

# What's Next For Funders?

## DONORS ARE FOCUSING ON THE FUTURE AND FAMILY

We asked our private foundation clients how they plan to approach their philanthropy in 2024 and it's clear givers are staying the course and, when making changes, they're expanding their generosity. Here are some highlights from our client survey.

## LOOKING AHEAD TO 2024

### GRANTMAKING



**72%** of foundations will continue to implement their long-term plans

- 44%** expect to **increase the total dollar amount** of giving
- 36%** will **explore other ways** of making a difference
- 31%** will **increase the number of grantees** supported



Of note, 16% characterize these changes as part of a strategic shift rather than a short-term response to the market environment.

*"We feel capital can be more catalytic when invested in for profit companies trying to make the change we envision will better our planet."*

### ENDOWMENTS



**60%** have no planned changes to their endowment

#### TOP 3 CHANGES ARE:

- 22%** adding funds
- 8%** increasing exposure to **alternative investments**
- 8%** exploring **impact investing**



It's worth noting that 16% point to the markets as a key factor in their planned changes.

*"We may need to change investment advisors to achieve our goal of increased impact investing."*

### NEXT GEN IN FOCUS



**62%** of foundations want to involve the next generation in philanthropic activities, yet... **35%** cite **engaging the next generation as the biggest challenge** ahead

### KEY TAKEAWAYS



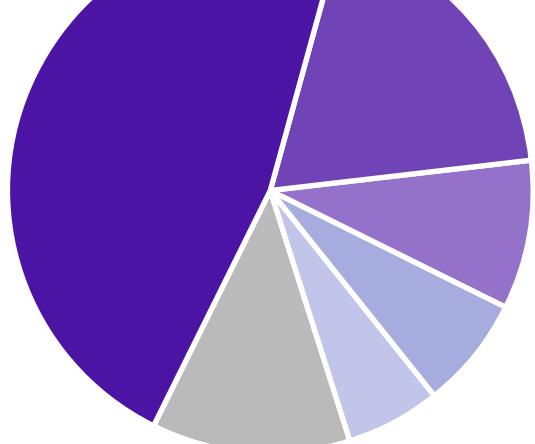
#### FOUNDATIONS NEED:

- Facilitation from philanthropic and financial advisors
- A new model for success
- Methods to promote engagement

*"We are looking to simplify our processes, involve family in decisions, engage our grandchildren... guiding them in reinvesting in our community."*

### EXPLORING GIVING STRATEGIES AND VEHICLES

Foundations are also using a range of vehicles and approaches to drive impact and meet their philanthropic goals.



- 47%** direct gifts
- 19%** DAFs
- 9%** impact investing
- 7%** charitable trusts
- 6%** planned or legacy gifts
- 12%** other

*"We are still doing many direct gifts, and currently, our private foundation is used for tax planning and minimum distributions until a longer-term strategy is developed."*

### CONTINUOUS IMPROVEMENT AND FAMILY ENGAGEMENT

As foundations consider their long-term strategy and operations, these are their



#### TOP 5 AREAS OF INTEREST:

- Foundation best practices
- Managing succession
- Involving family in philanthropy
- Building a legacy
- Regulatory changes

*"Our NextGen is learning about Mission-Related Investments and Mission-Aligned Investing to determine if they have an appetite for alternative investing."*

The data presented here is from a digital survey conducted between December 28, 2023 and January 31, 2024. Responses are from 225 private non-operating foundations with assets between <\$1 million to \$500 million.

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