

ninety-nine girlfriends

COLLECTIVE GIVING FOR IMPACT: PORTLAND & SW WASHINGTON

Philanthropy Facts and Factoids - FAQ's 2018

1. *Why call it philanthropy? Isn't that just for wealthy people?*

No matter how we describe our personal investments in the community (e.g., donations, philanthropy, giving, charity or another term), we each do what we can to address issues that are personally important to us. "Philanthropy" is defined as, "the desire to promote the welfare of others, expressed especially by the generous donation of money to good causes." When we think of ourselves as philanthropists or grantmakers, we raise our level of awareness of our power to influence positive change.

According to the recent research from [Giving USA](#), 72 percent of charitable contributions come from individuals. A few other facts of note:

- [People with lower incomes give a larger proportion of their funds to charity than wealthy households.](#)
- Americans provided \$390 billion to charitable organizations in 2017. Education and health receive the largest amounts of the nine philanthropic subsectors.
- Funds from individuals, corporations and foundations increased in the past year; funds from bequests (i.e., estates and wills) decreased.

2. *Why do individuals feel the need to support community activities that should be handled by government?*

In every country, there's a gap between what the general public needs and what specific populations may need. That's where charitable giving comes in. Individuals in the U.S. can redirect dollars that would typically go to taxes into efforts that are designed to help a certain cause, population or issue. There's an argument that privately-funded services, most notably for people living in poverty, can be delivered more efficiently and effectively than government-run services, as seen in a recent [Los Angeles Times article](#). Research indicates that charitable programs should not supplant the mandate from government to address community issues.

3. *Are there different ways I can make contributions to charitable endeavors?*

Yes. You can make financial contributions in ways that go beyond responding to a letter or a call.

- You can create a "donor-advised fund" in a community foundation and annually determine where your funds might go.
- You can discuss with your family and make a plan that strategically deploys your charitable dollars on an annual basis.

- You can be part of an “impact investment” group and provide loans, rather than gifts, to nonprofits who can pay you back.
- You can organize “planned gifts” to provide funds from life insurance policies or provide funds in your will for specific institutions or causes.
- You can give gifts of stock, land or other real (tangible) assets.
- You can donate through your workplace or through a giving circle.

4. **What are foundations?**

Private foundations are created by families or corporations. Community foundations hold funds from many donors. Corporate foundations may be funded annually or hold funds. Operating foundations are organized to address and fund a certain kind of nonprofit operation. There are more than 60,000 foundations in the U.S. Each type is treated differently by the IRS.

Foundations usually have assets identified as “the corpus” and a percentage of these assets must be distributed annually. Generally, a private foundation must meet or exceed an annual “payout” requirement of 5 percent of the average market value in the prior fiscal year to avoid paying taxes. This 5 percent can include expenses associated with administration of the foundation, although there has been increasing scrutiny about foundation operating costs. Of the 10,000 largest foundations, 30 percent report no administrative expenses. Sixty-six percent of them have no compensation for staff or trustees, as seen in this [report by the Urban Institute](#).

5. **What are the foundations in our region and what do they give to?**

Our local foundation community is small but mighty and, in general, our foundations enjoy good relationships with one another. Most are connected in a collegial way through Grantmakers of Oregon and SW Washington, the fiscal sponsor for ninety-nine girlfriends. Here are a few:

[Oregon Community Foundation](#) – manages donor-advised funds and community giving across the state. Led by Max Williams, OCF programs help donors learn about community needs and hosts a young philanthropists program for high schoolers. Established in 1973, they hold \$1.8 billion in assets, and awarded \$106 million in grants and scholarships in 2016.

[Meyer Memorial Trust](#) – established with funds from the founder of Fred Meyer, their mission is to, “work with and invest in organizations, communities, ideas and efforts that contribute to a flourishing and equitable Oregon.”

[The James F. and Marion L. Miller Foundation](#) – leads innovative arts funding activities and often activates collaborative ventures among foundations. CEO Martha Richards has been helpful in guiding ninety-nine girlfriends.

[Collins Foundation](#) – has a commitment to diversity and equity across the state. Their investment of \$10 million is spread out in all nine philanthropic sectors.

[Ford Family Foundation](#) – based in Roseburg, this foundation focuses its giving on rural Oregon.

[Murdock Charitable Trust](#) – located in Vancouver with \$1.2 billion in assets, Murdock supports projects and organizations in Alaska, Montana, Washington, Oregon and Idaho.

[The Women’s Foundation of Oregon](#) – established in 2015 by a merger of two women-focused grantmakers, the foundation has conducted research about issues for women and girls in the state. It provides large and small grants as well as advocacy opportunities to address inequities.

Visit [Grantmakers of Oregon and SW Washington](#) to discover names and details of other foundations that support activities in our region.

6. *What kinds of nonprofits get the most money from philanthropists in our community?*

[Giving USA](#) publishes an annual study of patterns of philanthropic giving. They track giving by recipient over time. Although health and education receive the most support, there have been increases in funds to environment, arts, and international causes in the past few years.

Periodically, the Oregon Community Foundation publishes reports of statewide patterns of giving. Their [2016 Giving in Oregon report](#) detailed activities from 2013 and 2014, noting that over \$2.1 billion were donated to Oregon nonprofits in 2014 and one third of contributions were allocated to education institutions. Three Oregon counties in our region received \$13 billion. Oregonians gave an average of 2.28 percent of their annual adjusted gross household income to charities in 2014 (which is higher than the national rate of 2.17 percent).

7. *How do I decide how much of my money to contribute annually?*

This tends to be a personal or family decision. The average U.S. giving is 3 to 5 percent of household income, according to [Financial Samurai](#). Some families “tithe” giving 10 percent of their income to charity. Others see what works with their other budget needs.

8. *What issues are currently being discussed by the philanthropic leaders in our country?*

Philanthropy-focused groups, such as Independent Sector, Chronicle of Philanthropy, Guidestar, Charity Navigator, and the Council on Foundations, identify and discuss trends and issues in the field of philanthropy. Here are a few trends they are discussing right now:

- Issues of diversity and equity: Lack of social diversity on the boards of grantmaking foundations and implicit bias issues in grantmaking.
<https://www.philanthropy.com/article/5-Numbers-to-Know-in-2018/242097>
- Issues of philanthropic vehicles: Increasing popularity of donor-advised funds in community foundations, Vanguard, Fidelity, and campaigns for loans or direct support through social media, such as “Kickstarter” or “GoFundMe.” [New research on donor-advised funds is informative.](#)
- Changing priorities of grantmakers: Commitment to operating support.
<https://www.cof.org/blogs/re-philanthropy/2016-12-16/five-trends-philanthropy>

- Changing patterns of family contributions: In response to a recent slowdown of middle-class donors; nonprofits are relying more heavily on wealthy donors. This may change with the new tax code.
- Increasing foundation respect for grantseekers: Research documents a divide between grantees and grantmaking/foundation officers.
<http://nonprofitaf.com/2017/01/foundations-how-aggravating-is-your-grantmaking-process-use-this-checklist-to-find-out/>
- Changing patterns of generational priorities: Online giving, priorities of new generations and new models of social connection are influencing historical patterns of giving.
<https://www.independentsector.org/wp-content/uploads/2017/02/ninetrends.pdf>

9. Are there other ways to get involved in collective giving in our region?

Ninety-nine girlfriends is one of a number of emerging opportunities for collective giving.

- Check out the [Women's Foundation of Oregon](#) if you're looking for a way to commit resources of any size to address issues for women and girls in our state
- Learn more about [Dining for Women](#) if you want to be part of a social club that reviews ideas monthly and makes a donation to a selected nonprofit working internationally
- Join [Leve](#), started by one of our girlfriends, which is a group that organizes an annual party to raise funds and provide volunteers and dollars to a specific nonprofit every year
- Try [Giving Circle Clark County](#) for focus on Vancouver-area nonprofits
- Investigate how [MRG Foundation](#) supports social justice through donor-advised funds
- Familiarize yourself with [Social Justice Fund Northwest](#) which leverages resources from members to support long-term solutions in Washington, Oregon, Idaho, Montana and Wyoming

[Collective giving has tripled in the past 10 years.](#) Let us know of other circles in our region!

10. How can I learn more about philanthropy and community?

Come to our **Learning Labs** in April and May, and attend our June **Discovery Forum**, which will feature a panel of leaders talking about the philanthropy landscape and observing what our role can be as we grow. Look at the links provided in this FAQ. Ask questions by writing deborah.edward@gmail.com: we will find and post answers or resources!