



# Peer-to-Peer Giving & Impact Investing ● ● ● *signs of benevolence?*

June 22, 2023

**VISIONARY**  
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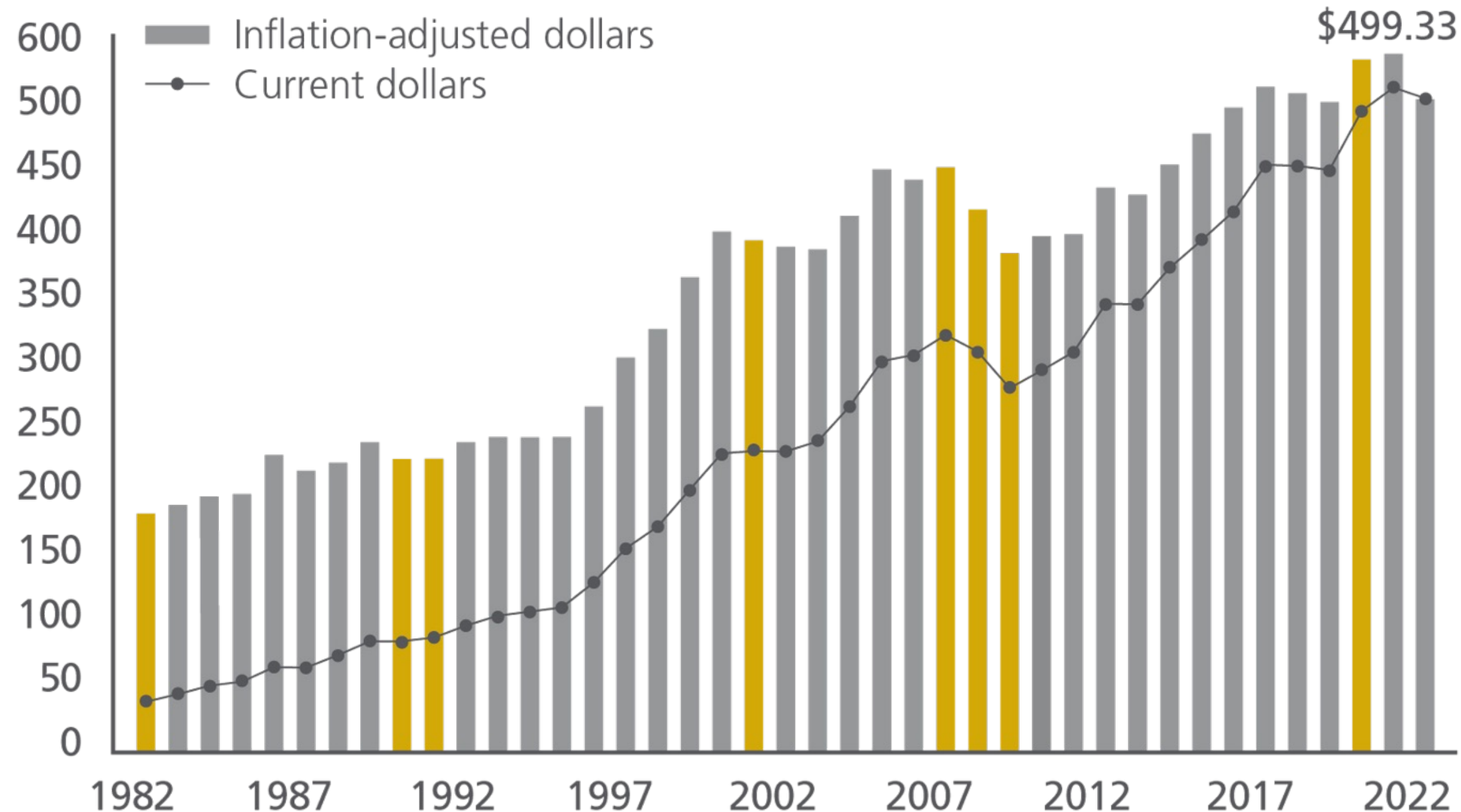
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# Total giving, 1982-2022

(in billions of dollars)



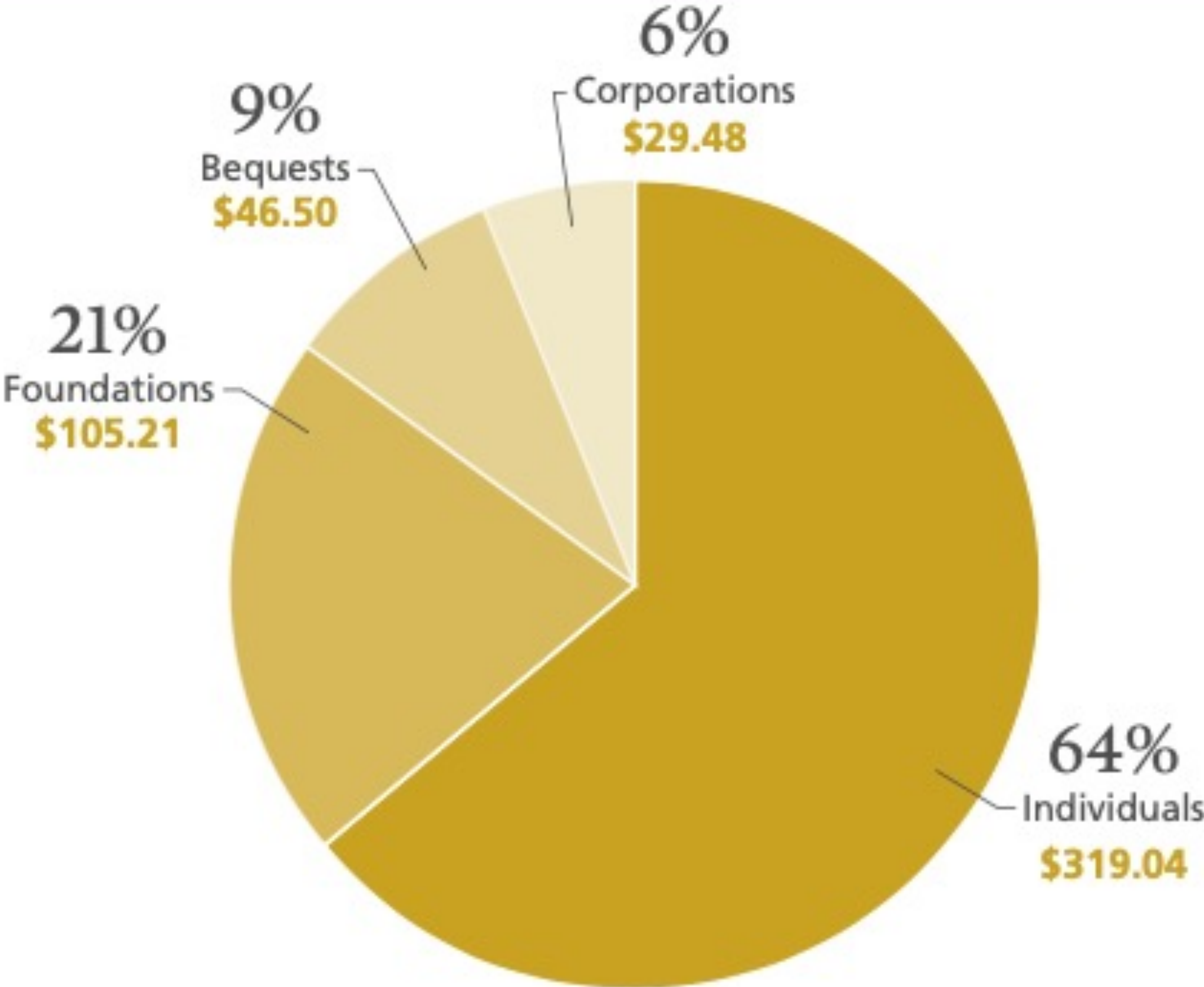
## From 2021 to 2022:

- Giving **Decreased** by 3.5% in current dollars and
- **Decreased** 10.5% when adjusted for inflation



Researched and written by  IUPUI LILLY FAMILY SCHOOL OF PHILANTHROPY

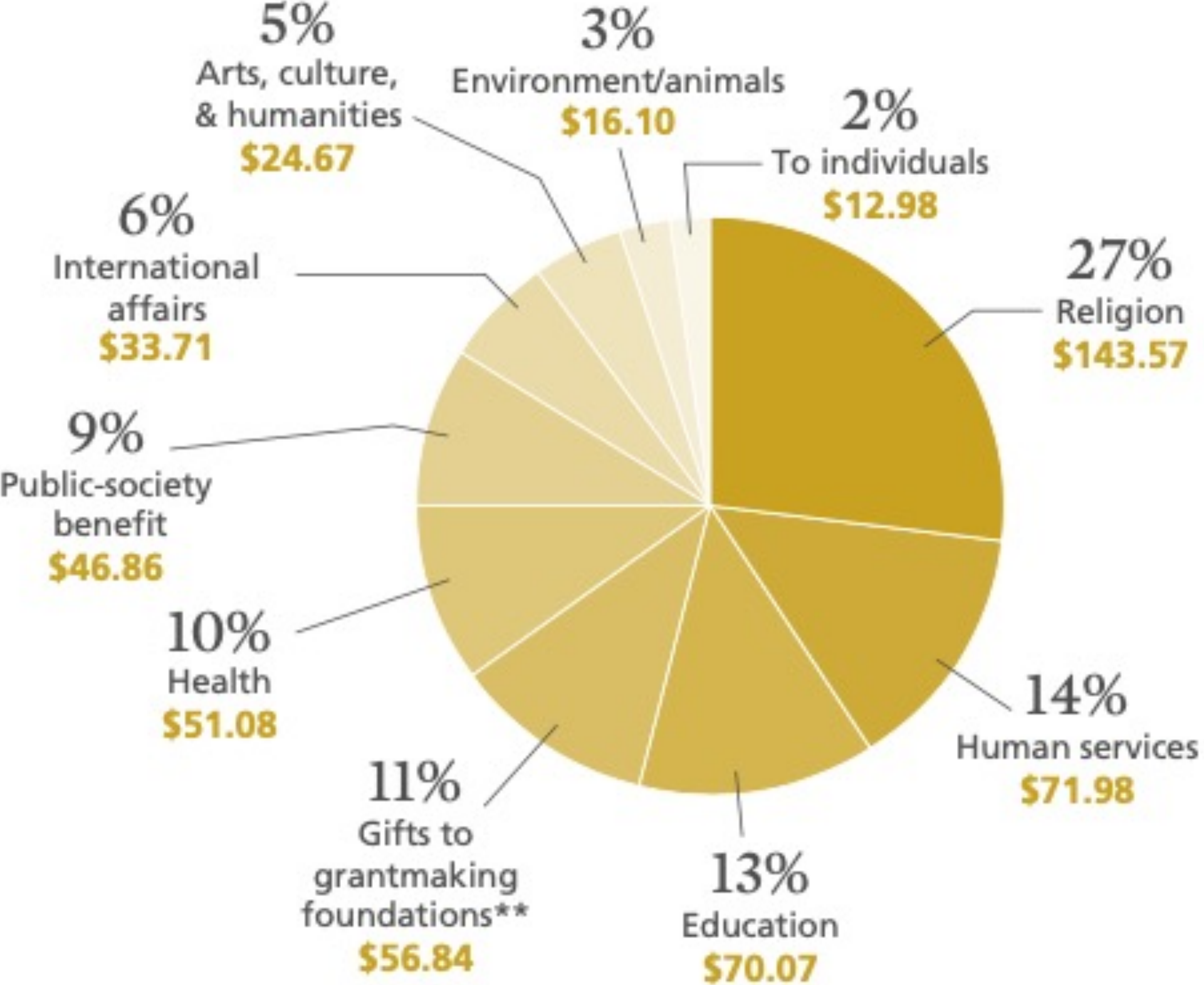
Total 2022 Contributions:  
\$499.33 Billion by  
Source of Contributions



 Giving USA™  THE Giving Institute™  
A public service initiative of the Giving USA Foundation. Shared intelligence for the greater good.

Researched and written by  IUPUI LILLY FAMILY SCHOOL OF PHILANTHROPY

# Total 2022 Contributions: \$499.33 Billion by Type of Recipient Organization



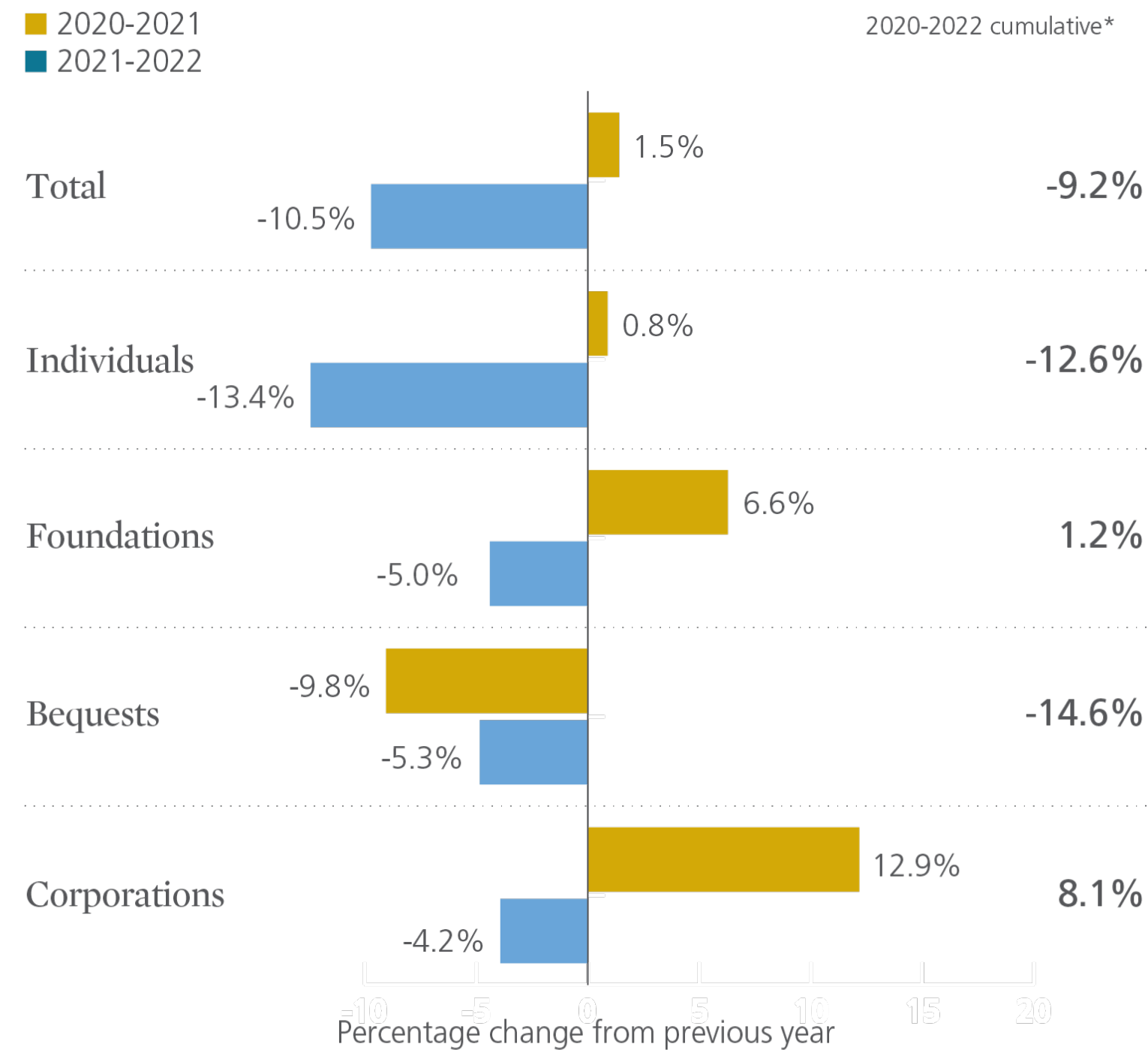
\* Total includes unallocated giving, which totaled -\$28.54 billion in 2022.  
 \*\* Estimates developed by the Indiana University Lilly Family School of Philanthropy using data provided by Candid.



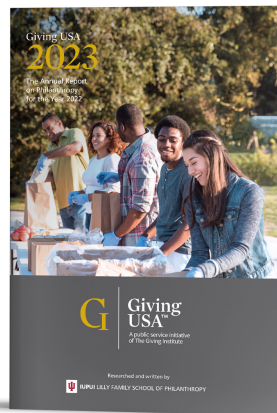
Researched and written by  IUPUI LILLY FAMILY SCHOOL OF PHILANTHROPY

# Changes in giving by source: 2020–2021 and 2021–2022, 2020–2022 cumulative

(in inflation-adjusted dollars, 2022 = \$100)

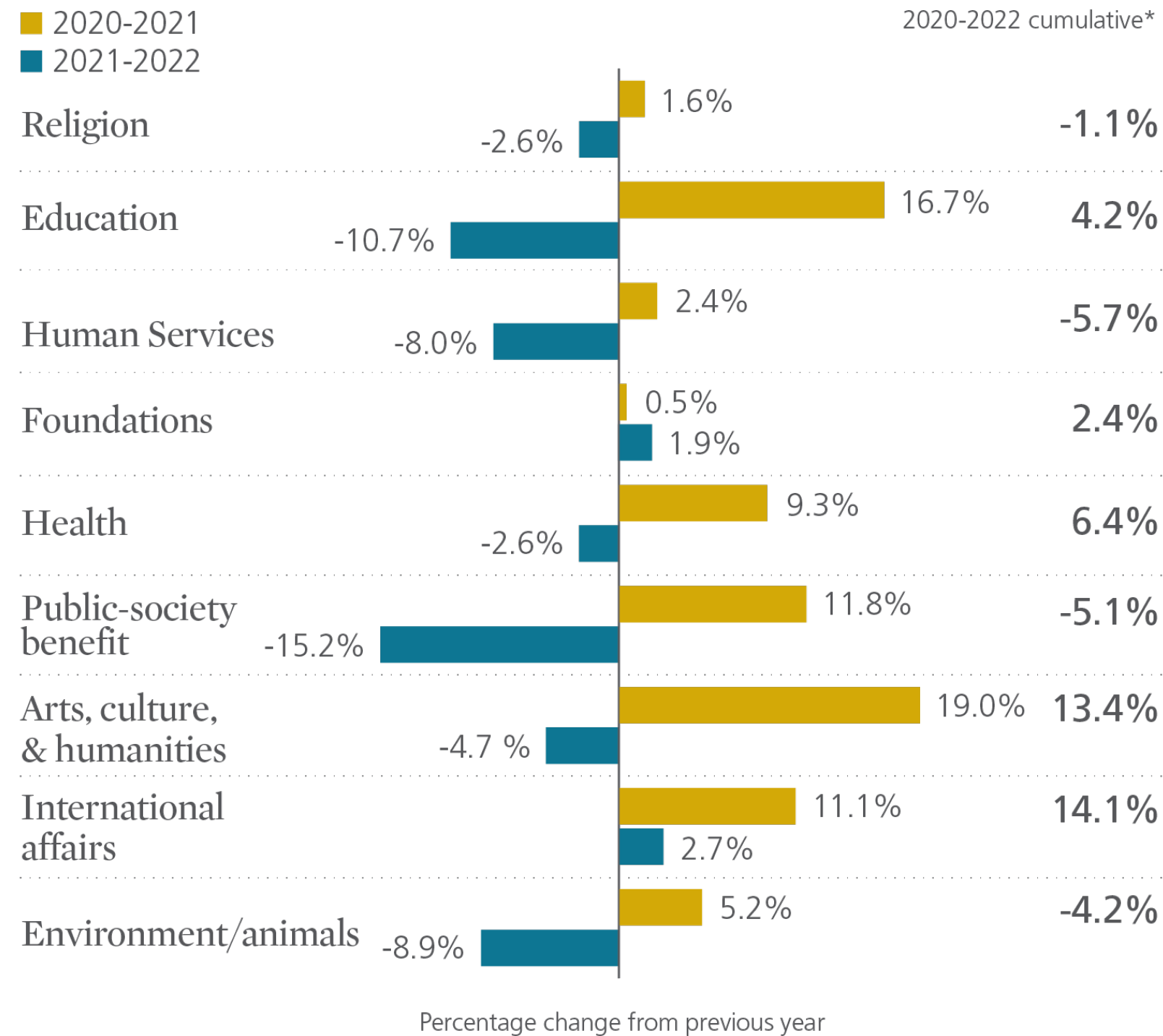


\*The two-year change is calculated separately and is not the sum of the changes in the two years.



# Changes in giving by type of recipient organization: 2020–2021 and 2021–2022, 2020–2022 cumulative

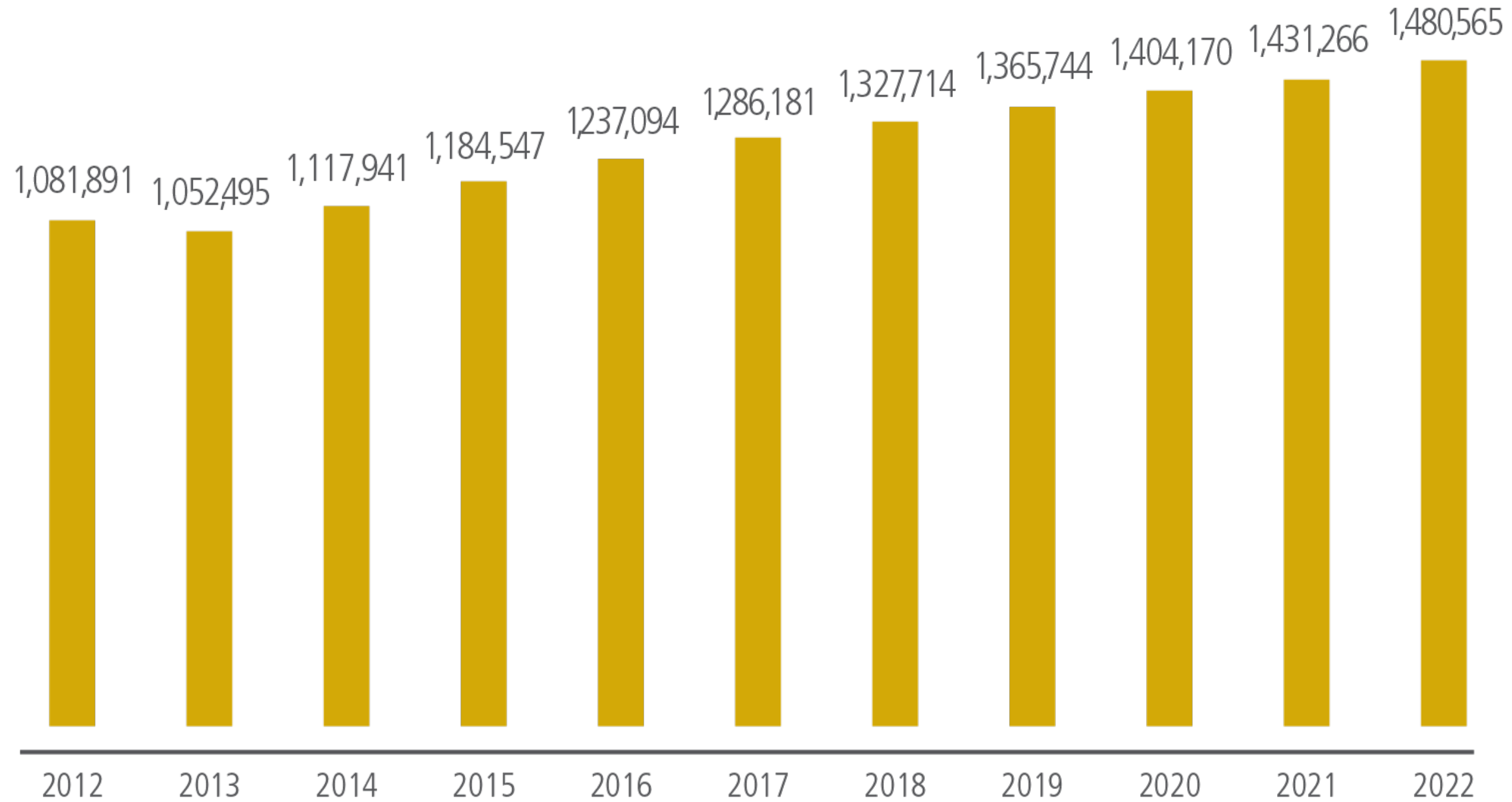
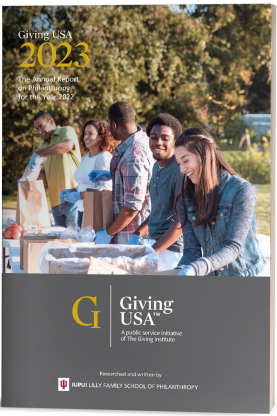
(in inflation-adjusted dollars, 2022 = \$100)



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# The number of 501(c)(3) organizations, 2012-2022





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## Growth in Crowd-Funding (peer-peer) Fundraising Models

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GoFundMe, Kiva, CaringBridge, etc.

# Blackbaud Online Giving Trends

## Online Giving Trends

### Highlights

9%

ONLINE GIVING GROWTH YOY

42%

THREE-YEAR INCREASE IN ONLINE GIVING

12%

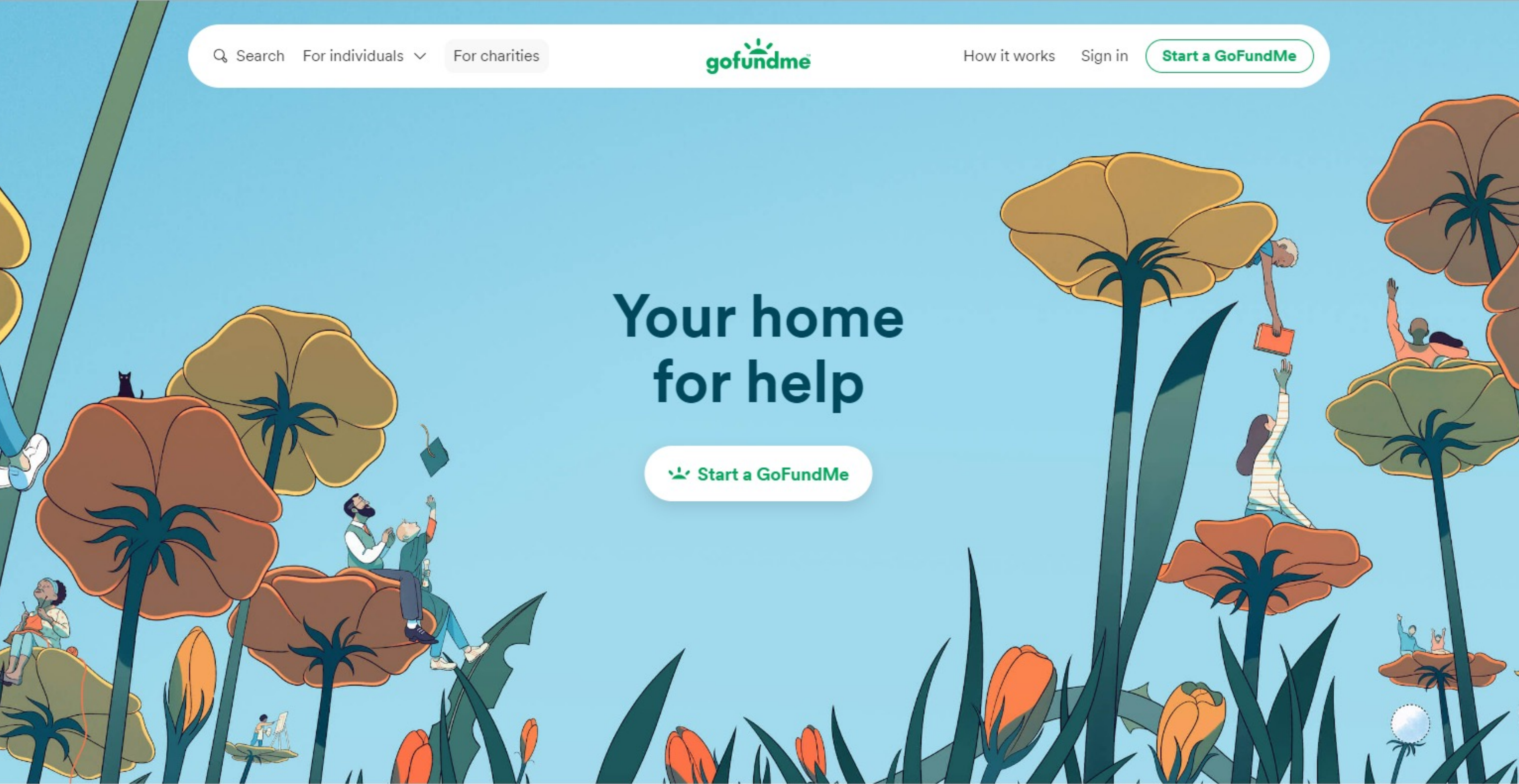
PERCENT OF TOTAL FUNDRAISING FROM  
ONLINE SOURCES

28%

PERCENTAGE OF ONLINE  
CONTRIBUTIONS FROM A MOBILE DEVICE

# Your home for help

Start a GoFundMe



## Start your free, personal CaringBridge site today.

Stay connected to family and friends through any health journey.

[Create a Site](#)

OR

[Find Someone's Site](#)



[Donate](#)



### Dedicated to Health Journeys

CaringBridge is an established non-profit designed specifically for sharing health journeys.



### Private, Protected and Ad-Free

You're in control of your privacy. Customize your settings to make your updates private or public. Your personal data is never sold, and there's no




### Support that helps you connect

A CaringBridge site is a place to easily communicate health updates, photos, and videos with friends and family.

Confidential Copyright June 2023

# Join our community

Become a lender, borrower, volunteer, fellow, employee, Trustee, Lending Partner, supporter.

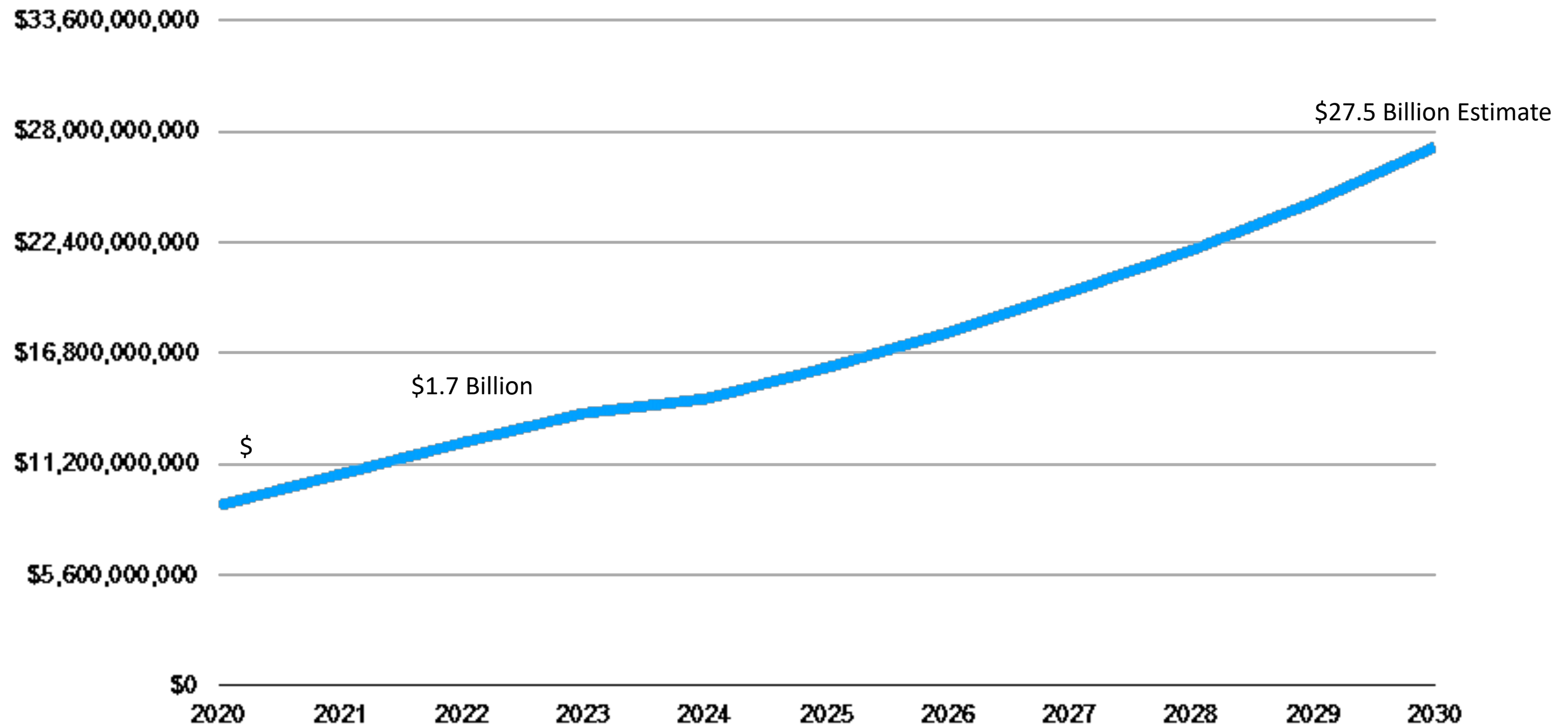
The Kiva logo is displayed in a large, green, lowercase sans-serif font. The letter 'i' is stylized with a green leaf-like shape on its left side. The background behind the logo is a solid light green color.A close-up portrait of a young Black woman with a bright smile. She is wearing a white headwrap with a white flower on the side and a light blue top. The background is a warm, out-of-focus indoor setting.

**Make a loan,  
change a life.**

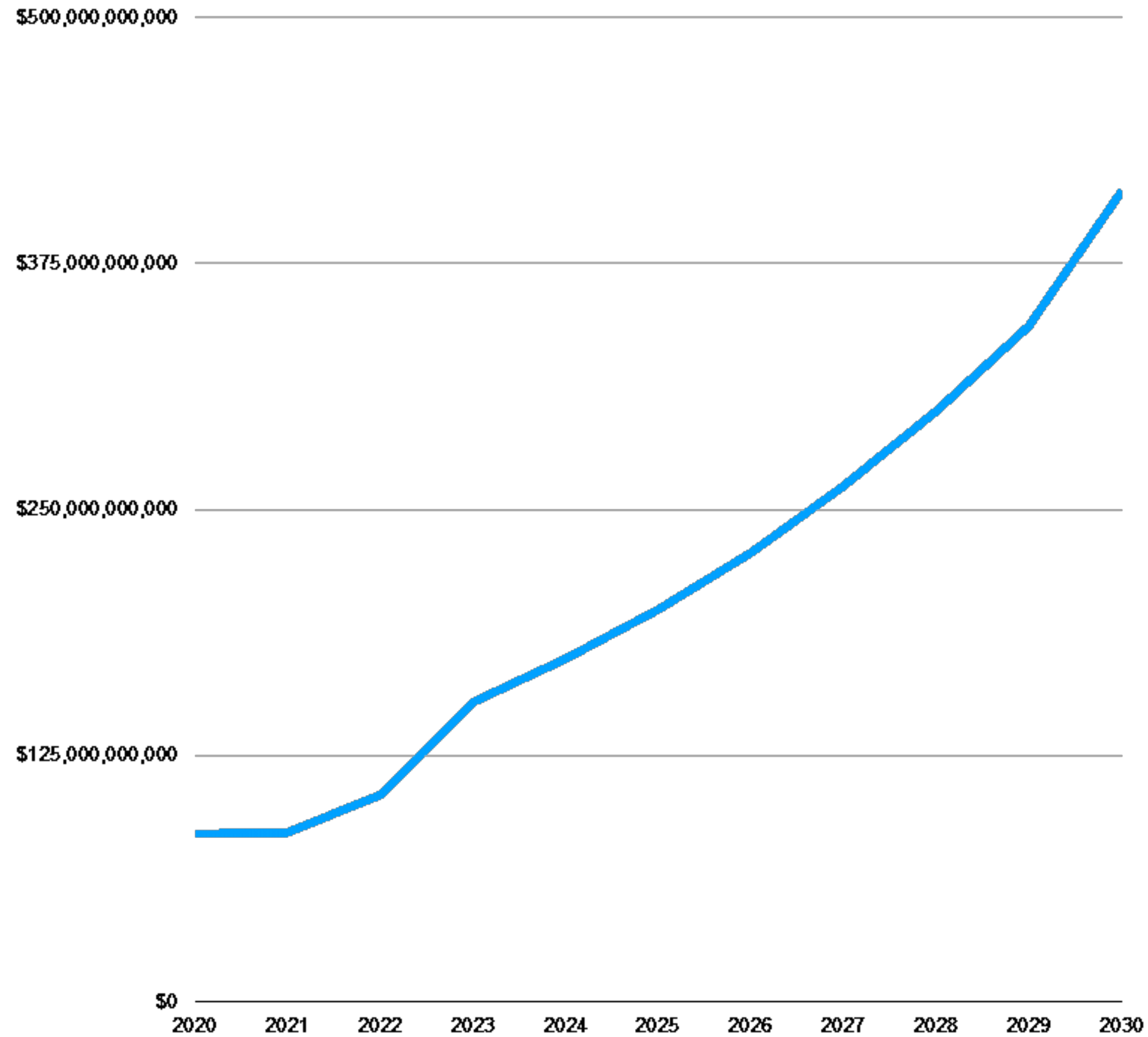
With Kiva you can lend as little as \$5 and make a big change in someone's life.

[Find a borrower](#)

# Go Fund Me Giving; Current and Estimated



# All Crowd Funding Estimated





## "Charity" Directed to Economic Impact

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*What does this mean for Charitable Giving?*



# The Numbers

- Over \$400 Billion Estimated to go to Crowdfunding
- Over \$ 2 Trillion invested in Impact Investing
- "Uber-Wealthy" are moving assets into LLCs and 501c4s
- The number of Donors has declined steadily over 10 years (Fundraising Effectiveness Project)
- Charitable Dollars declined in 2022 while GDP grew

Can both things be true?

Decline in Giving and Donors?

Increase in Crowd Funding and Social Impact Investing?

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## Growth in Impact Investing

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# Investment Capital:



**BROWN**  
VENTURE GROUP

## INVESTING IN BROWN SUCCESS

We envision a world where all talent has access to transformational capital.

\*Photo: Kiki Somerville, Founder & CEO of Fearless Artist Media, Executive Producer of TFAPOPOP

SCROLL

\$3 Million from  
Huntington  
National Bank

\$1.5 Million from  
Bush Foundation

# Chan Zuckerberg Initiative Holdings LLC



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[HOW WE WORK](#)

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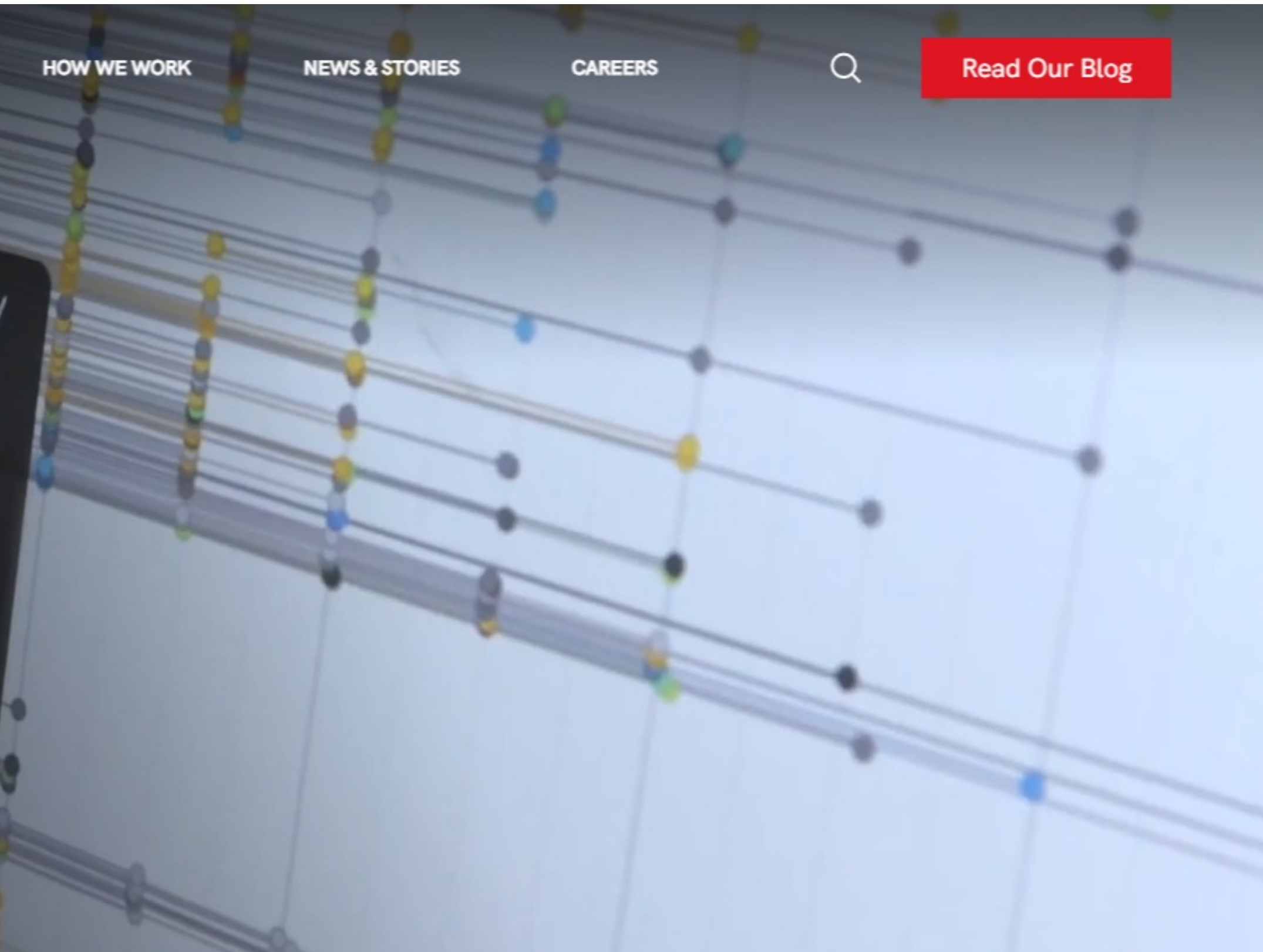


[Read Our Blog](#)

## BUILDING A BETTER FUTURE FOR **EVERYONE**

We're on an ambitious mission to solve some of society's toughest challenges — from eradicating disease to improving education and addressing the needs of our local communities.

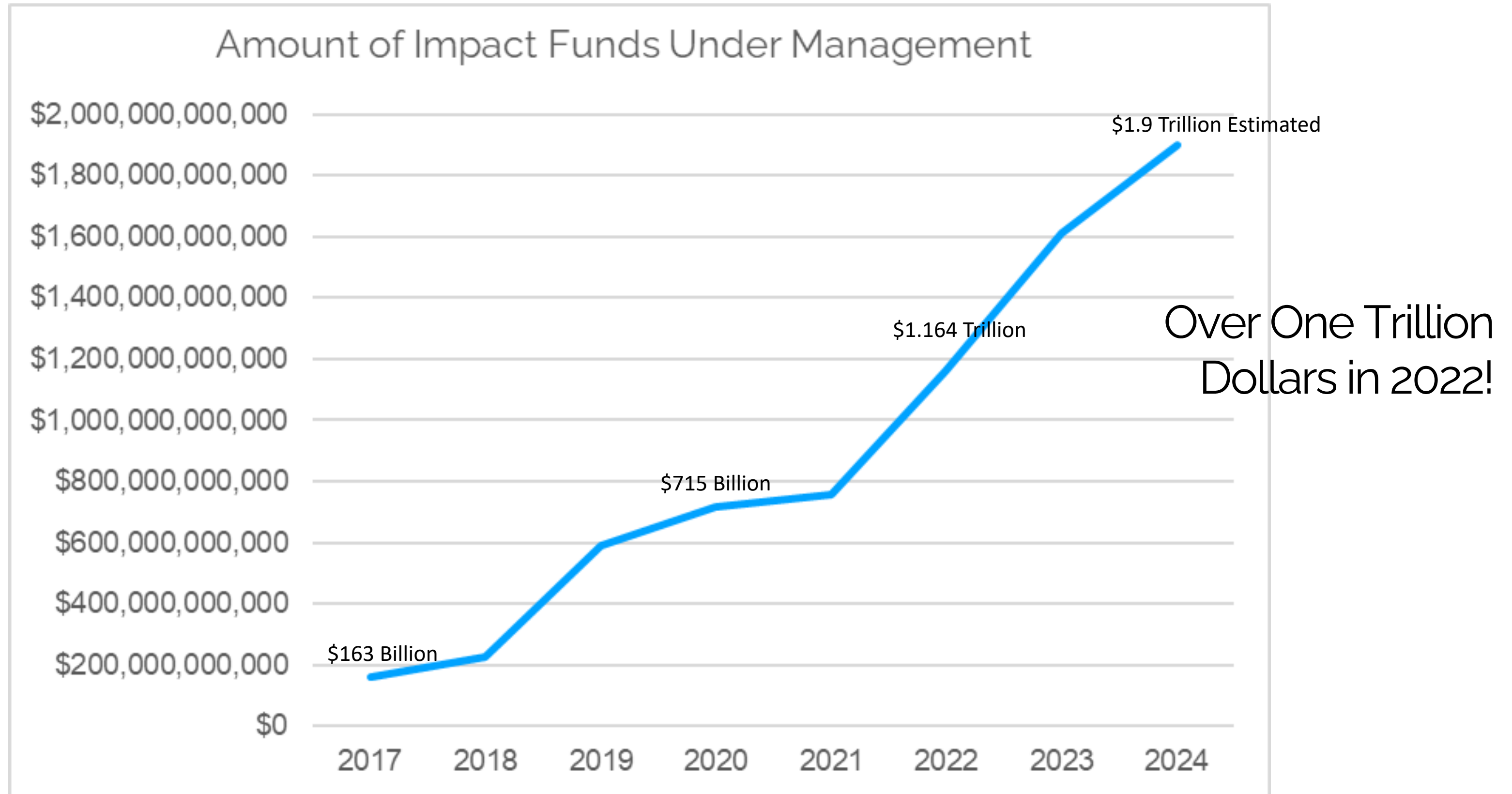
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# Mark Zuckerberg' Impact Investment

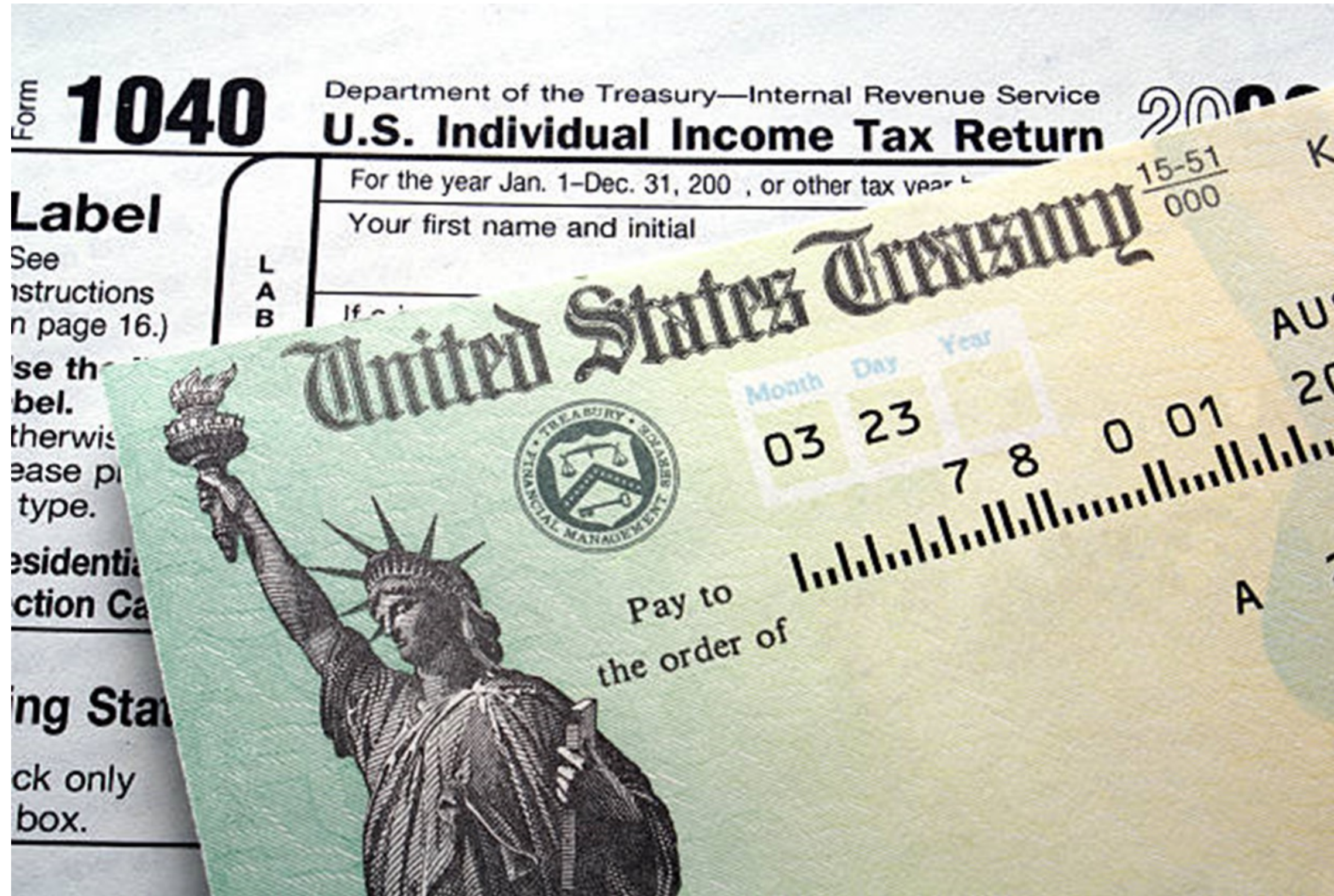
- Social Investment: 99% of Net Worth invested into an LLC, NOT charity
- Value: Meta Stock to be transferred, current value \$98 Billion

# Impact Investment Funds Under Management in the US



# Federal and State Tax Incentives:

*Encouraging Economic Development & Social Investing*





# Opportunity Zones

The **Tax Cuts and Jobs Act** included a new federal incentive—Opportunity Zones—meant to spur investment in undercapitalized communities. Any corporation or individual with capital gains can qualify. The program provides three tax benefits for investing unrealized capital gains in Opportunity Zones:

- Temporary deferral of taxes on previously earned capital gains. Investors can place existing assets with accumulated capital gains into Opportunity Funds. Those existing capital gains are not taxed until the end of 2026 or when the asset is disposed of.
- Basis step-up of previously earned capital gains invested. For capital gains placed in Opportunity Funds for at least 5 years, investors' basis on the original investment increases by 10 percent. If invested for at least 7 years, investors' basis on the original investment increases by 15 percent.
- Permanent exclusion of taxable income on new gains. For investments held for at least 10 years, investors pay no taxes on any capital gains produced through their investment in Opportunity Funds (the investment vehicle that invests in Opportunity Zones).

# In our Backyard:

34113	NAPLES	C7
34114	NAPLES	E7
34116	NAPLES	C5
34117	NAPLES	E6
34119	NAPLES	C4
34120	NAPLES	E3
34138	CHOKOLOSKEE	H9
34139	EVERGLADES CITY	G9
34140	GOODLAND	D8
34141	OCHOPEE	J7
34142	IMMOKALEE	I4
34145	MARCO ISLAND	D8

- **The five designated areas in Collier County are:**

- Three census tracts in and around Immokalee, from Lake Trafford to the west to the county line to the east
- The Naples Manor community west of Collier Boulevard, north of U.S. 41 East and south of Rattlesnake Hammock Road
- Land in Golden Gate, west of Collier Boulevard, south of Golden Gate Parkway and east of Santa Barbara Boulevard

- Opportunity Zones create incentive for socially conscious businesspeople to invest in:

- Affordable Housing
- Emergency Overnight Shelters
- Office space for Non-profit organizations
- Business Incubators
- Workforce Training Centers

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# Growth in Corporate Transfers

# Yvon Chouinard Transfers \$3 Billion Patagonia Stock

98% of the Stock goes to a Non-Tax Deductible, 501 (c) 4



## Who owns Patagonia?

Patagonia's new owners are the Holdfast Collective and the Patagonia Purpose Trust. The Holdfast Collective owns 98% of the company and all of the nonvoting stock. The Patagonia Purpose Trust owns 2% of the company and all of the voting stock. Nonvoting stock carries economic value but not decision-making authority. Voting stock has both economic value and decision-making authority.

## Does this make Patagonia a nonprofit?

No. Patagonia continues to be a for-profit business, a certified B Corp and a California benefit corporation, making the best-quality products and honoring its obligation to preserve the financial health of the company while always considering the impact our business has on employees, customers and communities—and on the health and vitality of the natural world.

Our impact in the world comes from operating as a for-profit business. We will continue to serve as a beacon for the entire business community by proving that purpose and profits are inextricably linked.

# Impact of Patagonia

## 501(c)(3) vs. 501(c)(4): Similarities and Differences

	501(c)(3)	501(c)(4)
<b>Purpose</b>	Charitable, religious, educational, scientific, literary, public safety testing, fostering amateur sports competitions or preventing cruelty to animals or children	Promoting social welfare
<b>Tax Exemptions</b>	Donor contributions are tax deductible	Donor contributions are generally not tax deductible, except to fire and rescue squads and some veterans organizations

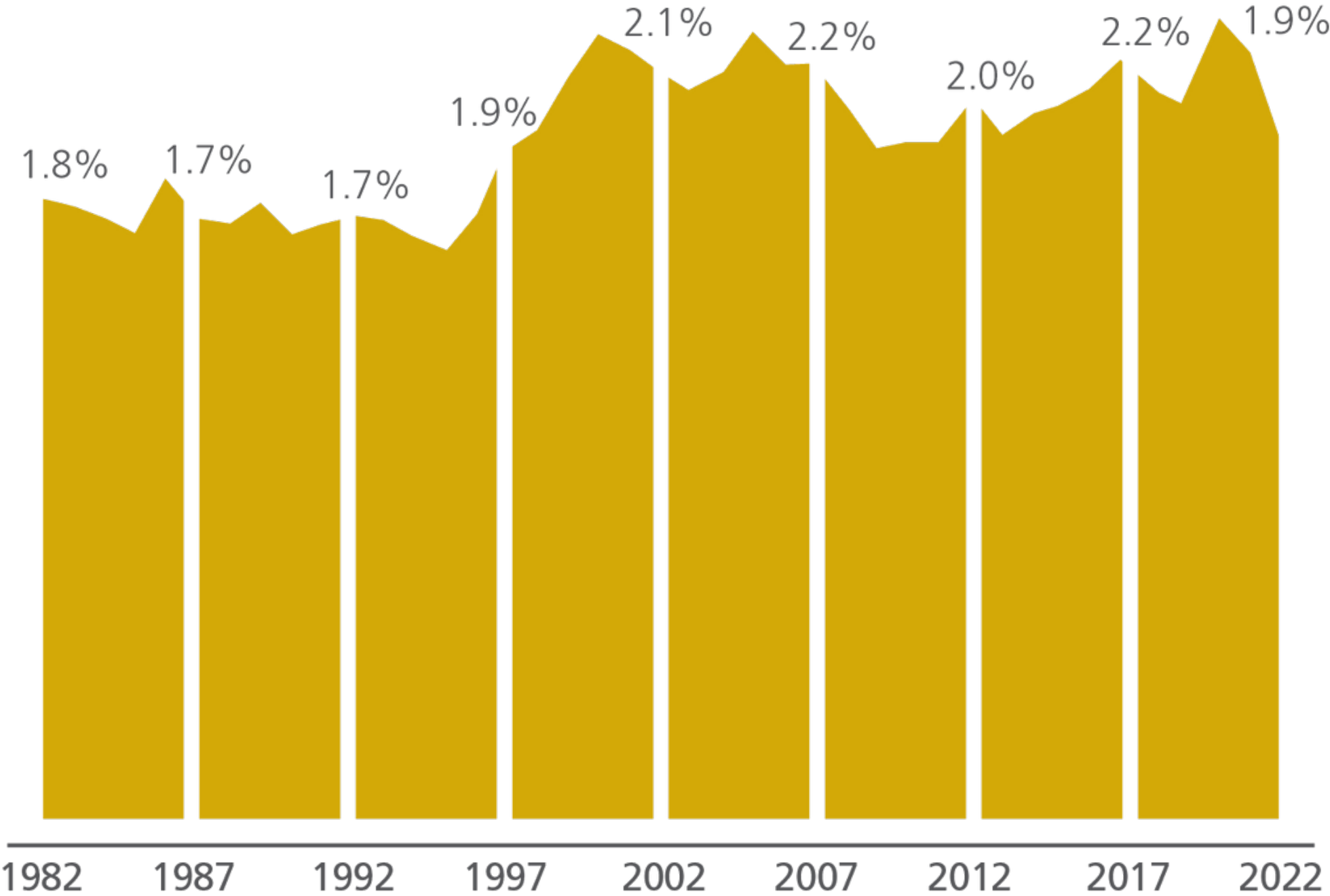


# The Mix of Benevolence & Charity as Measures of Generosity

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# Total giving as a percentage of Gross Domestic Product, 1982–2022

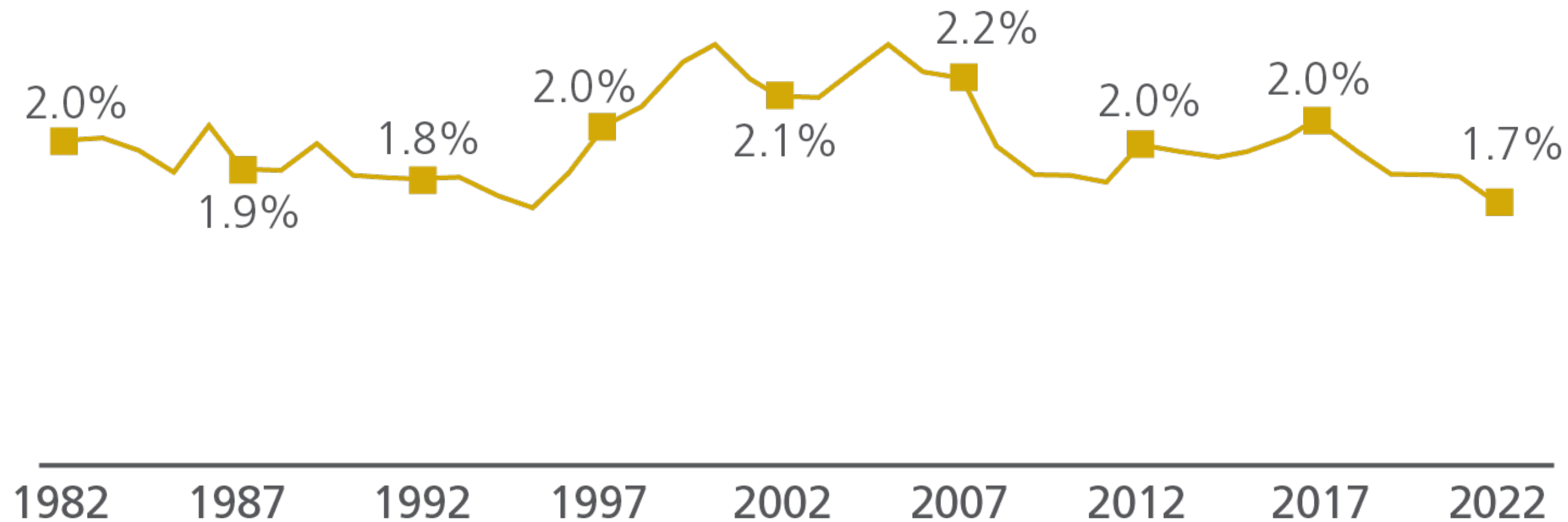
(in current dollars)



While GDP Grew in 2022, Giving Declined from record high of 2.3% of GDP to 1.9%

# Individual giving as a share of disposable personal income, 1982-2022

(in current dollars)



Individual Giving dropped below 2.0% of DPI in 2022



Change in Giving 2022 v 2021:  
Donors, Dollars & Retention



DONORS

-10.0%

(+/- 2.0%)

YOY change



DOLLARS

-1.7%

(+/- 2.0%)

YOY change



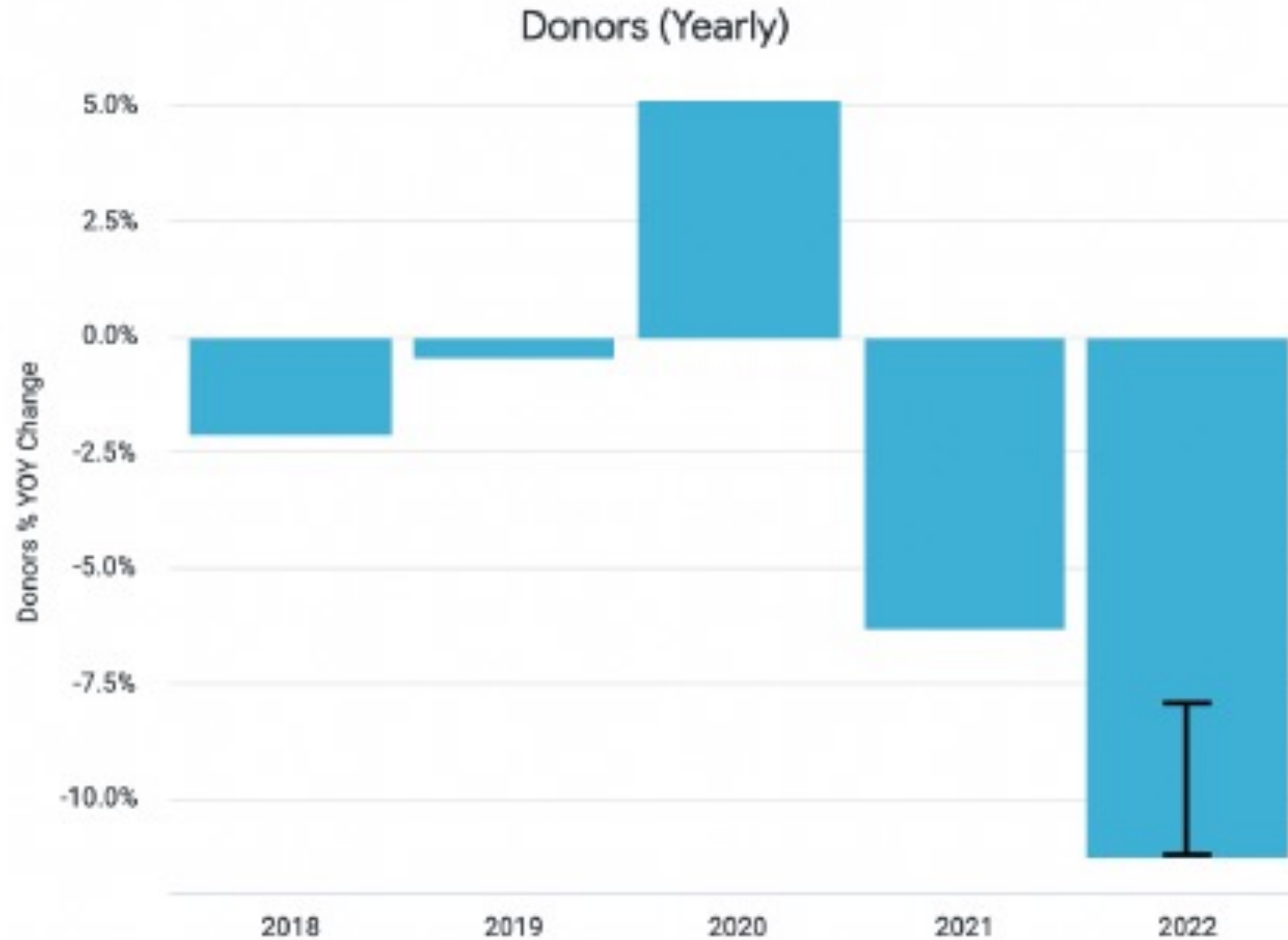
RETENTION

-3.5%

(+/- 1.0%)

YOY change

# Decline in Donors From 2020 Spike



■ Donations ■ Donors

1.5

1

0.5

0

2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022

## Key Takeaways

There is a long-term trend of fewer donors donating more money

### Contributing Factors:

- Continued widening of the wealth gap
- Continued Expansion of the number of nonprofits
- Expansion of ways to give
- Cost to acquire and retain donors has risen

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# VPC Recommendations

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# Visionary Insights

- Donors & Investors Blur the Lines Between “Charity” & “Benevolence”
- Thank, Thank, Thank, Your Donors
- Invest in Stewardship & Engagement Strategies
- Report Impact & Outcomes
- Deploy Online Giving Channels
- Think Outside the Box – Competition is Everywhere
  - More Charitable Organizations (*+398K since 2012*)
  - Social Investment Opportunities (*Entrepreneurship*)
  - The Person/Neighbor who Just Experience a Tragedy
  - Make Giving Personal



Thank You

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