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Annual Giving by Generation

| | 2016 | 2022 | Inc/Dec | % |
|-------------|---------|---------|---------|------|
| Gen Z | | \$747 | | |
| Millennials | \$942 | \$1,323 | \$381 | +40% |
| Gen X | \$1,265 | \$1,220 | (\$45) | -4% |
| Boomers | \$2,921 | \$2,568 | (\$288) | -12% |

Source: Giving USA Special Report: Giving By Generation 2023

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Individual Donors Have New Priorities... And There are Fewer of Them

- · Individuals still give the most.
 - Giving from individuals is **down about 15%** over the past 20 years and only 50% of American households gave a gift to nonprofits in 2018 (down from 66% in 2000).
 - However, individuals still make up the lion's share of total contributions over the last five years (67%).
- There may be fewer individual donors, but they are giving larger gifts and using different, more sophisticated giving vehicles.
 - Mega gifts by individuals totaled \$14 billion in 2022 and represented about 5% of all giving by individuals.
 - Up to 15% of all individual gifts are made out of Donor-Advised Funds.
- Driven by the example of MacKenzie Scott and the rise of **trust-based philanthropy**, the relationship between donors and organization is changing. More donors are understanding that unrestricted gifts that can be directed by the organization (instead of donor wishes) can make a larger impact.

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Planned Giving and the Great Wealth Transfer

- Organizations are anticipating the Great Transfer of Wealth in the next twenty years.
- \$30 \$70 <u>trillion</u> dollars is expected to transfer from Baby Boomers to younger generations.
- Proactive fundraisers are significantly focused on securing planned gifts now.
 - This transfer offers two opportunities: securing planned gifts from Baby Boomers...and cultivating new major donors amongst the recipients of this new wealth (Gen X, Millennials, and Gen Z)
 - While Baby Boomers may still be leading in total dollars given, the huge recent surge from Millennials should not be ignored.



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Title search: Advanced Issues in Fundraising

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