors who gave \$100,000 or more last year have a legacy plan for charitable giving in place, compared to a quarter of donors who gave less than \$25,000.

## Have established a bequest or legacy giving vehicle in my will, by yearly donation

### Have a charitable legacy plan in place



### Expect to establish a legacy plan in next 5 years



Among those making the largest gifts—more than \$250,000 in a year—67 percent have established a legacy giving plan, and 13 percent expect to establish one in the next five years.

# Donors who give \$100,000 or more in a year generally plan the details of their giving differently than those who give less than \$25,000 in a year.

Donation size impacts how donors plan, from goal articulation to gift objectives. Donors who make large gifts are more likely to have a mission statement articulating the goals they want to achieve. These donors' stronger preference for funding long-term needs may also be tied to the increased time they spent on philanthropy. As a result, they may be more likely to understand the importance of providing long-term or general support to nonprofits.

Donors who give \$100,000 or more in a year are twice as likely as those who give less than \$25,000 in a year to have a mission statement or an articulated set of goals for giving.

I have a charitable mission statement or set of articulated goals that guides my charitable giving.

Percentage who say this describes them well, by yearly donation

#### 12 month donation

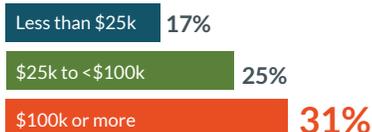


Donors who gave \$100,000 or more are nearly twice as likely to say they prefer to make donations that will make a long-term difference for the organizations they support as compared to donors who gave less than \$25,000.

I prefer to make donations that will make a long-term difference for the organizations I care about, such as giving to an endowment fund, capital campaign, or infrastructure plan.

Percentage who say this describes them well, by yearly donation

#### 12 month donation



Among those making the largest gifts—more than \$250,000 in a year—40 percent prefer to make donations that make a long-term difference.

As donors make larger gifts, they are increasingly likely to know how much monetary support they will donate to charity each year and to reserve funds for unanticipated charitable needs.

I typically know how much monetary support I am going to donate each year to charitable organizations.

Percentage who say this describes them well, by yearly donation

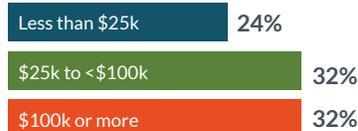
#### 12 month donation



Each year, I typically reserve a certain amount of charitable giving to respond to unanticipated needs, such as the requests of friends or a natural disaster.

Percentage who say this describes them well, by yearly donation

#### 12 month donation

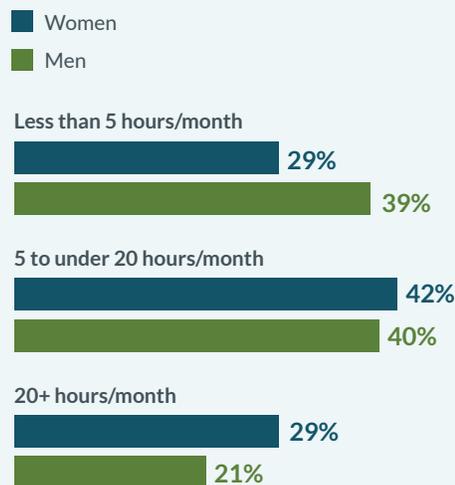


# Women and men approach philanthropy in different ways.

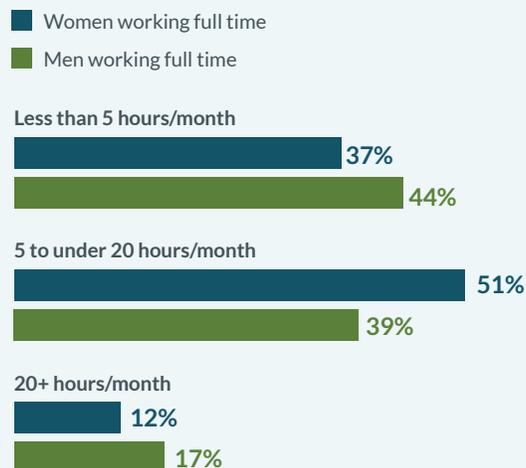
Overall, women spend more time on their giving activities than men, with nearly a third devoting 20 or more hours per month. Women also plan their giving differently; they are more likely to have established a bequest or legacy giving vehicle and to have articulated giving goals or a charitable mission statement.

## Overall, women spend more of their time on giving.

Average amount of time spent on philanthropic activities, by gender



Women working full time are more likely to dedicate five or more hours per month to their giving than working men, though more men spend 20 or more hours.



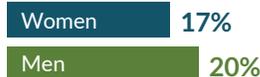
Nearly two-thirds of women have established or intend to establish a charitable legacy plan, compared to 56 percent of men.

Established a bequest or legacy giving vehicle in my will, by gender

Have a charitable legacy plan in place



Expect to establish a legacy plan in next 5 years



Women are more likely to have a mission statement or a set of articulated goals to guide their giving.

I have a charitable mission statement or set of articulated goals that guides my charitable giving.

Percentage who say this describes them well, by gender



Men are more likely to prefer to make gifts that address a nonprofit's long-term needs.

I prefer to make donations that will make a long-term difference for the organizations I care about, such as giving to an endowment fund, capital campaign, or infrastructure plan.

Percentage who say this describes them well, by gender



# Methodology and Background

This report is based on a survey of 1,042 Fidelity Charitable donors, conducted in February and March of 2015. The survey was conducted by Ipsos, an independent research firm. The percentages reported exclude donor responses of NA/Unsure.

Throughout the report, “donors” refers to the primary donor or the primary corporate contact connected to the Giving Account®. All Giving Accounts have one person designated as the primary Account Holder (or in the case of Corporate accounts, the primary Corporate contact), although each Giving Account® may have more than one Account Holder (i.e., person with advisory privileges, including the ability to recommend grants) associated with it.

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## About Fidelity Charitable

Fidelity Charitable is an independent public charity that has helped donors support more than 210,000 nonprofit organizations with more than \$20 billion in grants. Established in 1991, Fidelity Charitable launched the first national donor-advised fund program. The mission of the organization is to further the American tradition of philanthropy by providing programs that make charitable giving simple and effective.



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