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***Education, religious, and public-society benefit organizations attracted the most dollars from donor-advised fund grants, new study finds***

**Special Report on Donor-Advised Funds from Giving USA Foundation™ and Indiana University Lilly Family School of Philanthropy shows DAF grant dollars doubled from 2014 to 2018, while grant patterns remained stable**

CHICAGO—Education, religious, and public-society benefit organizations—which include United Ways and many organizations focusing on community development and civil rights—attracted the most donor-advised fund (DAF) grant dollars from 2014 to 2018, according to a new study released today by the Giving USA Foundation and the Indiana University Lilly Family School of Philanthropy at IUPUI.

DAFs are considered among the fastest-growing charitable giving vehicles, but there has been little quantitative research on where DAF grant dollars go since the Giving USA Foundation's previous special report on DAFs in 2018. The new study's findings are based on grant data from 87 DAF-sponsoring organizations for 2014 to 2018 (the latest period of time from which final IRS data is available). The study is one of the largest of its kind, representing nearly 75% of all DAF grant dollars in the philanthropic sector during those years.

The study's dataset includes \$74 billion in grant dollars from DAFs to more than 240,000 recipient nonprofit organizations.

The new *Giving USA Special Report, Donor-Advised Funds: New Insights*, was funded and published by the Giving USA Foundation and researched and written by the Lilly Family School of Philanthropy. Giving USA Foundation received additional support for the study from The Chicago Community Trust, The Cleveland Foundation, Coastal Community Foundation of South Carolina, The Columbus Foundation, Fidelity Charitable Trustees' Initiative, Hampton Roads Community Foundation, Benefactor Group, The Curtis Group, and Grenzebach Glier and Associates.

“As dollars to and from donor-advised funds continue to grow, there have been questions in the field about how to understand giving from this charitable giving vehicle,” said Laura MacDonald, CFRE, Chair of Giving USA Foundation and Principal and Founder of Benefactor Group. “The goal of this special report is to shed new light on what types of organizations receive DAF grants and to provide insight into the role DAFs play in the philanthropic landscape. It is designed to help demystify DAFs and to complement the annual *Giving USA* report. The special report includes an analysis of how DAFs’ granting patterns compare with the distribution patterns of all types of charitable giving shown in *Giving USA*.”

“To demonstrate our commitment to research on donor-advised funds as part of the philanthropic environment, starting in 2022 the annual *Giving USA* report will present a new estimate of the types of organizations that receive grants from DAFs,” said MacDonald.

### **Varied Giving Patterns from Different Types of DAFs**

The new report found differences in DAF granting patterns from different types of DAF-sponsoring organizations, which are often categorized as: national charities (including independent providers or those affiliated with financial institutions), community foundations, and single-issue charities (organizations based in a specific subsector such as environment or education). According to the data, religion received a smaller share of grants from community foundations than from national charities, while environment/animal organizations, health and human service organizations received comparably more from community foundations than from national charities.

“Although donor-advised funds are often thought of as monolithic, this report shows that the landscape of giving from them is complex,” said Amir Pasic, Ph.D., the Eugene R. Tempel dean of the school. “This study provides the types of fresh insights from large-scale, quantitative research that can help fundraisers, nonprofit professionals, donors, policy makers and scholars better understand the various ways DAFs interact with the philanthropic sector. We are pleased to contribute to the growing body of knowledge on donor-advised funds and encourage more scholars to join that effort; more research on DAF-related issues is needed.”

### **An Early Look at Some 2020 DAF Granting**

The report also includes preliminary findings from a subset of DAF-sponsoring organizations with data from 2019 and 2020. According to the data, DAF grant dollar amounts grew by 39% and the number of distinct grantees grew 11% between 2019 and 2020. DAF giving to human services grew 138%, while giving to public-society benefit organizations nearly doubled. DAF grants to Historically Black Colleges and Universities and other racial justice organizations more than quadrupled.

“The data from 2020 clearly identify human services organizations, education, and public-society benefit organizations as the types of nonprofits that received the most grant dollars from donor-advised funds in the wake of the unprecedented events of that year,” said Una Osili, Ph.D., associate dean for research and international programs at the school. “We will need more data to examine whether changes seen in this subset of data will be sustained once more DAF grant data from 2020 is available. It will be interesting to see whether these new trends hold in 2021 and beyond.”

## Additional Key Findings

- Grants from DAFs gave more total dollars to education and less to religion from 2014 to 2018 compared to the distribution of total U.S. giving as identified by *Giving USA*.
- Education received 29% of DAF giving, but only 14% of total giving in for that period.
- In contrast, grants to the religion subsector represented 14% of giving from the DAF sample, but 31% percent of total giving in *Giving USA*.
- The arts received 9% of DAF giving, and 4% of total giving in *Giving USA*.
- The distribution patterns by DAFs track more closely with the trends of high-net-worth donors, who are associated with giving to education and arts at higher levels than the average donor.
- Granting patterns from DAFs are relatively stable, with each type of nonprofit receiving a similar percentage of total DAF giving from year to year.
- Roughly 60% of grant dollars from community foundation DAFs stayed local, and nearly one-quarter of grant dollars not given to local organizations went to education.

For the study's dataset, the Indiana University Lilly Family School of Philanthropy used IRS Schedule I data and also collected direct granting data from DAF-sponsoring organizations. More information on the methodology is available in the full report.

## NOTES TO EDITORS

Members of the media can request the full *Giving USA Special Report, Donor-Advised Funds: New Insights*. The requested citation is *Giving USA Special Report, Donor-Advised Funds: New Insights*, a publication of Giving USA Foundation, 2021, researched and written by the Indiana University Lilly Family School of Philanthropy.

## How to Obtain *Giving USA Special Report, Donor-Advised Funds: New Insights*

*Giving USA Special Report, Donor-Advised Funds: New Insights* will be available November 11 at [www.givingusa.org](http://www.givingusa.org).

The hard copy version of the report book will be available for purchase at \$69.95 to non-subscribers. Purchasers also have the option to become *Giving USA* subscribers, which includes a free download of the digital version of the report, the discounted hard copy for \$29.95, plus the following benefits:

- Access to the archives of all *Giving USA*'s previous reports
- Access to all of *Giving USA*'s previous *Special Reports*
- The 2021 Comprehensive Presentation PowerPoint with researchers' notes
- Digital copies of upcoming *Giving USA Special Reports*
- Copy of the subscription year Annual Update on State Laws
- Exclusive Giving Institute and Giving USA Foundation webinars for subscribers

## About Giving USA Foundation™

Advancing the research, education and public understanding of philanthropy is the mission of Giving USA Foundation, founded in 1985 by The Giving Institute. Headquartered in Chicago, the Foundation publishes data and trends about charitable giving through its seminal publication, *Giving USA*, and shorter *Special Reports*, released periodically, which provide in-depth explorations of today's charitable

giving topics. Published since 1956, *Giving USA* is the longest running, most comprehensive report on philanthropy in America.

### **About *Giving USA***

For more than 65 years, *Giving USA: The Annual Report on Philanthropy in America*, has provided comprehensive charitable giving data that are relied on by donors, fundraisers and nonprofit leaders. The research in this annual report estimates all giving to charitable organizations across the United States. *Giving USA* is a public outreach initiative of Giving USA Foundation and is researched and written by the Indiana University Lilly Family School of Philanthropy at IUPUI. Giving USA Foundation, established in 1985 by The Giving Institute, endeavors to advance philanthropy through research and education. Explore *Giving USA* products and resources, at [www.givingusa.org](http://www.givingusa.org).

### **About The Giving Institute**

The Giving Institute, the parent organization of Giving USA Foundation, consists of member organizations that have embraced and embodied the core values of ethics, excellence and leadership in advancing philanthropy. Serving clients of every size and purpose, from local institutions to international organizations, The Giving Institute member organizations embrace the highest ethical standards and maintain a strict code of fair practices. For information on selecting fundraising counsel, visit [www.givinginstitute.org](http://www.givinginstitute.org).

### **About the Indiana University Lilly Family School of Philanthropy**

The Indiana University Lilly Family School of Philanthropy at IUPUI is dedicated to improving philanthropy to improve the world by training and empowering students and professionals to be innovators and leaders who create positive and lasting change. The school offers a comprehensive approach to philanthropy through its [undergraduate](#), [graduate](#), [certificate](#) and professional development programs, its research and international programs and through The Fund Raising School, Lake Institute on Faith & Giving, the Mays Family Institute on Diverse Philanthropy and the Women's Philanthropy Institute. For more information, visit [philanthropy.iupui.edu](http://philanthropy.iupui.edu).