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# The Philanthropy Toolkit

An introduction  
to giving effectively  
in Australia

Trust is earned.



Perpetual 

The logo for Perpetual consists of the word "Perpetual" in a serif font, followed by a large, elegant, stylized script letter "P" that overlaps the end of the word.

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# Welcome to your Philanthropy Toolkit

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## The Philanthropy Toolkit is a practical step-by-step resource designed to help you, your family, and advisers engage in thoughtful conversations, be effective in your charitable giving and anchor your philanthropy around what most deeply inspires you.

### The activities in this toolkit will help you:

- Identify your core values and focus on the issues you care about.
- Develop a giving budget and overall philanthropy plan.
- Engage your family and the next generation.
- Understand the pros and cons of different giving vehicles (direct giving, Public Ancillary Funds, Private Ancillary Funds etc.)
- Learn where and how to connect with others in the sector.
- Understand how to measure and evaluate non-profits and their strategies.

The toolkit contains worksheets, interactive discussion cards and the EPLI Philanthropy Planner which you can fill out and use on your own or share with your family and advisers. You can do the activities in any order, completing some in an hour and others over a longer timeframe.

This is the third version of the toolkit and was developed as part of the partnership between Perpetual and Stanford's Center on Philanthropy and Civil Society (PACS). This version was specifically designed and updated for an Australian audience.

Whether you are new to philanthropy or more experienced, whether you are a donor or an adviser – we've designed this resource to help you focus, reflect, and engage in meaningful dialogue an action.

We believe there is no single correct way to be a philanthropist. What matters is that you make informed, thoughtful decisions, and continue learning along the way. We hope this helps you on your path to effective philanthropy.

**Stanford's Center on Philanthropy and Civil Society (PACS)** is a global interdisciplinary research

centre. Stanford PACS develops and shares knowledge to improve philanthropy, strengthen civil society, and address societal challenges. By creating a shared space for scholars, students, and practitioners, Stanford PACS informs policy and social innovation, philanthropic investment, and non-profit practice.

**Perpetual** is a leading provider of philanthropic services in Australia and provides support, governance, and advice to families and individuals wishing to start and grow their philanthropy.

In 2016, Perpetual and Stanford PACS formalised a partnership to bring top-quality thinking about philanthropy to Australia. Activity has included visits from thought leaders and discussions, and knowledge sharing on issues as varied as philanthropy in the digital age, more effective giving, and philanthropy and civil society. As part of this partnership, Perpetual has also sponsored educational visits to Stanford for a wide range of non-profit and philanthropy leaders across Australia.

Perpetual and Stanford PACS would like to acknowledge the Australian Scholarships Foundation for their ongoing capacity support and facilitation of this partnership.

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# Activity index

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This is the third version of the toolkit and was developed in partnership with Perpetual and Stanford PACS. This version has been specifically designed and updated for an Australian audience.

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**Perpetual is a leading provider of philanthropic services in Australia and provides support, governance and advice to families and individuals wishing to start and grow their philanthropy.**

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Below is a quick reference list of the worksheets (on light grey pages) and the Effective Philanthropy Learning Initiative (EPLI) Philanthropy Planner (on light blue pages).

Additional worksheets and Philanthropy Planner pages can be downloaded from Stanford's website: [paccenter.stanford.edu/toolkit](https://paccenter.stanford.edu/toolkit)

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# Introduction



## What is the Philanthropy Toolkit?

The Philanthropy Toolkit has six sections and is designed to provide you with the tools and resources you need for a successful philanthropic journey. This process can be completed with a trained facilitator (such as a philanthropy or wealth adviser) or on your own. You may wish to include family members as well.

We created this toolkit in collaboration with professional advisers across Australia and the United States in response to the philanthropic questions and challenges their clients face every day. The activities and resources in each section were curated and created by the Effective Philanthropy Learning Initiative (EPLI) within the Stanford Center on Philanthropy and Civil Society (Stanford PACS).

This toolkit is available online at:  
[www.perpetual.com.au/philanthropy-toolkit](http://www.perpetual.com.au/philanthropy-toolkit)  
[pacscenter.stanford.edu/toolkit](http://pacscenter.stanford.edu/toolkit)

## Who is this toolkit for?

This toolkit is designed for high-capacity donors interested in stepping into or continuing their roles as effective philanthropists. Effective philanthropists go beyond writing cheques to non-profit organisations. They are ready to engage in sustained, significant support for effective organisations aligned with their philanthropic missions. This type of giving is personally meaningful as well as socially impactful.

This toolkit is also designed to educate the wide range of professional advisers who help donors manage their assets in alignment with their goals and values, such as wealth advisers, estate planning lawyers and accountants. Special materials for advisers can be found under the 'Adviser's Manual' tab.

*Note: Nonprofit professionals and other advisers often refer to a segment of donors as 'high-net-worth.' However, we believe that net worth is only one asset class. There are situations in which your time, skills, and social capital can be deeply valuable. For this reason, we refer to donors who are interested in significant and sustained support of the non-profit sector as 'high-capacity donors.'*

## Why use this toolkit?

Creating substantive social impact and maximising the value of your philanthropic dollars takes careful planning and reflection. Without experience, the process can seem overwhelming. This toolkit guides you through each stage of your philanthropic planning, providing you with resources and activities to ensure that your philanthropy can positively contribute to improving the world around you, while also adding more meaning to your life.

## What does it mean to give effectively?

Effective philanthropy supports organisations that are likely to meet their and their donors' shared social or environmental goals. It requires donors to:

- undertake a thoughtful decision-making process
- identify their own philanthropic goals and values
- conduct due diligence before selecting organisations to fund
- ensure that organisations are supported in a way that allows them to thrive and strategically design their best future

This toolkit will guide you through major decision points in your philanthropic journey.

### How can you use this toolkit?

We encourage you to use this toolkit in a way that meets your unique needs and financial situation. You can work through it sequentially or jump to the specific sections that apply to the current stage of your philanthropy. Some of the activities can be completed in one hour; others may take longer. Spend as much time as you need to achieve the objectives in each section – you do not need to come up with all the answers in a single sitting – or even in a single year!

Working through this toolkit with the guidance of a professional adviser can help you integrate your philanthropic planning into your broader wealth management strategy. Your adviser’s expertise on financial structures and estate planning strategies, as well as their knowledge of your personal finances and goals may be helpful at various points in the toolkit.

Our goal is to help you transform your philanthropic vision into action without getting stuck in the planning stage of the process. Many successful philanthropists find it helpful to organise their

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philanthropy into cycles – they create a three-year or five-year giving plan, use that time to test their plan and learn ‘in the field’, then revisit and adapt the plan before continuing the process. We encourage you to create a general timeline for yourself before beginning the toolkit.

There are two kinds of interactive pages in this toolkit for you to write on if you wish:

### Worksheets

- These are Activity pages designed to generate brainstorming and reflection.
- Located throughout each section on light grey pages.

### Your EPLI effective philanthropy planner

- These pages allow you to summarise all you’ve learned in each section and act as a reference for yourself or to share with your advisers, family members, or others.
- Located at the end of each section on light blue pages.

Note: All the interactive Worksheets and EPLI Philanthropy Planner pages can be accessed online and downloaded from our websites at: Australian version: [www.perpetual.com.au/philanthropy-toolkit](http://www.perpetual.com.au/philanthropy-toolkit)  
US version: [pacscenter.stanford.edu/toolkit](http://pacscenter.stanford.edu/toolkit)

# The Philanthropy Toolkit index

This index will help you navigate the toolkit. It describes each section's key topics and addresses the questions frequently asked by donors.

<b>Section 1: How do you find your focus areas?</b>		
<b>Section</b>	<b>Summary</b>	<b>Frequently asked donor questions</b>
<b>1.1 Clarify your motivations and values</b>	Provides reflection questions and a list of values to help you identify what you want from your giving and the values that will ultimately guide your philanthropic decisions.	<ul style="list-style-type: none"> <li>• Where do I start?</li> <li>• How do I create a framework for making giving decisions?</li> <li>• How do I make giving decisions?</li> </ul>
<b>1.2 Narrow your focus areas</b>	Provides a list of issues to help you identify the key focus areas of your giving.	<ul style="list-style-type: none"> <li>• How do I decide which issues to focus on?</li> <li>• I think I am spread too thin. How can I focus on the issues I care about?</li> <li>• How broad or narrow do I need to be with my giving?</li> <li>• How do I stay focused but also remain flexible?</li> </ul>
<b>1.3 Contribute your Time, Talent and Ties</b>	Provides reflection questions for considering contributing your time, talent and ties to your selected issues.	<ul style="list-style-type: none"> <li>• How do I incorporate volunteering into my philanthropy?</li> <li>• Do I have to restrict my philanthropy to financial gifts?</li> <li>• Should I volunteer or serve on a board?</li> <li>• How might I tap into my personal and professional networks to assist an organisation?</li> </ul>

Section 2: Where can you learn more, seek professional advice, and engage other donors?		
Section	Summary	Frequently asked donor questions
<p><b>2.1</b> Learn more about effective philanthropy</p>	<p>Suggests further resources to learn about philanthropy.</p>	<ul style="list-style-type: none"> <li>• What additional resources are there for me to learn about philanthropy?</li> </ul>
<p><b>2.2</b> Seek advice from professionals</p>	<p>Explains the different professional roles, organisations, and networks that can help you through the philanthropic process.</p>	<ul style="list-style-type: none"> <li>• Do I need professional advice?</li> <li>• What kinds of professionals can help me?</li> <li>• What resources are available to guide me?</li> <li>• How do I find professionals to support me?</li> </ul>
<p><b>2.3</b> Learn with other donors</p>	<p>Introduces you to an online database and resources to help you learn more about philanthropy and about your selected issues.</p>	<ul style="list-style-type: none"> <li>• How can I learn from others who are also interested in my focus areas?</li> <li>• How can I share what I learn in my philanthropy?</li> </ul>
<p><b>2.4</b> Collaborate with other donors</p>	<p>Explains the different ways in which you can approach collaboration with other donors.</p>	<ul style="list-style-type: none"> <li>• Should I collaborate with others in my sector?</li> <li>• How can I collaborate with other funders?</li> <li>• Do I have to decide about collaboration right away?</li> <li>• What is 'participatory philanthropy' and how do I know if it's right for me?</li> </ul>

<b>Section 3: How do you involve your family</b>		
<b>Section</b>	<b>Summary</b>	<b>Frequently asked donor questions</b>
<p><b>3.1</b>  <b>Involve your family in your philanthropy</b></p>	<p>Helps you think about including your family members in your philanthropy, explains the common roles family can play, and offers suggestions on navigating family dynamics.</p>	<ul style="list-style-type: none"> <li>• How do I begin conversations with those I want to involve?</li> <li>• How do I incorporate a succession plan or scale up others' participation?</li> <li>• How do I clarify roles and responsibilities with everyone?</li> <li>• How do I go about turning giving into a family value or tradition?</li> </ul>
<p><b>3.2</b>  <b>Involve the next generation</b></p>	<p>Provides guidance on how to engage in discussions about and practice philanthropy with the next generation.</p>	<ul style="list-style-type: none"> <li>• How do I introduce my children or grandchildren to philanthropy?</li> </ul>

Section 4: How do you structure your giving?		
Section	Summary	Frequently asked donor questions
<p><b>4.1</b>  <b>Determine your philanthropy budget</b></p>	<p>Helps you determine how much you would like to allocate toward philanthropy.</p>	<ul style="list-style-type: none"> <li>• What should I consider when I am deciding how much to give?</li> <li>• What kind of taxes should I discuss with my adviser or accountant?</li> </ul>
<p><b>4.2</b>  <b>Select your giving vehicle(s)</b></p>	<p>Discusses the most common giving vehicles and the considerations for selecting a vehicle, and helps you build an action plan for setting up your giving vehicle(s).</p>	<ul style="list-style-type: none"> <li>• I know some people have foundations. Is that the only way I can give?</li> <li>• What are the different giving vehicles?</li> <li>• How do I choose a giving vehicle?</li> <li>• Which giving vehicle is best suited to my personal, financial, and charitable preferences?</li> <li>• What are the advantages and limitations of different vehicles?</li> <li>• How do I maximise both my tax benefits and the size of my contributions?</li> <li>• I want control over my philanthropy. Which vehicle works best for me?</li> <li>• I don't have a lot of time to manage my giving. What is the simplest way to give?</li> <li>• I'm not yet ready to give away all the money I have set aside for charity. What are my options?</li> </ul>

**Section 5: How do you find and assess an organisation?**

Section	Summary	Frequently asked donor questions
<p><b>5.1</b> <b>Find focus-aligned organisations</b></p>	<p>Guides you through the process of finding potential organisations, including seeking advice from peers and professionals, researching online on your own, and getting third-party recommendations.</p>	<ul style="list-style-type: none"> <li>• How do I find organisations?</li> <li>• How much time should I spend on this?</li> <li>• Are there platforms that recommend good organisations by issue?</li> <li>• Should I fund organisations that my family and friends support?</li> </ul>
<p><b>5.2</b> <b>Understand how organisations achieve their intended outcomes</b></p>	<p>Helps you understand and categorise the work of the organisations you have found, in order to shortlist several for due diligence.</p>	<ul style="list-style-type: none"> <li>• How can I fund my issue in different ways?</li> <li>• What are the different kinds of non-profit/ social organisations out there?</li> <li>• How should I shortlist organisations?</li> </ul>
<p><b>5.3</b> <b>Assess organisations</b></p>	<p>Walks you through the process of conducting due diligence on an organisation and navigating any red flags that might surface, in order to make a final decision about making a gift.</p>	<ul style="list-style-type: none"> <li>• How do I assess an organisation?</li> <li>• What questions should I ask an organisation before making my gift?</li> <li>• If I am not giving a significant amount, what information should I find on my own about the organisation?</li> <li>• How much information is enough to make a decision about supporting an organisation?</li> <li>• How do I choose one organisation if several seem similar?</li> <li>• What if I encounter something negative about the organisation? Is it a big deal?</li> </ul>

Section 6: How do you make gifts and track your giving?		
Section	Summary	Frequently asked donor questions
<p><b>6.1</b>  <b>Make gifts to organisations you selected</b></p>	<p>Explains the different types of organisational funding as well as the considerations when making a major gift. Assists you in building a funding plan to make philanthropic allocations to your selected organisations.</p>	<ul style="list-style-type: none"> <li>• How do I know of which organisations programs/ services to support? Do I have to specify?</li> <li>• How do I know whether my contribution is considered a major gift?</li> <li>• What should I receive from the organisation to document my gift?</li> <li>• How can I get more involved than just making a donation?</li> </ul>
<p><b>6.2</b>  <b>Track your philanthropy</b></p>	<p>Explains how you can understand the impact of your philanthropy and suggests ways to stay current on the organisations and issues you support.</p>	<ul style="list-style-type: none"> <li>• How should I think about impact in my giving?</li> <li>• How will I know whether my contribution made a difference?</li> <li>• How do I know if the organisation spent my resources on the program I want to support?</li> <li>• Where can I find more information about the organisations and issues I support?</li> <li>• How do I learn more about my selected issues when I have limited time?</li> <li>• How much time should I volunteer?</li> <li>• I already serve on a board. Is that enough?</li> </ul>
<p><b>6.3</b>  <b>Consider expanding or refining your giving</b></p>	<p>Suggests ways for you to further support your focus areas or part ways with organisations you have supported in the past.</p>	<ul style="list-style-type: none"> <li>• How can I step up my giving to a particular organisation or focus area?</li> <li>• How do I tell an organisation that they should no longer expect a donation?</li> </ul>





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# Adviser's manual

## How can advisers use this toolkit?

This toolkit is designed for advisers interested in integrating philanthropic planning into their practice to better meet the needs of their clients. Philanthropic planning emphasises developing a philanthropic focus and vision, understanding how to provide meaningful support to organisations working on social and environmental issues, and, if your clients wish, establishing a personal legacy.

This Adviser's Manual section gives you some context on the research we conducted with advisers, as well as some client-oriented conversation starters. The following six sections of the toolkit provide detailed information and resources and use interactive activities to guide you and your clients through the philanthropic process. Your client may complete the toolkit independently or with your help. Some clients may want to include their family in this process.

We encourage you to make this toolkit work for your client's unique needs. You can work through it in order, or you can jump to the sections that apply to the current stage of your client's philanthropy. Spend as much time as your client needs to address the objectives in each section. You do not need to have all the answers. Your goal as a facilitator is to encourage your client to make informed, thoughtful decisions and to continue learning along the way.

## How can this toolkit help you and your clients?

We created this toolkit in collaboration with hundreds of advisers across Australia and the United States to help them respond to the philanthropic questions, challenges, and opportunities their clients face

every day. High-capacity individuals are increasingly requesting guidance on their philanthropy, and often engage an ecosystem of advisers who are uniquely positioned to provide this support – including wealth advisers, accountants, and estate planning lawyers. Understandably, clients want to navigate philanthropic planning with advisers who are already familiar with their circumstances.

Too often, the philanthropic conversation is overlooked or left to the last few minutes of a client-adviser meeting. Many advisers have told us they would be able to discuss philanthropy more effectively with clients if they had a clear framework to use with their clients to walk them through the process.

When it comes to philanthropy in Australia today, many advisers are trained to focus on tax optimisation and efficiency when it comes to charitable planning. However, this does not necessarily lead to the most values-based, effective approach for the clients – or the best result for the organisations they wish to support. Despite these challenges, there are many benefits for advisers who are focused on more meaningful, informed philanthropic discussions with their clients.

Advisers are well positioned to help clients balance the natural tension between the fear of running out of money and the desire to have an impact during their lifetime. In many cases, clients don't realise how much they can give and end up looking back over lost opportunities.

As a trusted adviser, you can encourage your clients to reflect on their motivations and goals, prepare them to engage the non-profit sector, and help them develop a robust, value-aligned giving strategy that fits their unique needs.

In an increasingly competitive landscape, the ability to provide philanthropic advice can help you:

- deepen your personal relationships with clients and their families;
- add a layer of emotional connection to your relationship that strengthens your position as a trusted adviser;
- differentiate your practice by offering philanthropic guidance that is in high demand and low supply, giving you a comparative advantage over advisers who are not providing this service;
- retain current clients and their next generations;
- expand your client base to include other high-capacity individuals who want to integrate philanthropy and wealth planning;
- help your clients make the world a better place according to their values;
- share in the pride of maximising your clients' philanthropic impact.

Our research indicates that high-capacity donors find tailored, philanthropic conversations with their wealth advisers extremely helpful.

## Getting the conversation started

Since many clients don't realise that their advisers can offer philanthropic guidance, it is typically the adviser who must broach the topic of philanthropy. Although this can seem like a difficult hurdle, all you need to do is ask a few simple questions. While beginning the conversation on a technical, financial note can be more comfortable for you as an adviser, it is important to go beyond this approach and discuss a client's personal values and goals.

Below are some possible conversation starters and follow-up questions you can use to explore your client's interest in philanthropy as well as deepen your relationship with them. Mix and match questions as you see fit.

<p><b>1. Tell me about yourself/your family.</b></p>	<p>a. What are some values that you and your family share?  b. How might these values inform your financial process?  c. Is this something you would like to explore further in your financial planning – perhaps via philanthropy?</p>
<p><b>2. What are you (and your family) passionate about?</b></p>	<p>a. Are you aware of any organisations that are working on these issues?  b. Are you involved with any of these organisations?  c. Is this something you would like to explore further in your financial planning?</p>
<p><b>3. Tell me about some important life experiences that have affected you.</b></p>	<p>a. How have these experiences informed your future life plans and goals?  b. Is this something you would like to explore further in your financial planning?</p>
<p><b>4. What aspects of your identity are important to you?</b></p>	<p>a. How do those aspects affect how you see your wealth?  b. Is this something you would like to explore further in your financial planning?</p>
<p><b>5. Is philanthropy important to you right now, or is it something you'd like to revisit in the future?</b></p>	
<p><b>6. Are you aware of the tax benefits of charitable giving?</b></p>	
<p><b>7. Have you given before? Approximately how much, how frequently, and to what sorts of causes? Do you have a giving vehicle set up? If yes, what prompted you to set it up? Do you feel it meets your needs?</b></p>	
<p><b>8. How much time do you usually spend on your philanthropy on a monthly or annual basis?</b></p>	
<p><b>9. What questions do you have about philanthropy?</b></p>	

Once you have successfully broached the topic of philanthropy, you can explain that you are able to guide clients through the giving process. You can compare their questions and primary concerns with the Philanthropy Index chart in the Introduction to identify which modules to start with in the toolkit.

You can also use the EPLI Philanthropist Resource Directory (PRD) on Stanford's website to deepen your own philanthropic expertise and connect clients with more than 280 organisations supporting high-capacity donors.

Resources listed in the PRD include peer networks, donor education providers, and research on a broad range of topics: [pacscenter.stanford.edu/prd](https://pacscenter.stanford.edu/prd)

## In Australia

In an Australian context, there are a number of peer networks and advisory services to support high-capacity donors. You can also visit Perpetual's philanthropy & non-profit news and insights page: [www.perpetual.com.au/philanthropy-insights](https://www.perpetual.com.au/philanthropy-insights)

## Philanthropy Australia

As the peak body, Philanthropy Australia serves a community of funders, social investors and social change agents working to achieve positive social, cultural, environmental and community change by leveraging their financial assets and influence. Philanthropy Australia provides a range of grant-making tools, publications and links that are useful to both experienced philanthropists and those new to the field.

Philanthropy Australia's website has several resources that you can use to make the most impact with your giving—and enjoy the philanthropy process: [philanthropy.org.au](https://philanthropy.org.au)

## The Australian Charities and Not-for-Profits Commission

A key resource for you during this process is the Australian Charities and Not-for-profits Commission (ACNC) website: [acnc.gov.au](https://acnc.gov.au)

The ACNC is Australia's national regulator for charities and provides resources for philanthropists and non-profits, including searchable databases, financial reporting and governance documents.

## The research behind this toolkit

In building this toolkit, EPLI interviewed a range of financial intermediaries to better understand where and how to improve philanthropic guidance in the financial planning process. In the second phase, we primarily worked with financial advisers who often serve as clients' financial strategists and spend a good deal of time trying to manage all the aspects of a client's wealth. Though much of this research was conducted with financial advisers, we believe that the toolkit can prove a valuable resource to many types of advisers who work with clients such as financial advisers, philanthropic advisers, accountants and estate planning lawyers.

To help advisers improve their clients' philanthropic impact, we created several prototypes of possible solutions, including this philanthropy toolkit. The toolkit is intended to help advisers support and guide their clients' philanthropic planning. Through a user-centred design process, we then tested the toolkit prototypes with more than 100 financial advisers from across Australia and the United States. These participating advisers are from firms of varying size and have varying levels of experience and confidence when it comes to discussing philanthropy with their clients.

An EPLI research paper providing an overview of our research process and the development of the toolkit prototype can be found on the Stanford website: "Helping Wealth Advisors Increase Philanthropic Impact for High Net Worth Clients." [pacscenter.stanford.edu/epli-publications](https://pacscenter.stanford.edu/epli-publications)



# Section 1

## How do you find your focus areas?





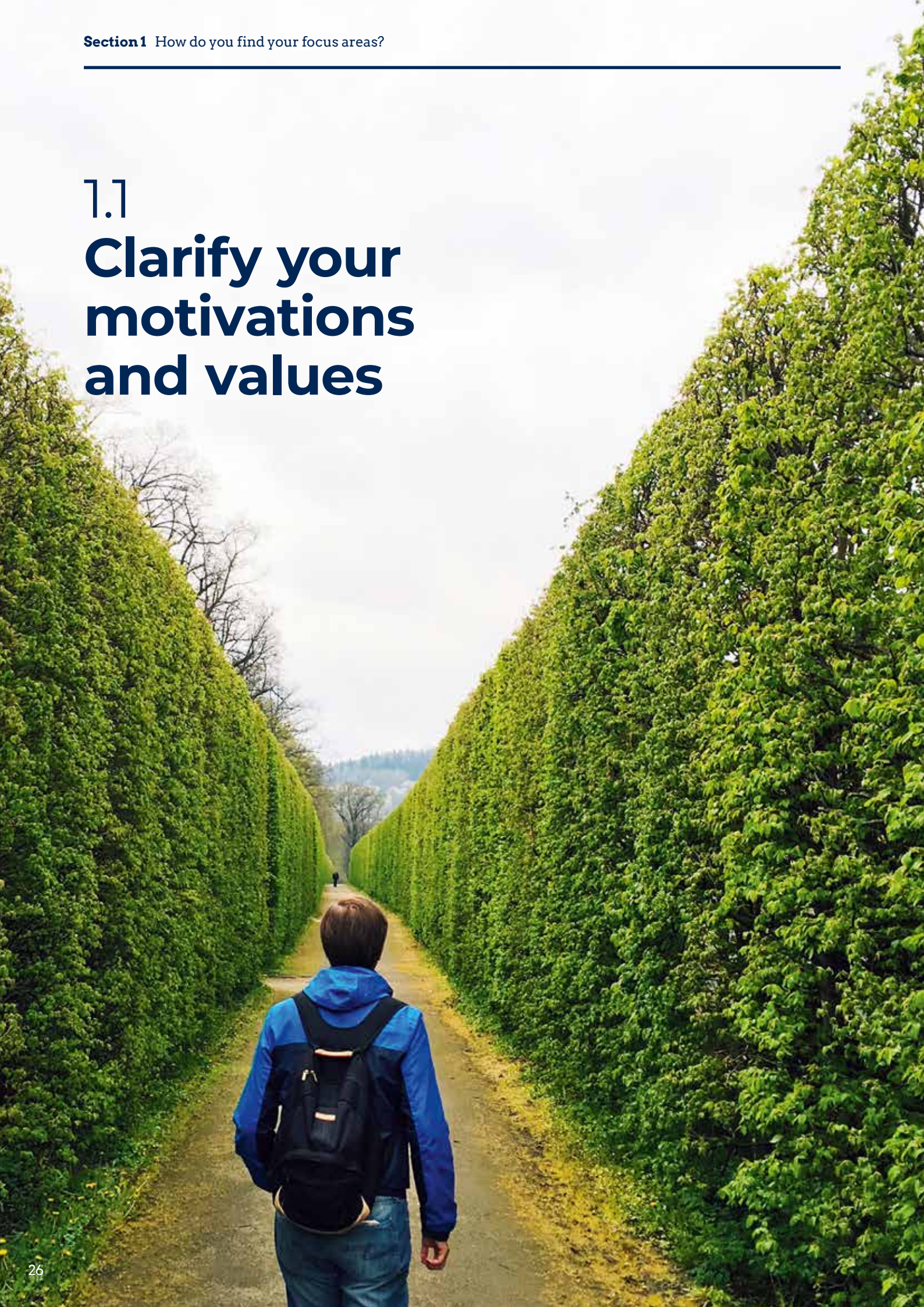
Focusing your philanthropy is key to effective, meaningful, and proactive philanthropy.

This section will guide you through the following steps:

- 1 Clarify your motivations and values, which will guide your decision-making throughout the giving process.**
- 2 Narrow your focus areas to identify the issues most meaningful to you and give your philanthropy direction.**
- 3 Look beyond money – think about how your time, talent and social networks can contribute to your focus areas.**

# 1.1

## Clarify your motivations and values



Articulating your motivations and values allows you to develop a proactive, effective philanthropic plan rather than giving reactively to funding requests. Ultimately, your motivations and values provide the anchor for decision-making at each step of the philanthropy process.

The following two activities are meant to be completed together. **Activity A** provides reflection questions to help clarify the motivations driving your giving as well as the values underlying it. **Activity B** uses *Value Cards* to help you identify the values that are most important to you.

**Activities:**

- A. Reflect on your motivation and values
- B. Select your values

A

**Activity:** Reflect on your motivations and values

**Instructions**

Review the questions in Activity A to clarify your philanthropic motivations and identify the values important to your giving. Jot down your thoughts. We encourage you to consider each question fully.

**Reflection questions about your motivations:**

- What motivates you to give?
- What do you hope to gain from your giving?
- What are your immediate philanthropic goals?
- What are your long-term philanthropic goals?
- What do you want to sustain or keep the same in the world?
- What do you want to change in the world?

**Reflection questions about your values:**

- What values are important to your giving?
- Where have you given your time and money in the past, and why?
- Where do you give your time and money currently, and why?
- What issues interest you most, and why?
- What issues feel most pressing to you, and why?
- What life experiences have shaped you, the way you look at the world, and your giving?
- What are some moments or experiences in which you felt like you had some impact on the world?



**B**

**Activity: Select your values**

**Instructions**

To help you select the values important to your giving, circle the words in the list below or use the Value Cards on the following pages or at the back of the toolkit.

For couples and families, it can be helpful to do this activity individually first, and then share your responses and discuss areas of overlap and differences.

**The Value Cards deck includes the values listed below, plus some blank cards for any other values you want to highlight.**

Accessibility	Family	Love
Accountability	Freedom	Loyalty
Authenticity	Fun	Passion
Collaboration	Generosity	Patriotism
Community	Growth	Peace
Connection	Happiness	Persistence
Courage	Harmony	Resourcefulness
Creativity	Health	Respect
Curiosity	Honour	Security
Dignity	Humility	Self-Actualisation
Discipline	Humour	Service
Diversity	Independence	Simplicity
Effectiveness	Innovation	Spirituality
Empathy	Integrity	Spontaneity
Empowerment	Interdependence	Stewardship
Equity	Joy	Tradition
Exploration	Justice	Trustworthiness
Fairness	Kindness	Unity
Faith	Leadership	Wellbeing

**Activity:** Reflect on your motivations and values

**B**

Accessibility

Accountability

Authenticity

Collaboration

Community

Connection

Courage

Creativity

Curiosity

Dignity

Discipline

Diversity

Effectiveness

Empathy

Empowerment



(Backside value cards, use scissors to cut them out)





**B**

**Activity:** Reflect on your motivations and values

Equity

Exploration

Fairness

Faith

Family

Freedom

Fun

Generosity

Growth

Happiness

Harmony

Health

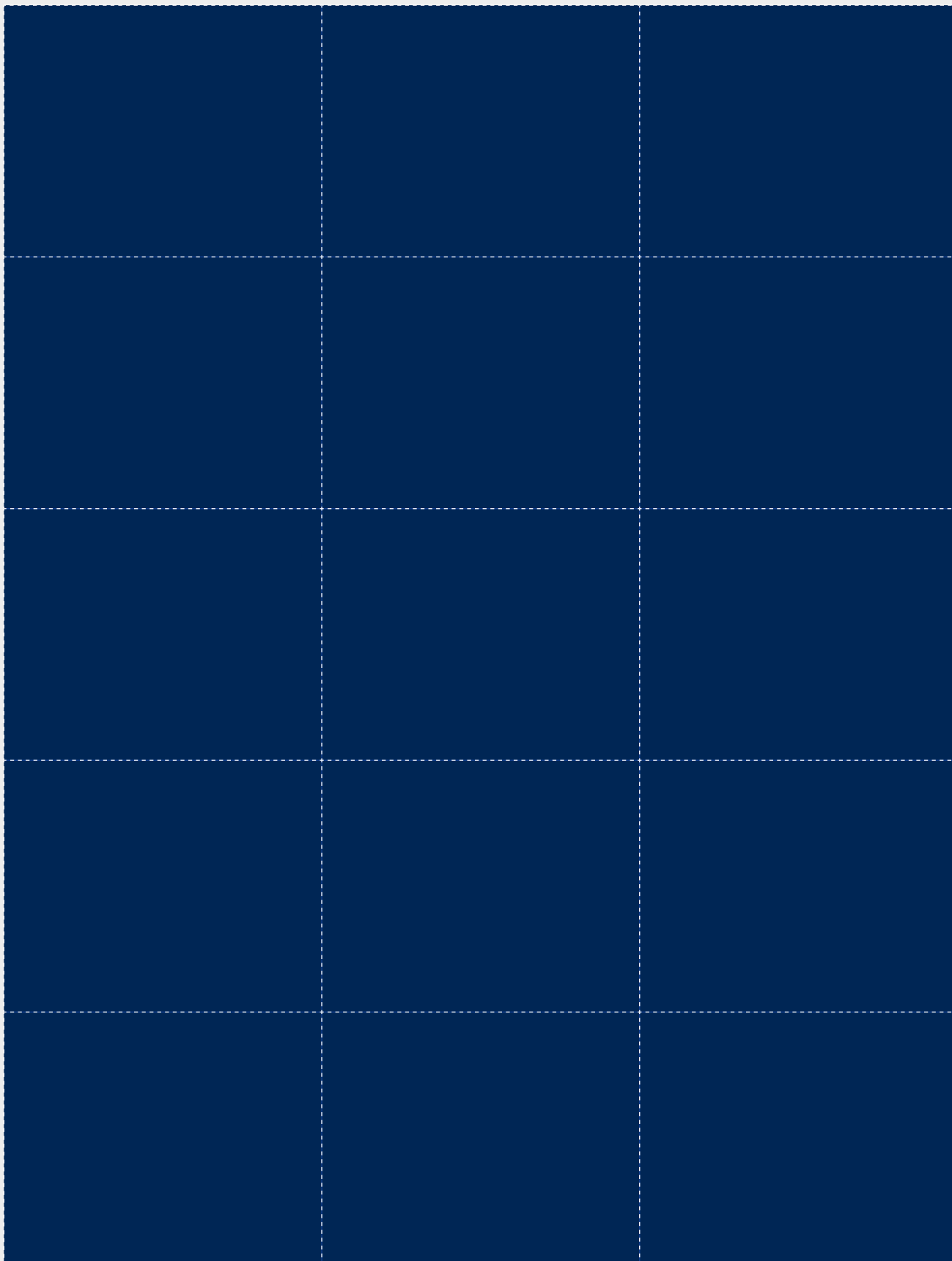
Honour

Humility

Humour



(Backside value cards, use scissors to cut them out)



**B**

**Activity:** Reflect on your motivations and values

Independence

Innovation

Integrity

Interdependence

Joy

Justice

Kindness

Leadership

Love

Loyalty

Passion

Patriotism

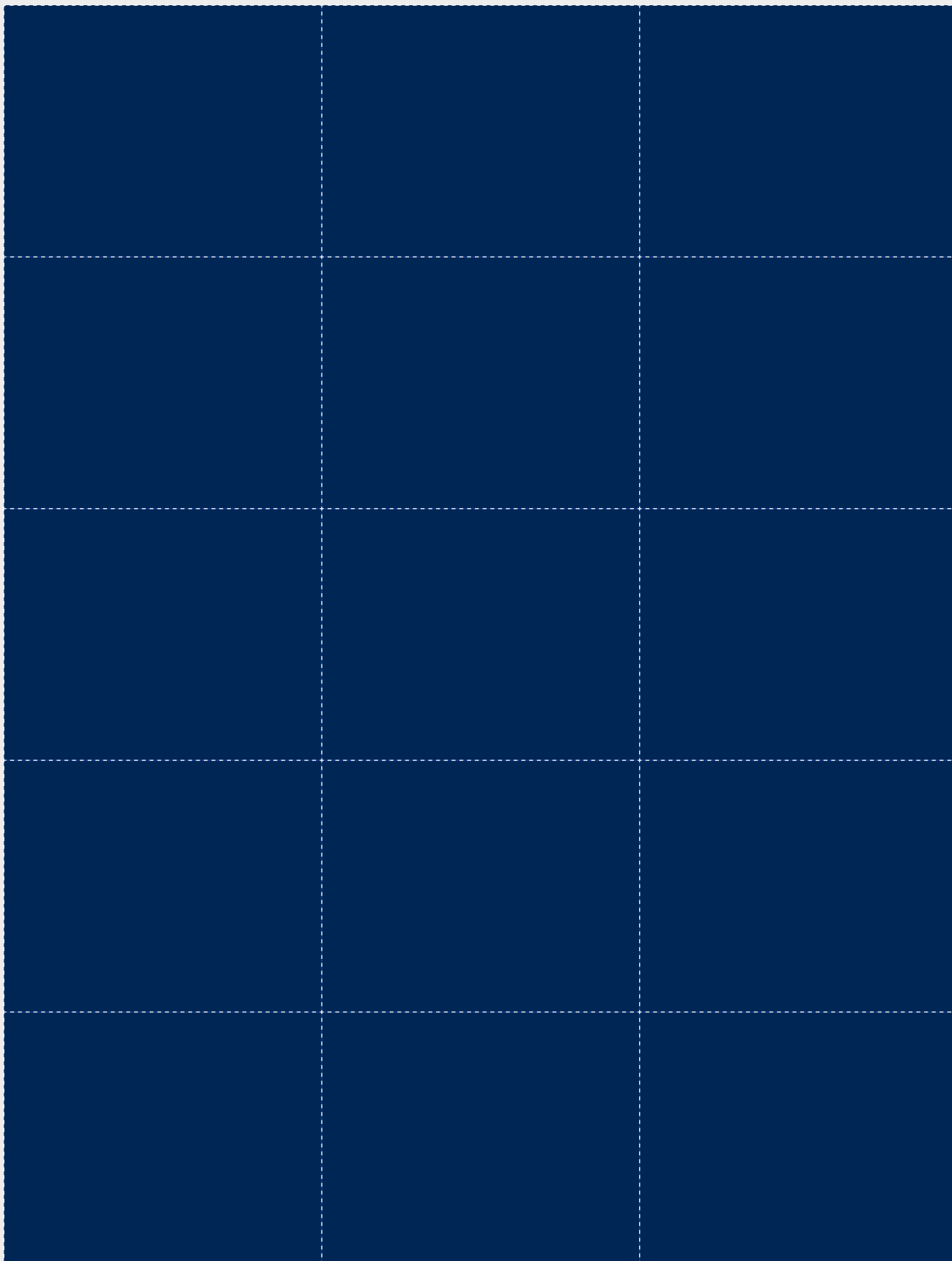
Peace

Persistence

Resourcefulness



(Backside value cards, use scissors to cut them out)



**B**

**Activity:** Reflect on your motivations and values

Respect

Security

Self-actualisation

Service

Simplicity

Spirituality

Spontaneity

Stewardship

Tradition

Trustworthiness

Unity

Wellbeing

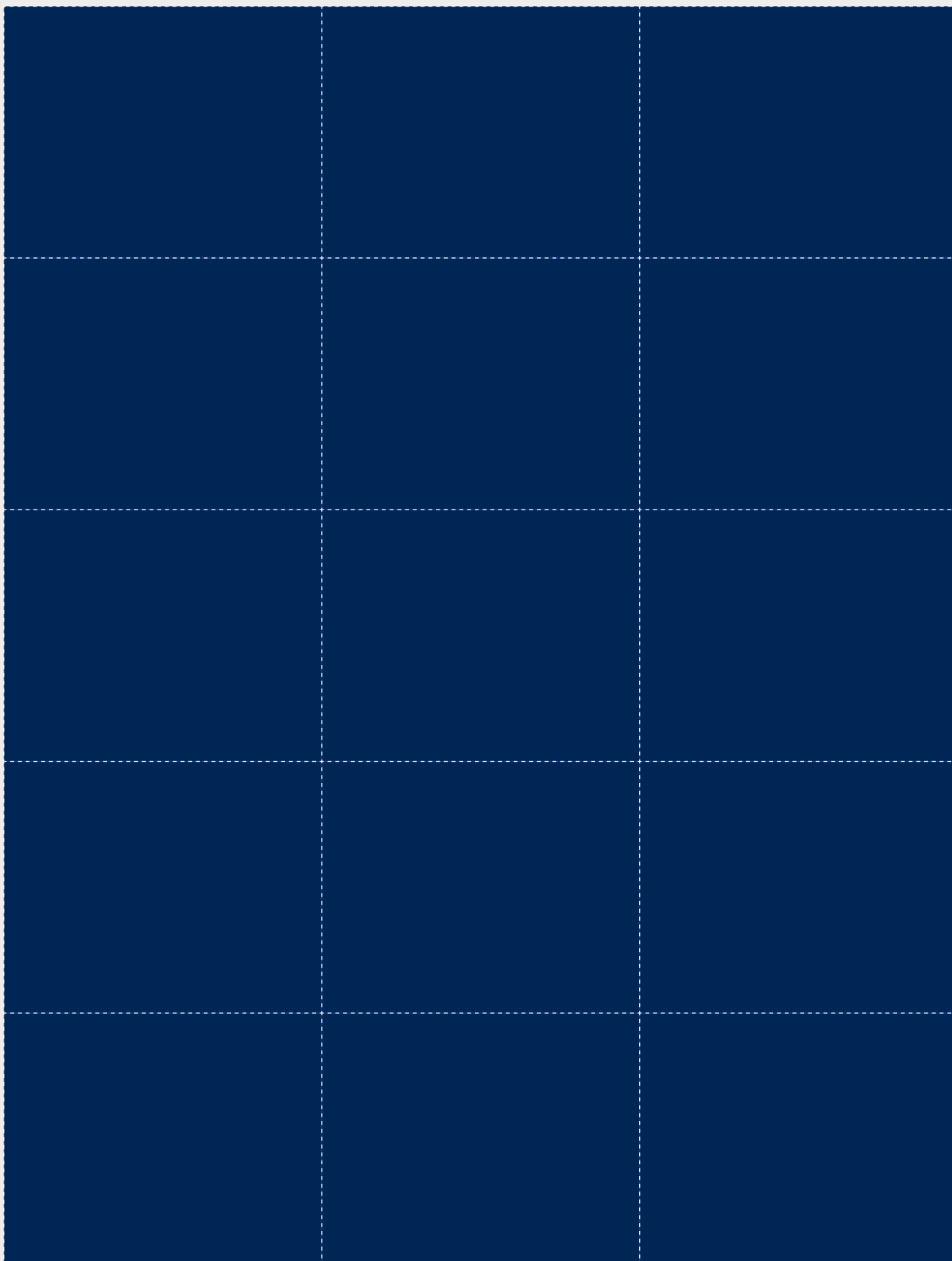
Write your own

Write your own

Write your own



(Backside value cards, use scissors to cut them out)



**Worksheet: Select your values**

**B**

**Instructions**

Read through the set of Value Cards and select the top three as your 'Core Values'. You may choose two additional cards as your other primary values. In the space below, jot down how these values might influence your philanthropy.

**Core values**


**Additional values**

--	--

1.2

## Narrow your focus areas





The simplest way to organise your philanthropy is to focus on several specific issues, rather than giving across many issues. While your philanthropic budget should allow room for reactive and emergency giving (see Section 4: Structuring your giving), narrowing your focus areas for proactive giving helps maximise the impact of your resources.

We have developed two activities to help you narrow your focus areas. Both activities help you reflect on issue areas and select a few to integrate into your initial giving plan.

### 1. Look back at your giving history

**Activity C** is for donors who have a significant history of giving. This activity will help you take stock of your past giving and determine trends and themes. From there, you can understand which issues you are most passionate about, assess how you have supported them in the past, and decide whether you would like to make adjustments.

### 2. Begin with a clean slate and select issues without relying on precedent

If you wish to start with a clean slate, **Activity D** will help you explore a range of potential issues and select those that align with your values and motivations.

We also developed a deck of Issue Cards located on the following pages and in the card deck at the back of this toolkit. The full set includes the issues listed below, plus some blank cards for any other issues you want to highlight. Potential focus areas are included on the back of each Issue Card.

Finally, effective philanthropists often narrow their focus even further by identifying a target population and location for each issue. For example, a philanthropist who selected 'education' as an issue might narrow their focus area to adolescent girls' STEM education in Corio, Victoria.

**Activity E** explains how you can narrow your focus to target specific populations and locations.

## Activities:

- C. Look back at your giving history
- D. Select your issues
- E. Craft your focus statements

**Activity: Look back at your giving history**



**Instructions**

Review your previous contributions and volunteer work over a given period to identify issues that are meaningful to you.

## Worksheet: Look back at your giving history

C

### Instructions

Identify the period of time (e.g. number of years) you will review.

In the Gifts Overview table, note the recipients, amounts, and frequency of your contributions during this period. In the Volunteering Overview table, note where you volunteered your time, how much you volunteered, and how often.

The following table reflects my giving history from \_\_\_\_\_

to \_\_\_\_\_.

### Gifts overview

	Organisation / Event / Person	Amount / Frequency	Is this a one-time gift?
	<b>Example:</b>		
	Australian Red Cross	\$25 / month	No
1			
2			
3			
4			
5			

Worksheet: Look back at your giving history



Volunteering overview

	Organisation / Event	Time / Frequency
	<b>Example:</b> Royal Society for the Prevention of Cruelty to Animals (RSPCA)   3 hours / week	
1		
2		
3		
4		
5		

Worksheet: **Look back at your giving history**



**Instructions**

Based on your giving history, answer the following questions.

Where did you give the most, in terms of both your financial resources and your time?  
Are there similarities among these recipients?

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Which issues prompted you to give the most, in terms of both your financial resources and your time?  
Did you concentrate your giving in any way (for instance, more time to one issue, more money to another)?  
Do those issues reflect what is most important to you today? You can select from the Issue Cards or write other issues on the blank Issue Cards, and then record them below.

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Does your giving reflect your values? If yes, how? If no, why not?

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Do you see any other themes or trends in your giving?

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## Worksheet: Look back at your giving history

C

### Instructions

Based on your answers, select the issues that are most meaningful to you and that you would like to focus on in your giving. Note any reflections in the space below.

### Reflections

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**Activity: Select your issues**

**D**

**Instructions**

The Issue Cards provide an overview of broad issue categories and include some blank cards for you to write in any other issues that might interest you – for example, a specific issue you already know you would like to fund. Read the Issue Cards and select the issues that you may be interested in supporting.



Activity: **Issue cards****D****Instructions**

Review the front side of the Issue Cards that include the topics below. These cards provide an entry point into an issue. There are also three blank cards so that you can write in any specific causes that might be meaningful to you.

Animal welfare	Arts and culture	Civil rights, law and justice
Conservation and environment	Education	Health
Disasters and emergency management	International development	Other
Write your own	Write your own	Write your own





## Worksheet: Issue cards

### Instructions

(Backside Issue cards, use scissors to cut them out)

For the Issue cards selected, review the backside of the cards and circle any specific focus areas of interest (i.e. special education, cancer) or write in focus areas meaningful to you.

#### Civil rights, law and justice

- Civil rights
- Democracy
- Equality
- Human rights
- Justice support/Legal aid
- Public safety
- \_\_\_\_\_

#### Arts and culture

- Art and music therapy
- Festivals
- Museums
- Performing arts
- Visual arts
- \_\_\_\_\_

#### Animal welfare

- Domesticated animal welfare
- Wildlife welfare
- \_\_\_\_\_

#### Health

- Diseases and conditions
- Health promotion
- Hospitals and equipment
- Medical research
- Public health
- \_\_\_\_\_

#### Education

- Adult education
- Early childhood education
- Higher education
- Primary and secondary education
- Public education
- Vocational education and training
- \_\_\_\_\_

#### Conservation and environment

- Climate Change
- Endangered species protection
- Pollution
- Wilderness/habitat protection
- \_\_\_\_\_

#### Social services

- Crisis intervention
- Food security
- Homelessness
- Poverty alleviation
- Public safety
- \_\_\_\_\_

#### International development

- Education
- Empowerment
- Health
- Peace and security
- Poverty alleviation
- \_\_\_\_\_

#### Disasters and emergency Management

- Disaster preparedness
- Disaster recovery
- Search and rescue
- \_\_\_\_\_



Worksheet: **Issue cards**

D

**Instructions**

Review the front side of the Issue Cards. Think about your personal interests, particularly segments of society you want to help, and their specific needs. Then select up to five cards that resonate most with you. Next, review the back of your selected cards. Circle the focus areas you noted as being of interest (e.g. special education, cancer) or write in focus areas that are meaningful to you. Note any reflections you have in the space on the next page.

The form consists of five empty rectangular boxes with thin black borders. Four boxes are arranged in a 2x2 grid at the top, and one larger box is centered below them. These boxes are intended for students to write their reflections and focus areas.





## Activity: Craft your focus statements

E

A focus statement frames your values and motivations and connects them with your philanthropic intentions. A strong focus statement can help guide your philanthropic plan. While you may want to have an overall giving statement the same way some non-profits have vision and mission statements, we recommend also creating a separate focus statement for each issue, including the specific population and location you would like to serve.

**Example:** We aim to address education inequality for low-income secondary school students in Melbourne's Western Suburbs, because this aligns with our commitment to equity in public education.

### Instructions

Craft short statements that articulate your intention to address each of your selected focus areas.

If you don't yet feel ready to articulate focus statements, you can return to them later in this toolkit or as you engage in giving, recognising that they may change over time.

If you need additional inspiration, you can look online for various resources on crafting vision, mission, and focus statements. Feel free to borrow from statements that inspire you and rework them to make them your own.

Worksheet: **Craft your focus statements**

E

**Instructions**

Complete the statement below, using your selected Value Cards and Issue Cards to identify the essential components. Craft focus statements for each of your focus areas in the space on the following page.

We aim to address [WHAT] for [WHO] [WHERE] because this aligns with our commitment to [WHICH VALUES].

**What**

What causes/issues do you want to address with your philanthropy (e.g., environment, education, animal-related)?

**Who**

Who will benefit from your philanthropy (e.g., people experiencing homelessness, children from low-income backgrounds, abused animals)?

**Where**

Where, geographically, will you focus your philanthropy (e.g., a specific location, locally, statewide, nationally, globally)?

**Which values**

Which values are driving your goal (e.g., respect, diversity, empathy)?

**Example:** We aim to address EDUCATION INEQUALITY for LOW-INCOME SECONDARY SCHOOL STUDENTS in MELBOURNE'S WESTERN SUBURBS because this aligns with our commitment to EQUITY IN PUBLIC EDUCATION.

## Worksheet: Craft your focus statements

E

Keep these four principles in mind:

- Be specific.
- Use simple language (avoid buzzwords).
- Keep it concise.
- Make it actionable.

1. We aim to address \_\_\_\_\_  
for \_\_\_\_\_  
because this aligns with our commitment to. \_\_\_\_\_  
\_\_\_\_\_

2. We aim to address \_\_\_\_\_  
for \_\_\_\_\_  
because this aligns with our commitment to. \_\_\_\_\_  
\_\_\_\_\_

3. We aim to address \_\_\_\_\_  
for \_\_\_\_\_  
because this aligns with our commitment to. \_\_\_\_\_  
\_\_\_\_\_

4. We aim to address \_\_\_\_\_  
for \_\_\_\_\_  
because this aligns with our commitment to. \_\_\_\_\_  
\_\_\_\_\_

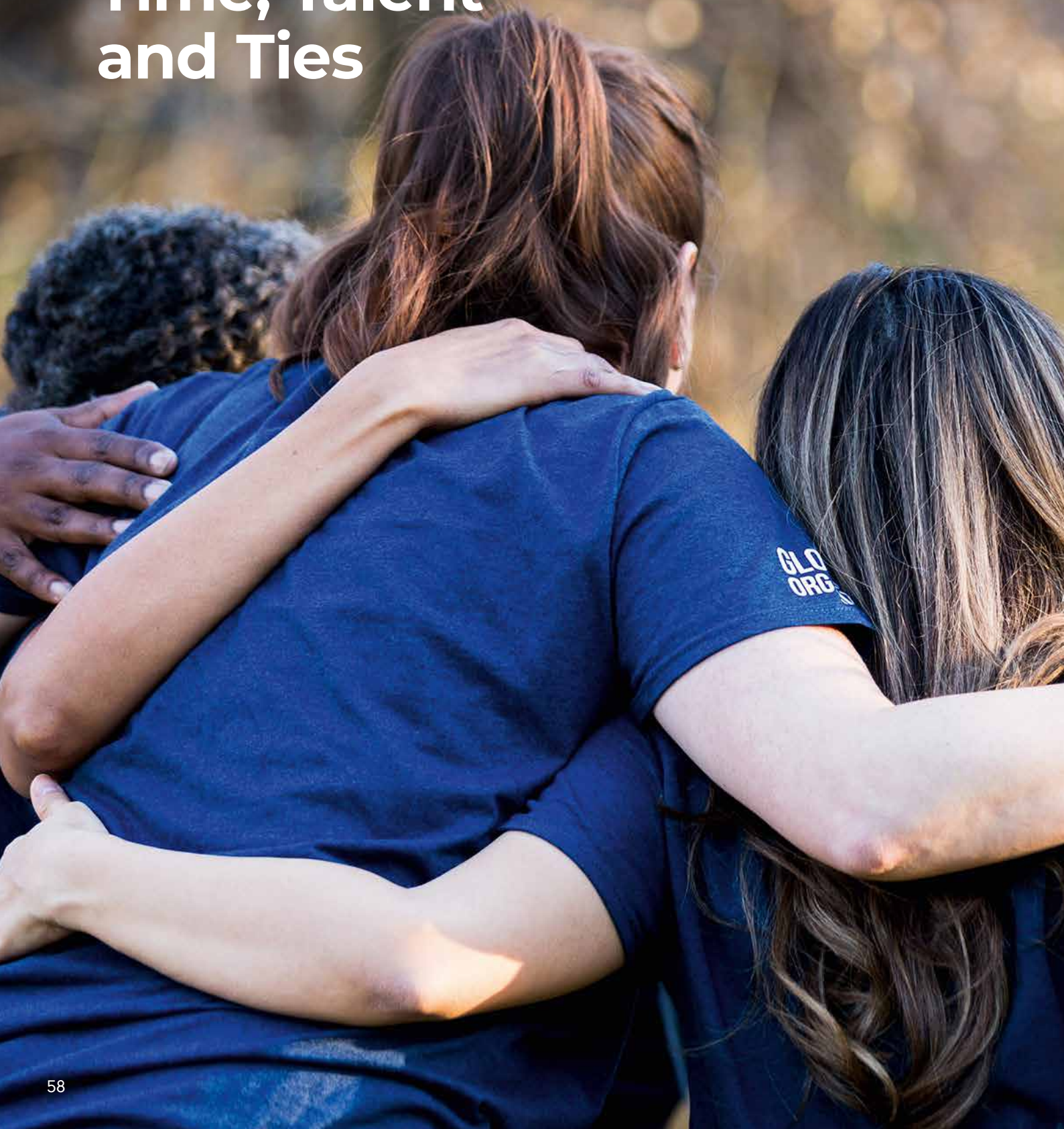
5. We aim to address \_\_\_\_\_  
for \_\_\_\_\_  
because this aligns with our commitment to. \_\_\_\_\_  
\_\_\_\_\_

6. We aim to address \_\_\_\_\_  
for \_\_\_\_\_  
because this aligns with our commitment to. \_\_\_\_\_  
\_\_\_\_\_





# 1.3 Contribute your Time, Talent and Ties



When considering levels of donor engagement, you may have heard of the “4 T’s”—Treasure, Time, Talent and Ties. In this context, treasure is shorthand for financial contributions, time reflects the hours you are able to give, talent refers to your specific skillsets, and ties relate to your social and professional networks.

It is up to you to consider how to balance and deploy these “4 T’s” in your philanthropic endeavours at different periods in your life. There may be intervals when you don’t have much time but are happy to make significant financial donations. There may be other times when you cannot give the lead gift on a campaign but are able to consistently volunteer and make introductions to key people in your social network. Regardless of how you balance your “4 T’s”, there are many organisations that will be delighted to have you involved.

We address financial contributions in Section 4: structuring your giving and Section 6: Making gifts and tracking your giving. In this section we focus on the other three T’s: Time, Talent and Ties.

You might consider deepening your philanthropy by contributing your time and talent through volunteering. Volunteering can be an excellent way to learn more about your focus areas and get to know an organisation. You can volunteer with organisations you support financially as well as other organisations. Nonprofit organisations sometimes post information about volunteer positions on their websites. Volunteer commitments can be short-term and focused around a

specific event or short-term business goal, or they can be long-term and connected to a series of events, an ongoing program, or extended strategic initiatives.

Another way to contribute at a leadership level is to serve on the board of a non-profit organisation. Often, an organisation’s senior leadership identifies prospective board candidates based on the skills and expertise they can contribute and extends an invitation to join the board.

Organisations often ask board members to be ‘ambassadors’ for the organisation, willing to tap into their social and professional networks to help the organisation more effectively meet its various goals. While board service can be extremely meaningful, it can also be a significant time commitment depending on the organisation’s needs and the skills and resources other board members bring to the table.

If you are considering volunteering or serving on a board, work through **Activity F**.

For more information on board service, refer to BoardSource in Additional Resources: Section 1 at the end of the Toolkit.

## Activities:

### F. Consider your Time, Talent and Ties

## Activity: Consider your time, talent and ties

# F

### Instructions

Review the questions in Activity F to consider your interest in contributing your time, talent and ties to a particular focus area. Jot down your thoughts.

#### Consider your interest in general volunteer work by answering these questions:

- Is there an issue you would like to learn about through firsthand experience?
- If you have an organisation in mind, is that organisation accepting volunteers? What responsibilities do volunteers have?
- Does the organisation need volunteers with particular skills or experience? Do you have the skills or experience they need?
- What is the time commitment for volunteers at the organisation? Are you able to commit your time?

#### Consider these questions to determine your interest in board service:

- **Do you have enough time for board service?**  
Serving as a board member requires more than attending meetings. You will often be expected to serve on one or more committees, read and understand financial documents, represent the organisation at various events, and fundraisers.
- **Are you willing and able to meet fundraising expectations?**  
Board members are usually asked to make personal contributions as well as raise funds from their personal and professional networks. You may also be asked to network with potential donors on behalf of the organisation.
- **What skills or expertise do you offer the organisation's board? Are your skills or expertise needed?**  
Board members offer a variety of skills and experience to assist with the overall functions of the board. How you can make a difference in the organisation depends on the needs of the organisation.
- **How might you tap into your personal and professional networks to assist the organisation in meeting its goals?**  
In addition to reaching out to friends and colleagues for fundraising parties or other special events, board members also often tap into their networks to seek advice and mobilise additional skill sets to assist an organisation's special projects and initiatives. With the organisations and causes you are interested in, who in your network comes to mind and how might they be most helpful?



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# EPLI Philanthropy Planner

## **How do you find focus areas summary**

Now that you have completed Section 1, turn to the Finding your focus areas summary on the next page. Fill in the table to outline your selected focus areas. You can tear out the page at the end of each section to create your Philanthropy Planner files.

EPLI Philanthropy Planner : **Finding your focus areas summary****1****Instructions**

Review your total philanthropy allocation for a set period of time (e.g., a year or two) to help you better understand your potential impact on an issue, location, or organisation. Write the amount in the upper right corner.

Your total allocation may help you narrow the number of issue areas you address over a given period of time. Although this amount may change, starting with a draft amount can make this process more practical and concrete. In Section 4, you can work with your adviser to determine your total philanthropy allocation going forward.

**Your causes:**

**Up to 5 issue cards for your focus areas**

1.  
Place Issue Card here

**Who:**

**Who will you focus on helping?**

(e.g., school children, young leaders, people experiencing homelessness)

**Where:**

**Where will you focus your giving?**

(e.g., globally, nationally, a specific region)



## EPLI Philanthropy Planner : Finding your focus areas summary



### Instructions

Place your selected Issue Cards on the Section Summary below. If you already know how they rank, you may choose to place the Issue Cards in order from 1 to 5 across the planner. If you have two competing issues, you can choose to make them equal priorities, or prioritise them after you have selected the organisations you would like to fund.

The following table reflects contributions from \_\_\_\_\_  
to \_\_\_\_\_

2. Place Issue Card here
-----------------------------

3. Place Issue Card here
-----------------------------





EPLI Philanthropy Planner : **Finding your focus areas summary**



**Instructions**

Define your focus areas further by reflecting on the population you want to help (e.g., primary school children, young community leaders, people experiencing homelessness) and the location where you want to practice your philanthropy (e.g., globally, nationally, a specific region). If you feel that your interest in the issue remains broad, you may leave this blank until you identify possible organisations to support.

**Total amount allocated:** \_\_\_\_\_

4.  
Place Issue Card here

5.  
Place Issue Card here



# Section 2

## Where can you learn more, seek professional advice and engage other donors?



At the beginning of your philanthropic journey, or even when it is well underway, you may find it helpful to seek professional advice and learn alongside other donors. This section will help you navigate the landscape of organisations that might support you in achieving your philanthropic goals.

The middle two parts of this section use the Stanford PACS Philanthropist Resource Directory (PRD). The PRD is a database designed to help high-capacity donors and their advisers easily identify donor networks and professional organisations to support their philanthropy. It has an inventory of more than 300 organisations across the United States and Australia. The PRD can be found at: [pacscenter.stanford.edu/prd](https://pacscenter.stanford.edu/prd)

### **In Australia**

In an Australian context, there are a number of peer networks and advisory services to support high-capacity donors. Perpetual's philanthropy and non-profit news and insights page:

[www.perpetual.com.au/philanthropy-insights](https://www.perpetual.com.au/philanthropy-insights)

Perpetual's IMPACT Newsletter:

[www.perpetual.com.au/impact-newsletter](https://www.perpetual.com.au/impact-newsletter)

### **Philanthropy Australia**

As the peak body, Philanthropy Australia serves a community of funders, social investors, and social change agents working to achieve positive social, cultural, environmental, and community change by leveraging their financial assets and influence. Philanthropy Australia provides a range of grant-making tools, publications, and links that are useful to both experienced philanthropists and those new to the field. [philanthropy.org.au](https://philanthropy.org.au)

### **Australian Environmental Grantmakers Network**

A funding network addressing global sustainability. The AEGN work with grantmakers to support effective funding to the environment and address issues of climate change. [aegn.org.au](https://aegn.org.au)

### **Australian International Development Network**

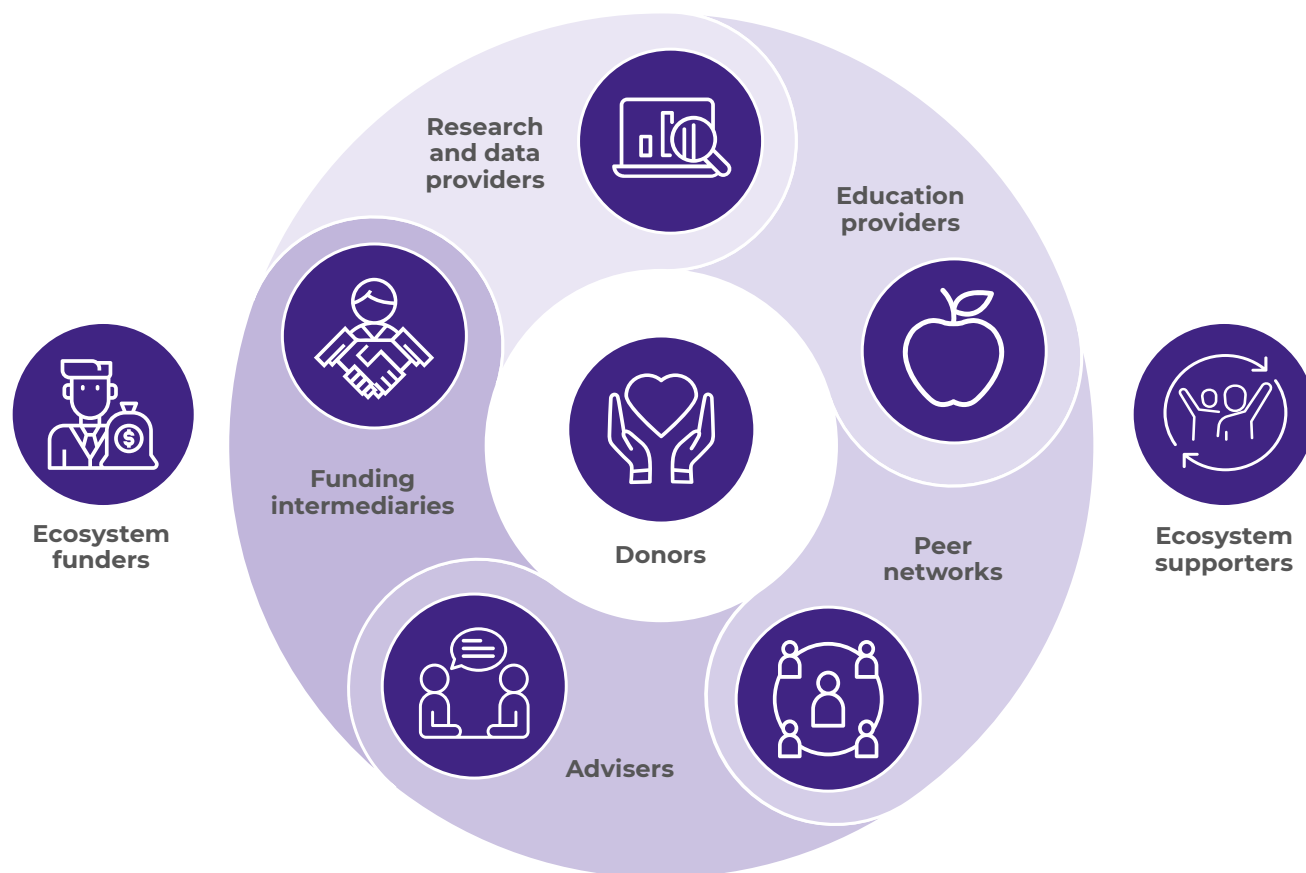
The AIDN exists to bring together government, private investors, donors, and philanthropists to create more and better international giving. They provide a series of newsletters, networking events, and emergency briefings for the development sector. [aidnetwork.org.au](https://aidnetwork.org.au)

### **Australians Investing in Women AIIW**

AIIW is a leading advocate and educator on gender wise approaches to philanthropy in Australia and globally. [aiiw.org.au](https://aiiw.org.au)

### **Mannifera**

Mannifera is a collective of Australian funders. The collective supports their partners in civil society working to build trust, transparency, and fairness in democracy, and create a more inclusive economy. [mannifera.org.au](https://mannifera.org.au)



This section will guide you through the following steps:

- 1** Learn more about effective philanthropy to supplement your use of this toolkit.
- 2** Seek advice from professionals to better inform your philanthropy.
- 3** Learn with other donors to exchange perspectives and experiences.
- 4** Collaborate with other donors to deepen the impact of your philanthropy.
- 5** Learn from the communities you are trying to serve through participatory grant-making.



## 2.1

# Learn more about effective philanthropy



There is a wide range of reading material beyond this toolkit available for donors to learn more about effective philanthropy and the social sector. It can supplement your navigation of the toolkit and allow you to engage more deeply with your philanthropy.

In an Australian context, Perpetual's website insights page and IMPACT newsletter, and the Philanthropy Australia website can help to deepen your knowledge of how effective philanthropy can support the social sector. You can also find a range of Australian focused journal articles and book chapters on philanthropy via the Australian Centre for Philanthropy and Non-Profit Studies.

**Perpetual's philanthropy & non-profit news and insights page:**

[www.perpetual.com.au/philanthropy-insights](http://www.perpetual.com.au/philanthropy-insights)

**Perpetual's IMPACT Newsletter here:**

[www.perpetual.com.au/impact-newsletter](http://www.perpetual.com.au/impact-newsletter)

**Philanthropy Australia**

[philanthropy.org.au](http://philanthropy.org.au)

The Australian Centre for Philanthropy and Non-profit Studies.

**List of philanthropy resources and journal articles:**

[research.qut.edu.au/australian-centre-for-philanthropy-and-non-profit-studies/research-philanthropy-fundraising-and-non-profit-marketing/philanthropy](http://research.qut.edu.au/australian-centre-for-philanthropy-and-non-profit-studies/research-philanthropy-fundraising-and-non-profit-marketing/philanthropy)

Below is a list of Stanford PACS-affiliated reading materials for donors. For additional non-PACS resources, see Additional Resources: Section 2 at the end of this toolkit.

Stanford Social Innovation Review (SSIR) by Stanford PACS SSIR is a magazine and website written by and for social change leaders from around the world and from all sectors of society – non-profits, foundations, business, government, and engaged citizens.

With print and online articles, webinars, conferences, and podcasts, SSIR bridges research, theory, and practice on a wide range of topics, including effective philanthropy practices, human rights, impact investing, and non-profit business models.

[ssir.org](http://ssir.org)



## Reading list

**The Stanford PACS Guide to Effective Philanthropy**  
by EPLI and various contributors (2020)

This book was developed to help emerging philanthropists improve their philanthropic practice. It addresses many of the topics in this toolkit in more depth and includes additional chapters relevant to understanding the non-profit sector.

**Money Well Spent: A Strategic Plan for Smart Philanthropy**  
by Paul Brest and Hal Harvey (2011)

Published by Stanford Business Books, an Imprint of Stanford University Press. This book explains how to create and implement a strategy that ensures meaningful results.

**Giving 2.0: Transform Your Giving**  
by Laura Arrillaga-Andreessen (2011)

Published by Jossey-Bass. This book offers practical tools and ideas to guide your giving journey and is accompanied by a discussion guide for educators and giving circle members to further engage with the material.

**Just Giving: Why Philanthropy Is Failing Democracy and How It Can Do Better**  
by Rob Reich (2018)

Published by Princeton University Press. This book investigates the ethical and political dimensions of philanthropy and considers how giving might better support democratic values and promote justice.

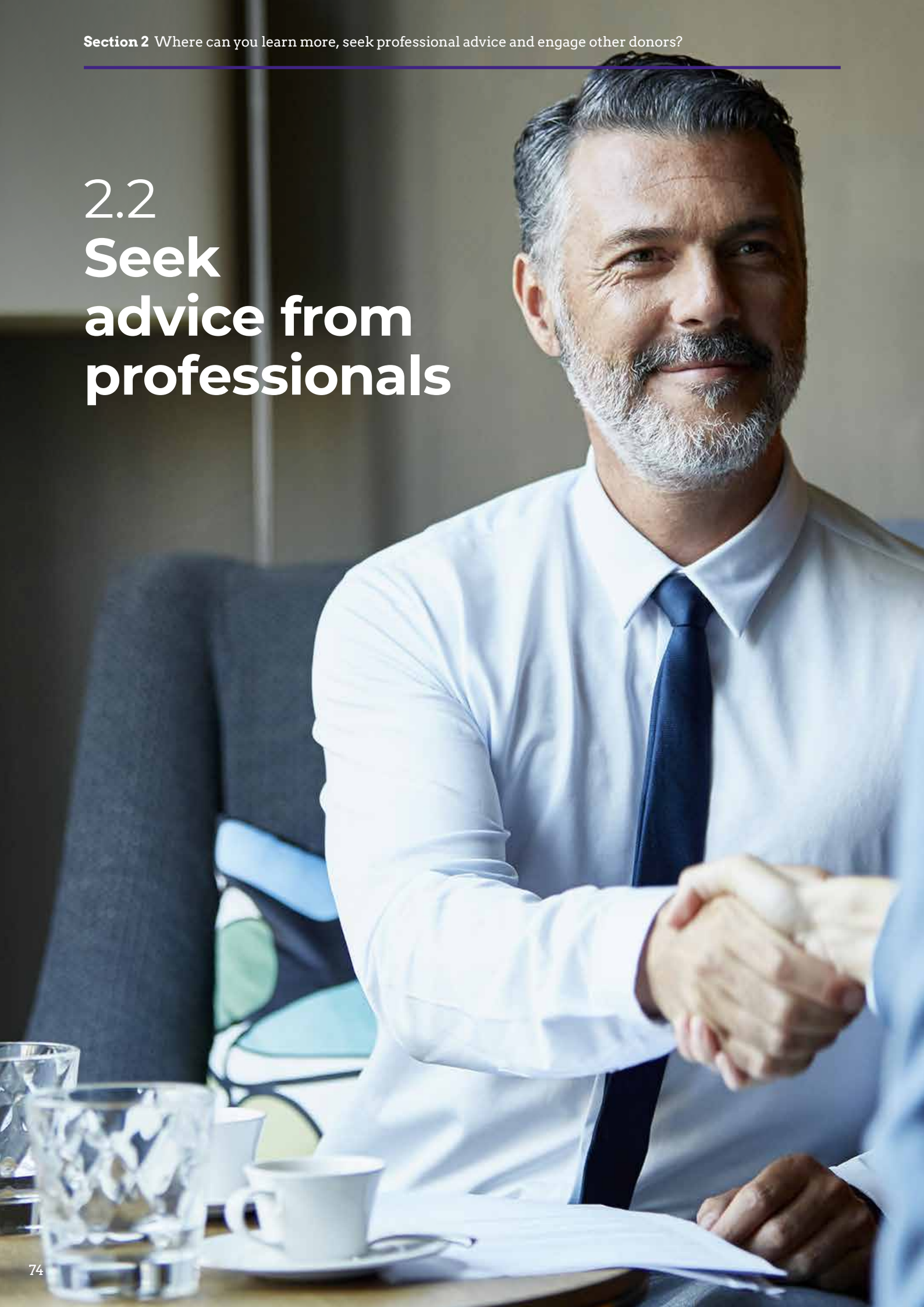
**Savvy Giving**  
By Genevieve Timmons (2013)

Published by Hardie Grant Books. Savvy Giving offers an Australian lens on connecting the head and heart to better practices in grant-making.





## 2.2 Seek advice from professionals



In the Stanford PACS Philanthropist Resource Directory (PRD), there are two categories of philanthropy professionals and issue area experts that donors can learn from: philanthropic advisers and funding intermediaries.

**Philanthropic advisers** provide specialised assistance with developing philanthropic strategy, setting up your giving vehicles, and carrying out specific gifts. Advisers trained to give philanthropic advice can also help you develop a tax strategy to integrate philanthropy into your overall wealth planning.

Advisers may be associated with independent consultancies, financial advisory firms, law firms, or banks. As an example, in Australia, Perpetual Private's financial advisers are trained to provide guidance on making your philanthropy more

effective whilst integrating it into your overall financial, estate, and taxation planning.

The Philanthropy Australia website also has valuable resources on the connection between philanthropic giving and your wider financial strategies. [philanthropy.org.au](http://philanthropy.org.au)

The PRD has included financial advisory firms and private banks with formal philanthropic advising services, as well as designated philanthropy advisory firms with three or more staff.



**Funding intermediaries** collect contributions from donors and distribute them to non-profit organisations. Intermediaries include some community foundations, other types of public foundations, funder collaboratives, organisations, and other similar models.

**Example:** A common example of funding intermediaries are **community foundations**. Community foundations usually operate in specific geographic areas and provide support to donors and non-profit organisations in their locales. These organisations provide donors with

information and structures that make it easier to distribute resources in a particular geography (and, often, beyond) while also avoiding the administrative and legal costs of setting up independent foundations. Community foundations are primarily categorised in the PRD as funding intermediaries, but they can also be good places to learn with other donors and connect with professional advisors.



## 2.3 Learn with other donors



The PRD provides two engagement categories for high-capacity donors to explore opportunities and learn in settings with other donors: **education providers** and **peer networks**.

Philanthropy Australia also provides their members with the opportunity to learn more about and attend Affinity Groups and join Networks.



**Education providers** and affinity groups offer educational support for high-capacity donors, such as events, workshops, conferences, research, online courses, and programs. Examples include Affinity Group examples in Australia, include groups focusing on the Arts, Homelessness, and Aboriginal and Torres Strait Islander communities. [philanthropy.org.au](http://philanthropy.org.au).

Education providers include Australians Investing In Women (AIIW), Australian Environmental Grantmakers Network (AEGN), Australian Jewish Funders, and Australian International Development Network.

**Explanation:** *Affinity groups* groups are a type of education provider involving coalitions

of philanthropists or philanthropic institutions that provide educational and networking opportunities to donors with a shared interest in a particular funding area. Examples include Asian Americans/Pacific Islanders in Philanthropy, the Jewish Funders Network, or the Women Donors Network. These groups host a range of activities including in-person meetings, expert panels, and interactive workshops. Webinars and email lists or forums can provide updates on current issues or a platform to share ideas and experiences on a regular basis. Affinity groups are categorised in the PRD under Education Providers but can also fall under the second category of Peer Networks.



**Peer Networks** These are organisations that manage networks of high-capacity donors. The shared knowledge from these networks can make your giving more effective.

**Explanation:** *Giving circles* are a type of peer network that can be especially useful for deepening your knowledge about focus areas, contributing to pooled funds dedicated to specific issues or specific geographic areas, and making collective decisions on distributing the funds. Giving circles help participants collectively learn about philanthropy, and some also organise volunteer opportunities. Giving circles are usually

hosted by a non-profit organisation, so a donor's contribution is immediately tax deductible even if giving decisions are made later in the process. If you would like to start your own giving circle, see **Additional Resources: Section 2 at the end of this toolkit.**

In Australia, there are a number of Giving Circles operating including the IMPACT100 Network, GiveOUT Australia, The Funding Network, Sydney Women's Fund, and Australians Investing in Women (AIIW).

## 2.4 Collaborate with other donors



High-capacity donors – especially those who already have significant philanthropic experience – are increasingly seeking to collaborate with others. Your contributions are likely already working alongside other funders to support an organisation’s work. However, you may choose to intentionally participate in collaboration and pooled funding initiatives to increase the impact of your giving. Collaboration allows donors to combine funding, knowledge, and expertise, and can be an effective way to leverage and scale your giving.

Collaborative funding is a growing field – it has been evolving over the last fifteen years. In Australia, there are structures, such as public ancillary funds, that can be used to facilitate collaboration and pooled funding. Your involvement and control will vary greatly depending on an initiative’s structure. For instance, you can donate to funds that are curated by funding intermediaries, and you might be able to exert

influence but have less control over giving; or you can engage in giving collectives that are donor-led, where each donor has a decision-making seat at the table. The following spectrum outlines different ways donors can approach collaboration. If you feel you are not yet ready to collaborate, you can always revisit the possibility of collaboration in future philanthropic cycles.

## Spectrum of collaboration

The diagram below represents four ways donors can collaborate.

**Note:** Each method of collaboration has different implications for your decision-making autonomy.



1. Learn with others



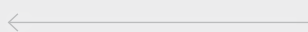
2. Fund a foundation



3. Coordinate funding with other donors

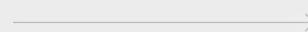




4. Pool funds with other donors



More autonomy

Less autonomy



Ways to collaborate	What is it?
 <p data-bbox="228 748 365 808">1. Learn with others</p>	<p data-bbox="477 465 1291 526">The exchange of knowledge among donors is the most common form of collaboration.</p> <p data-bbox="496 575 1272 636"><b>Example:</b> joining an affinity group and sharing ‘lessons learned’ with other donors.</p>
 <p data-bbox="228 1128 365 1189">2. Fund a foundation</p>	<p data-bbox="477 887 1409 985">You can entrust your funds to another well-established funder, usually a private or community foundation, that has full control over its grantmaking and is fully staffed.</p> <p data-bbox="496 1023 1390 1084"><b>Examples:</b> Australian Communities Foundation <a href="http://communityfoundation.org.au/">communityfoundation.org.au/</a> / Mannifera <a href="http://mannifera.org.au/">mannifera.org.au/</a></p>
 <p data-bbox="167 1509 426 1570">3. Coordinate funding with other donors</p>	<p data-bbox="477 1267 1399 1400">Donors may choose to coordinate funding strategies within their focus areas. They can identify opportunities to support one another’s work, reduce areas of unnecessary overlap, and strategise together about how to address a specific problem.</p> <p data-bbox="496 1440 1372 1538"><b>Example:</b> Perpetual operates the largest open funding program in Australia. It provides hundreds of philanthropists, who work with Perpetual, the opportunity to co-fund organisations and issues that align with their passions.</p>
 <p data-bbox="193 1890 400 1951">4. Pool funds with other donors</p>	<p data-bbox="477 1648 1347 1709">Donors can aggregate, or pool, funds with each other to create larger-scale impact in a shared focus area.</p> <p data-bbox="496 1758 1326 1856"><b>Example:</b> Foundation for Rural and Regional Renewal (FRRR) in Australia connects common purposes and funding from government, business and philanthropy with the genuine local needs of rural people and places.</p>





# 2.5 Learn from the communities you seek to serve



**Participatory grant-making aims to democratise philanthropy by shifting the decision-making power from donors to the communities being served. It empowers community members by recognising the unique importance of their lived experiences in making good decisions about how the community should be served. The following table represents different ways high-capacity donors can practice participatory grant-making.**

The grant-making process itself is a key outcome of participatory grant-making. The goal is to achieve an inclusive democratic process and, as such, is driven by values rather than by strict rules.

Thus there is a lot of variation in how participatory grant-making is practiced. Sometimes the process is completely led by peers and does not include any trustees or foundation staff. Sometimes, the grant-making decision is led by peers but the donors and staff are involved in other aspects. Other times, peers and donors both participate in making grant decisions.

One key benefit of participatory grant-making is that it strengthens the credibility of the donors since it democratizes the grant-making process. Participatory grant-making expert Cynthia Gibson suggests that participatory grant-making leads to better decisions. Additionally, this process promotes diversity, equity, and inclusion; provides participants with an opportunity to network, build their leadership skills, and increase community engagement; and can often help non-profits identify new initiatives and take more risks.

While it has many benefits, participatory grant-making may not always be the best approach for funders. Funders are still fiscally and legally responsible for their funding decisions and as a result, some traditional funders believe that they shouldn't cede control of decision-making.

Additionally, for some organisations operating at a national level, engaging in participatory work may be overly challenging if they serve multiple constituencies and have fixed existing organisational policies and structures. Participatory grant-making can also be resource-intensive. Coordinating among and supporting multiple community volunteers can increase the length of the process and ensuring representativeness can be a challenge. This approach can also lead to conflicts of interest among community volunteers or between the organisation and the community volunteers.

If you are interested in learning more about participatory grant-making or reading Cynthia Gibson's work, please see the Additional Resources: Section 2 at the end of this toolkit.

Ways to practice participatory grantmaking	What is it?
<p><b>1. Listening tour</b> Survey the communities you seek to serve</p>	<p>Donors seek out non-profit and community opinions and perspectives to learn about the issues they are trying to tackle. This approach to participatory grant-making allows donors to retain control of their philanthropic process.</p> <p><b>Example:</b> Donors ask a wide range of non-profit staff or community members about their experiences around a particular issue.</p>
<p><b>2. Seat at the table</b> Incorporate grantee and community voices into your philanthropic process</p>	<p>Donors capture non-profit or community perspectives to inform their philanthropic strategy.</p> <p><b>Example:</b> A giving circle focused on girls' education in Western Sydney has an advisory board of teenage girls from the region.</p>
<p><b>3. Active partnership</b> Collaborate with communities or non-profits to carry out your philanthropic process</p>	<p>Donors give non-profits and communities increased decision-making power to direct philanthropic resources. This level of partnership can be very rewarding but generally requires trust and deeper connections built over time.</p> <p><b>Example:</b> A foundation creates a regional advisory board of community experts to make decisions about which non-profits to fund.</p>

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If you are interested in learning more about participatory grant-making or reading Cynthia Gibson's work, please see the Additional Resources: Section 2 at the end of this toolkit.

# EPLI Philanthropy Planner **Engaging others summary**

Now that you have completed Section 2, turn to the Engaging others summary on the next page. Complete the survey to help you consider the different ways you can collaborate with other donors, non-profit leaders, subject matter experts, and community members in the future. You can tear out the page at the end of each section to create your Philanthropy Planner files.

2

EPLI Philanthropy Planner : **Engaging others summary**

**Instructions**

Reflect on the considerations for collaborating with other donors. If you answer 'yes' on any item, use the notes on the following pages to jot down any considerations you may have in moving forward.

<b>Are you willing to invest the time to:</b>	<b>Yes (short term)</b>	<b>Yes (long term)</b>	<b>No</b>
Learn more about your selected issue area?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Learn from philanthropists working on your selected issue?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Learn from philanthropists in your geographic location?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Build the relationships of trust necessary for effective collaboration?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

<b>Do you want to share with other peer donors:</b>	<b>Yes (short term)</b>	<b>Yes (long term)</b>	<b>No</b>
Lessons you learn in your philanthropy about promising giving practices or warning signs?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Decision-making in your philanthropy?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your philanthropic legacy?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your personal networks, skills, and expertise?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

<b>Do you want to partner with other peer donors to:</b>	<b>Yes (short term)</b>	<b>Yes (long term)</b>	<b>No</b>
Scale an initiative?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Elevate voices from communities affected by your issue(s) and provide space for their leadership?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase your influence on key stakeholders?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Expand the skills and networks available to your philanthropy?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pilot a new initiative?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



## EPLI Philanthropy Planner : **Engaging others summary**



### Instructions

Reflect on what you've read about the different levels of participatory grant-making. Jot down any concerns, considerations, or open questions.

**Note:** You may choose to engage in participatory grant-making practices in all your philanthropic activities or only in some instances, around particular issues or organisations.

<b>Learn more about your selected issue area?</b>	<b>Yes</b>	<b>No</b>
	<input type="radio"/>	<input type="radio"/>

Whom would you like to speak to (staff, community members or other subject matter experts)?  
Are you giving at a level commensurate with the time and attention you are requesting from people?  
Are you open to giving an honorarium to people if you are asking for their dedicated time?

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<b>Are you interested in incorporating grantee and community voices in your philanthropic deliberations?</b>	<b>Yes</b>	<b>No</b>
	<input type="radio"/>	<input type="radio"/>

Whom might you want around the table as a slightly more formalised advisory group while you deliberate about what kind of projects to support and how? What diversity, equity, and inclusion opportunities become possible with this approach? Do you need additional information to take this step?

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<b>Are you interested in giving grantee leaders or community members decision-making power over all or some portion of your donations?</b>	<b>Yes</b>	<b>No</b>
	<input type="radio"/>	<input type="radio"/>

How would you want a delegated decision-making entity to communicate their process and decisions with you? Who might you want to see involved in this collaborative group? What concerns do you have about this? What structures, level of formality, and commitments would you want to see to make this feasible?

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EPLI Philanthropy Planner : **Engaging others summary**

**2**

**Instructions**

Once you have completed the survey, look back at the Spectrum of Collaboration in Section 2 to see which approaches, if any, might suit your current interests in collaboration. Then, think through the questions below.

**Short-term approach**

What approach would you like to take to collaboration over the next cycle of your philanthropy?

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**Long-term approach**

What approach would you like to take regarding collaboration over the next 5-10 years?

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**Methods of collaboration**

What are some concrete ways you would like to collaborate with others, in the short and long term?

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**Action steps**

What steps do you need to take to move forward?

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# Section 3 How do you involve your family?



For many donors, philanthropy presents a unique opportunity to include family – however you may define it – and create a family legacy. You may include family members in helping develop philanthropic goals, providing feedback, or carrying out your philanthropic mission.

This section will guide you through the following steps:

- 1** Involve your family in your philanthropy to create and embrace shared family values and create a meaningful legacy.
- 2** Navigate family dynamics through a series of reflection activities.
- 3** Involve the next generations (children and grandchildren) to encourage and support their philanthropy.

# 3.1 Involve your family in your philanthropy



Involving your family can take multiple forms, from involving them in decision making to preparing for eventual succession.

Before engaging your family, it can be helpful to outline the forms of involvement you wish to consider. It is useful to be clear about your expectations for various family members' roles and to seek their buy-in.

**Activities:**

G. Reflect on your family

H. Navigating family dynamics

Activity: **Reflect on your family**

G

**Instructions**

Review the questions in Activity G and jot down your thoughts. You do not have to answer all the questions, but we recommend you give each topic some consideration before reaching out to your family members.

For more information on discussing philanthropy with your family, see **Additional Resources: Section 3** at the end of this toolkit.

## Worksheet: Reflect on your family

G

### Instructions

Review the questions below and jot down your thoughts. You may also wish to discuss your ideas with trusted peers or advisers to understand your options before reaching out to your family members.

### Family members

Whom do you consider family? Who in your family would you like to involve in your philanthropy (e.g., immediate family members, stepchildren, children's spouses, those in the local area)?

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- How do you think about your philanthropic identity? Is it a continuation of the legacy between your parents and older family members or are you forging a new legacy?
- Does your philanthropic vision take you well into the future or is it something you would want to revisit periodically to fit changing circumstances in the world?
- How would you feel about the next generation playing a role?
- How do your children engage with the idea of philanthropy? If they are young, how do you want to engage them in thinking about these issues, if at all?
- How do you feel about spouses being involved?
- Are you interested in designing various tiers of participation and ways to incentivise active participation and leadership?
- What values inform your giving and that of your family? Have you crafted a vision and mission statement? Would you want to involve your family in this process?
- Would you prefer to spend down all your philanthropic assets in your lifetime, or to set up a philanthropic vehicle that outlives you and exists in perpetuity? If you prefer a perpetual giving entity, how and when will you hand over the reins? In the future would you prefer it to be managed by your family members, trusted non-family advisers, or some combination?
- Are you concerned that including your children could have too much influence on their ambition or life paths? If so, why? What are some personal parameters or guard rails you have about engaging your children in philanthropy? Have you shared those with your children?

Worksheet: **Reflect on your family**



**Logistics and availability**

- What are your expectations about time investment from family members?
- Are in-person meetings feasible, or will some family members have to engage remotely?
- What are your expectations for how often your family will revisit philanthropic decisions (e.g., annual or semi-annual meetings)?

You should ask individual family members about their availability before the first family gathering to give them an opportunity to signal their level of interest.

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**Communication**

- How does your family communicate other important matters?
- How does your family communicate when in disagreement?
- How can you communicate expectations about roles and responsibilities?

It may help to brainstorm a set of communication ground rules at the first family gathering and have everyone involved agree to uphold those rules.

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Worksheet: **Reflect on your family**

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**Decision-making**

- As the primary donor, which decisions would you prefer to make by yourself?
- Which decisions could be made with family members?
- How would you like group decisions to be made (e.g., majority vote, consensus)?
- What are your family's strengths and weaknesses when it comes to group decision-making? How can you address the weaknesses?
- When and how might you use outside advisers or experts to help inform your family decision-making?

It can be helpful to review the Toolkit Primer in the Introduction and indicate which activities/decisions could be group decisions for your family.

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**Implementation**

- What are your expectations for family members' involvement in implementing philanthropic decisions?
- Are there particular family members you expect to be more involved in carrying out certain activities (e.g., site visits, meetings with advisers)?

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## Understand the different roles family members can play

Here is a list of some roles that family members can play in your philanthropy. One person can play multiple roles. As you go through this list, think about which roles meet your current needs and the family members who might be able to fill those roles. If you feel some uncertainty engaging family members, consider having a conversation to ask their thoughts about giving back or invite them to volunteer together

**1. Co-philantropist:** I want this person to be my partner in philanthropy, to help me set my priorities, to be a sounding board, and to be involved throughout the process.

**2. Implementer:** I want this person to help me research how and where to give and help me implement my philanthropic goals.

**3. Thought partner or adviser:** I want this person to give me feedback on my philanthropic goals and plans for achieving them.

**4. Successor:** I want this person to continue bestowing my philanthropic assets after my passing.

**5. Other:** Add your own reasons for wanting to include this person.

You will allocate these roles to your family members at the end of this section, in the Engaging family summary.







## 3.2 Involve the next generation



Involving the next generation is often of great importance to donors. Philanthropy is an opportunity to bring family together around a common goal, communicate values across generations, and develop a sense of social responsibility in the next generation.

Having discussions about giving back helps ground the next generation's understanding of social responsibility (not just in terms of money but via activities such as a day of service, site visits, and ongoing volunteering). This section suggests possible ways to introduce the next generation to philanthropy.

For more information on engaging the next generation, see Additional Resources: Section 3 at the end of this toolkit.

## **Activities:**

### **I. Introduce the next generation to philanthropy**

**Activity: Introduce the next generation to philanthropy**



**Instructions**

Introduce the next generation (e.g., your children or grandchildren) to the significance of philanthropy and the process of giving through discussion-based reflections and interactive activities.



## Worksheet: Introduce the next generation to philanthropy

1

### Instructions

Below are four discussion-based reflections and interactive activities that you can complete with your children, grandchildren, or other younger family members.

### Reflect on family values

Sharing your values will help the next generation understand why you pursue philanthropy and the greater mission and vision you seek. Use your selected Value Cards and the extra deck of Value Cards from the back of the toolkit to guide your discussion.

### Suggested activity format

- Spread out one set of Value Cards on a table.
- Ask children to select three to five cards that represent the values most important to them. If there are remaining blank cards from your exercise, they may want to write in other values. You can substitute sticky notes or index cards if you need more blank cards. We recommend having up to five write-in cards.
- Following the children's selection, share your own choices. If you and they selected any of the same cards, move those cards to a separate 'Shared Values' pile.
- For each remaining card, ask the children why they chose that value. What does that value mean to them?
- After listening to their responses, explain your own selections. Remember that this reflection is discussion-based; there are no right or wrong answers.
- Once done, ask the children which cards they would like to add to the 'Shared Values' pile.

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Worksheet: **Introduce the next generation to philanthropy**



**Start a conversation**

We encourage you to have a conversation with your younger family members about the reasons for your previous giving. Sharing your motivations to give inspires the next generation to act philanthropically. Reflect on the following before beginning, to guide your conversation:

1. What role has giving played in your life?

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2. What gifts, either given or received, have been most meaningful to you, especially as a child or young adult, and why?

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## Worksheet: Introduce the next generation to philanthropy

1

### Suggested activity format

Discussing your philanthropy and its meaning with younger family members can be straightforward. If you are looking for prompts, consider the following:

- Share your giving history with a particular organisation. Ask if they know why you chose to support this organisation.
- Share an anecdote about how your life has been affected by a certain organisation or issue.
- Share a story about how someone helped you in a meaningful way or how you received help from an organisation.

### Set up a 'giving allowance'

Learning by doing provides motivation and experience for the next generation to engage philanthropically. This activity teaches children how to handle charitable donations and demonstrates thoughtfulness and intention in the decision-making process.

First, set up a 'giving allowance' – an amount that you feel would be age-appropriate. You can set an allowance per individual or ask the children to come to a consensus. Then, follow the instructions on the following page.

Determine how often you want to do this activity (e.g., monthly, biannually, annually, etc). Some families choose to do it during the holiday season, on days of recognition (e.g., Earth Day, ANZAC Day), or on birthdays. Use the Issue Cards and the Budget Coins from the back of the toolkit to guide your discussion.

### Suggested activity format

- Spread out the Issue Cards on a table. You may choose to omit any issues that will not resonate or are not age-appropriate. Use the write-in cards to add issues, if desired. If you need additional write-in cards, you can substitute sticky notes or index cards.
- Ask the children to select up to three issues that are important to them.
- Review the backs of the selected cards together and circle any specific focus areas of interest (e.g., special education, cancer), or write-in focus areas that are not listed.
- Once the issues have been selected, brainstorm organisations in your community or area that have connections to them. Older children can do internet research independently. For younger children, you can research online together or ask whether their school raises funds for specific organisations.
- Ask the children to decide on the amount to donate to each issue from their giving allowance. It may help to use the Budget Coins. For younger age groups, using the amount (e.g., \$25, \$100) may be easier to understand than percentages. Use the write-in coins (or sticky notes) to guide the decision-making process.
- Decide together how you would like to make the donation (e.g., through an online donation, or EFT, by contacting the organisation).

# EPLI Philanthropy Planner

## **Involving family summary**

Now that you have completed Section 3, turn to the Involving family summary on the next page. Identify the family members you would like to engage in your philanthropy and outline each family member's contribution in an engagement plan. You can tear out the page at the end of each section to create your Philanthropy Planner files.

## 3

EPLI Philanthropy Planner : **Involving family summary****Instructions**

List the individuals that you would like to involve in your philanthropy.

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> <li>• _____</li> </ul> | <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> <li>• _____</li> </ul> |
|---|---|

**Instructions**

For each name you have listed above, consider what role you want them to have. Also think about their strengths and any concerns you have with involving this person in your philanthropy.

**Example**

<p><b>Name:</b> <i>Martha</i></p>	<p><b>Role(s):</b> <i>Thought partner</i></p>
<p><b>Strengths:</b> How would this person help me meet my philanthropic goals? <i>Knows organisations in the local community. Shares my values and interests.</i></p>	<p><b>Concerns:</b> Why might you hesitate to involve this person? <i>May be busy with other projects.</i></p>
<p>List the topics you would like to discuss with this person: <i>Recommendations for educational organisations.</i></p>	<p>Action steps to move forward: <i>Will ask next lunch.</i></p>



EPLI Philanthropy Planner : **Involving family summary**

**3**

**Family member 1**

**Name:**

\_\_\_\_\_

**Role(s):**

\_\_\_\_\_

**Strengths:** How would this person help me meet my philanthropic goals?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Concerns:** Why might you hesitate to involve this person?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

List the topics you would like to discuss with this person:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Action steps to move forward:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Family member 2**

**Name:**

\_\_\_\_\_

**Role(s):**

\_\_\_\_\_

**Strengths:** How would this person help me meet my philanthropic goals?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Concerns:** Why might you hesitate to involve this person?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

List the topics you would like to discuss with this person:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Action steps to move forward:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



EPLI Philanthropy Planner : **Involving family summary**

3

**Family member 3**

**Name:**

\_\_\_\_\_

**Role(s):**

\_\_\_\_\_

**Strengths:** How would this person help me meet my philanthropic goals?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Concerns:** Why might you hesitate to involve this person?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

List the topics you would like to discuss with this person:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Action steps to move forward:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Family member 4**

**Name:**

\_\_\_\_\_

**Role(s):**

\_\_\_\_\_

**Strengths:** How would this person help me meet my philanthropic goals?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Concerns:** Why might you hesitate to involve this person?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

List the topics you would like to discuss with this person:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Action steps to move forward:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



EPLI Philanthropy Planner : **Involving family summary**

3

**Family member 5**

**Name:**

\_\_\_\_\_

**Role(s):**

\_\_\_\_\_

**Strengths:** How would this person help me meet my philanthropic goals?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Concerns:** Why might you hesitate to involve this person?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

List the topics you would like to discuss with this person:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Action steps to move forward:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Family member 6**

**Name:**

\_\_\_\_\_

**Role(s):**

\_\_\_\_\_

**Strengths:** How would this person help me meet my philanthropic goals?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Concerns:** Why might you hesitate to involve this person?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

List the topics you would like to discuss with this person:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Action steps to move forward:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

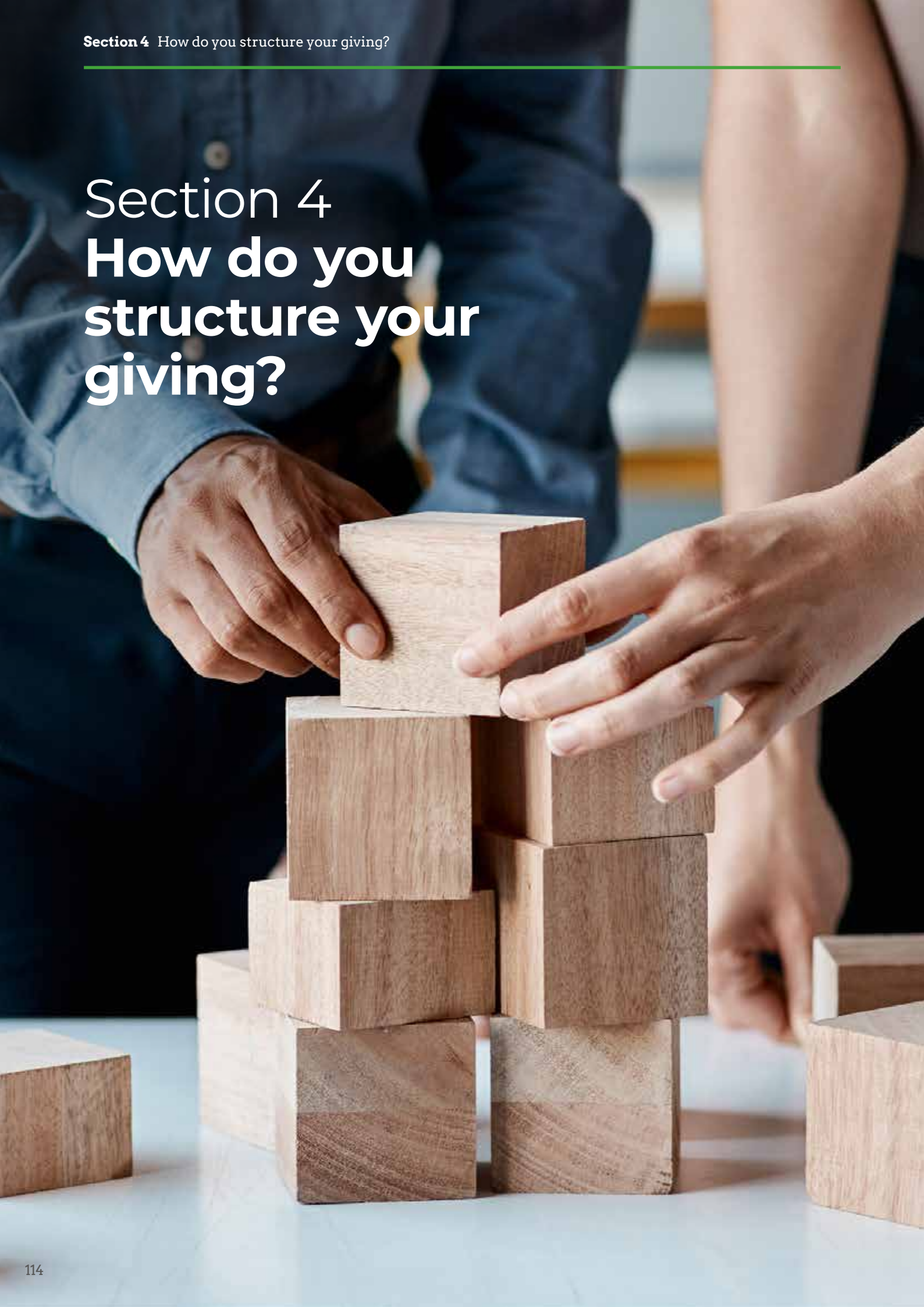






# Section 4

## How do you structure your giving?



Now that you have defined your philanthropic motivations, values, and focus areas, as well as developed a plan for engaging others in your giving, it is time to develop a concrete structure for your giving.

This section will guide you through the following steps:

- 1 Determine your philanthropy budget so you can integrate your philanthropy with your broader financial planning.**
- 2 Select giving vehicles best suited to both your personal and philanthropic objectives.**

# 4.1 Determine your philanthropy budget



## How much do you give to your focus areas and how much do you reserve for meeting you and your family's present and future needs?

This toolkit intends to focus on proactive giving in the focus areas you identified in Section 1. The activities below will help you categorise and distribute your contributions into three buckets:

- 1. Proactive giving**, which includes contributions to organisations working on your selected issues.
- 2. Reactive giving**, which includes contributions to personal requests from family and friends to support their selected issue areas.
- 3. Emergency giving**, which includes contributions to disaster and emergency relief funds, or dire situations that emerge from unexpected policy changes.

There are two approaches you can take to arrive at your total philanthropy budget: you can use your previous contributions to inform your future giving related to the values and issues you identified in Section 1: Finding your focus areas.

Alternately, you may prefer to start with a clean slate to determine how much to give. Regardless of the approach you choose, you may want to discuss your overall financial plan with your adviser before determining your final philanthropy budget and giving cycles.

### Activities:

- J. Recount your contributions
- K. Set your total philanthropy budget
- L. Allocate your philanthropy budget

**Activity: Re-count your contributions**

**J**

**Instructions**

This activity is for those who have made previous contributions to their selected issues.

Re-count your previous contributions to understand your giving distribution across your selected issues and the total amount allocated.

Consider adjustments to make your giving more proactive.

Skip ahead to Activities K and L if you prefer to start from a clean slate with your future giving plans.

Worksheet: **Re-count your contributions**

J

**Instructions**

Identify the period of time you would like to review (e.g., a year or two) and tally up your contributions. Record your contributions during this period in one of the three giving buckets below. Once you are finished, total each bucket. Reflect on these amounts to understand your giving distribution across your selected issues, and consider any adjustments to make your giving more proactive.

Finally, total the amounts from each giving bucket to arrive at your total contribution during this period. Reflect on this total and consider any adjustments you want to make for future giving.

**Giving bucket 1 – Proactive giving**

Donations you made to organisations working on your selected issues.

Issue / Funding area	Organisation supported	Eligible for deduction (y / n / not sure)	Date / Month	Amount given
<b>Example:</b>				
Education	The Smith Family	Yes	February	\$ 750
<b>Total amount</b>				\$ _____

Worksheet: **Re-count your contributions**



**Giving bucket 2 – Reactive giving**

Donations you made in response to personal requests from family and friends to support their issues and fundraisers.

Issue / Funding area	Organisation supported	Eligible for deduction (y / n / not sure)	Date / Month	Amount given
<b>Example:</b>				
Health	Martha's Alzheimer disease walk	Yes	December	\$ 250
<b>Total amount</b>				\$ _____



## Worksheet: Re-count your contributions

J

The following table reflects contributions from \_\_\_\_\_

to \_\_\_\_\_

**Giving bucket 3 – Emergency giving**

Donations to disaster and emergency relief funds or to social issues as a result of policy changes.

Issue / Funding area	Organisation supported	Eligible for deduction (y / n / not sure)	Date / Month	Amount given
<b>Example:</b>				
Disaster relief	Australian Red Cross	Yes	September	\$ 500
<b>Total amount</b>				\$ _____

Activity: **Set your total philanthropy budget**

**K**

**Instructions**

Review the questions in Activity K either on your own or with the support of your adviser, and jot down your thoughts. You do not have to answer all the questions.

Worksheet: **Set your total philanthropy budget**

K

**Instructions**

Reflect on the total philanthropy budget written down in Section 1: Finding your focus areas section summary, or identify a new desired total budget. Review the questions below, either on your own or with the support of your adviser, and jot down your thoughts.

You do not have to answer every question.

How much do you wish to allocate to your philanthropy in the next year? Over the next three years? The next five to seven years? The next decade or more?

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What future financial situations or developments could affect how much you allocate to your philanthropy?

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What are the potential tax considerations for your different time horizons?

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---

---

Given your current financial circumstances, could you think about allocating more?

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Worksheet: **Set your total philanthropy budget**

K

Are you in a position to consider giving non-cash financial assets as part of your philanthropy (for example, Australian shares)?

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How have you thought about allocating assets for the next generation?

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Would you like to revisit your allocations in the future? If so, when?

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---

How much are you setting aside as your total philanthropy budget?

## Activity: **Allocate your philanthropy budget**

L

### **Instructions**

Determine how you would like to allocate your total philanthropy budget across your focus areas and giving buckets (i.e. proactive giving, reactive giving, and emergency giving) using the Budget Coins. Adjust your philanthropic allocations until they feel right to you.



## Worksheet: Allocate your philanthropy budget

### Instructions

Determine how you would like to allocate your total philanthropy budget across your focus areas (i.e. proactive giving, reactive giving, and emergency giving) using the Budget Coins.

Write in your total philanthropy budget and the time period. Use the Budget Coins to determine the percentage allocated to each column. Adjust your philanthropic allocations across your three buckets and focus areas until they feel right to you. When you feel satisfied with the allocations, write the budget amount in dollars in the last row.

Example	
<b>Giving bucket</b>	Example
<b>Focus area / issue</b>	Early childhood initiatives in New South Wales
<b>% of total philanthropy budget</b>	10%
<b>Budget allocated</b>	\$10,000

## Worksheet: Allocate your philanthropy budget

L

Your total philanthropy budget: \_\_\_\_\_

from \_\_\_\_\_ to \_\_\_\_\_

**Proactive giving**

Write in your focus areas (or transfer your selected Issue Cards from the Finding your focus areas section summary), including any commitments you have already made that you would like to include in your proactive giving.

1. Place Issue Card here	2. Place Issue Card here	3. Place Issue Card here
Place Budget Coins here	Place Budget Coins here	Place Budget Coins here

Worksheet: **Allocate your philanthropy budget**



**Reactive giving**

Record any commitments you have already made that you consider reactive.

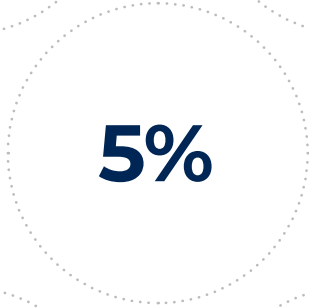
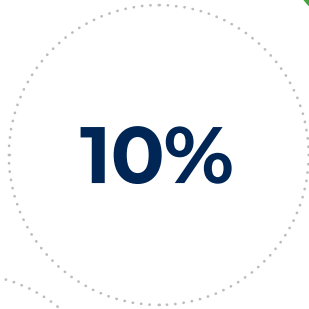
**Emergency giving**

Record any commitments you have already made that you consider emergency.

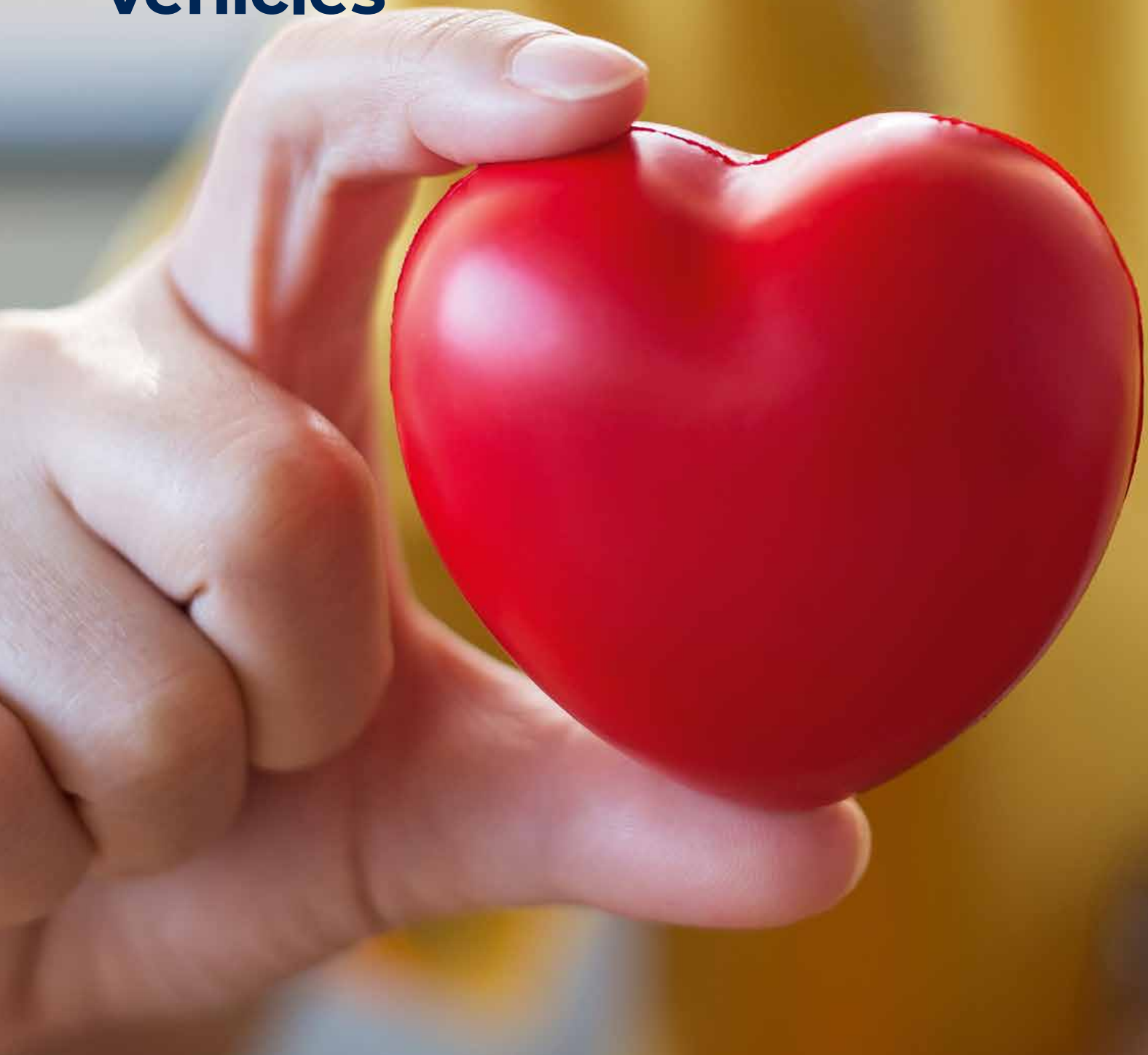



Worksheet: Budget coins

L



## 4.2 Select your giving vehicles



## A philanthropic giving vehicle provides a structure for you to carry out your giving.

This section will help you identify which giving vehicles are best suited to your personal, financial, and philanthropic preferences. Keep in mind that you can achieve your philanthropic objectives through any vehicle; the goal here is to ensure that you select the vehicle or combination of vehicles that best aligns with your broader needs.

### **Activities:**

#### **M. Reflect on your giving vehicle options**

## Most common giving vehicles

### Direct giving

Direct giving is the more common form of giving in Australia. Donors participate in direct giving through one-off donations to charities, through workplace giving, street appeals, fundraising dinners, or sponsoring our co-workers and friends for charitable fun runs or even for growing facial hair. This kind of giving is often spontaneous or a reaction to something (i.e. a natural disaster) or a request from someone.

Such contributions qualify for a tax deduction which can be spread over up to 5 years. You can also qualify for tax deductions when you donate long-term appreciated non-cash assets (e.g., shares or real estate, etc) directly to charitable organisations or foundations. You may want to have a discussion with your adviser about the assets best suited to your goals.

### A sub-fund within a public ancillary fund

A Public Ancillary Fund (PuAF) is a philanthropic structure that invites and allows the public to donate. Often PuAFs are structured so that donors can open a sub-fund which allows them to put a name to their giving without the overarching compliance burden. It's a simple and tax effective way to structure your giving and therefore a popular option for individuals, families, and companies.

During each financial year a PuAF must distribute at least 4 per cent (minimum annual distribution rate) of the market value of the fund's net assets (as at the end of the previous financial year). It will depend on the PuAF as to how this is managed at the sub-fund level.

PuAFs are typically managed by non-profit entities, community foundations, and the charitable arms of for-profit financial service providers, such as Perpetual. As an example, Perpetual is trustee of

the Perpetual Foundation, a PuAF which allows for donors to open an Endowment (sub-fund) with \$20,000 or more.

The Perpetual Foundation: [https://www.perpetual.com.au/~media/perpetual/pdf/advice-and-trustee-services/impact-philanthropy/brochure\\_perpetual\\_foundation\\_endowments.ashx?la=en](https://www.perpetual.com.au/~media/perpetual/pdf/advice-and-trustee-services/impact-philanthropy/brochure_perpetual_foundation_endowments.ashx?la=en)

Each managing entity has different minimum contributions, gifts, investment programs, and fees. Community PuAFs such as the Queensland Community Foundation offer a local focus, with knowledgeable staff and donor education activities that enable place-based giving (though giving beyond the local area is often allowed).

PuAFs managed by for-profit financial service providers and other independent sponsoring organisations typically offer the opportunity for a broader focus, as well as providing financial and investment expertise.

PuAFs are regulated by the Australian Charities and Not-for-Profit Commission (ACNC) and the Australian Taxation Office (ATO) and must adhere to the Public Ancillary Fund Guidelines 2011.

### Private ancillary funds

A Private Ancillary Fund (PAF) is a charitable structure allowing for private philanthropy by individuals, families, or associations which is your own charitable foundation which can receive tax-deductible donations. You can get started with \$500,000 – \$1 million or more, depending on the trustee.

During each financial year, a PAF must distribute at least 5 percent (minimum annual distribution rate) of the market value of the fund's net assets (as at

the end of the previous financial year) or \$11,000, whichever is greater.

You will receive a tax deduction when you transfer assets to a PAF. The trustee of a PAF must be a company, an incorporated association, or a Licensed Trustee Company. (Perpetual is an example of a Licensed Trustee Company). Every PAF must also have at least one director, who has a degree of responsibility to the community, and who is independent from the founder, to be the responsible person. Typically, many founders who do not wish to act as a trustee of their PAF choose to operate an advisory committee that has input into investment and distribution decisions. Depending on the size and activity of the PAF, paid staff may be necessary for management and administrative work. Some donors want their PAFs to exist in perpetuity, while others may wish to spend down all the PAF's assets within their lifetime or over some set period.

PAFs are prohibited from soliciting donations from the general public, however, legislation does allow for some donations to come from persons who are not associates of the founder. These donations are limited to 20% of the market value of the PAF's assets as at the previous year's end.

All PAFs in Australia are regulated by the Australian Charities and Not-for-profits Commission (ACNC) and must adhere to the Private Ancillary Fund Guidelines (2019) and ACNC Governance Standards.

## Charitable giving through estate planning

Charitable giving can start during a donor's lifetime or in some cases via their will. Leaving a bequest or a gift to charity in your will is a good way to continue to support charities or causes close to your heart, long after you are gone.

If a Capital Gains Tax (CGT) assessable asset owned by a deceased person passes to a beneficiary in their

estate, the estate may incur a capital gain on which tax is payable. This is referred to as CGT Event K3. A CGT Event K3 does not apply if the beneficiary is an existing entity with DGR status, such as a charity, public ancillary fund, or private ancillary fund.

### Bequests

Bequests are gifts from your assets – whether they be a transfer of cash, shares, or real estate – made through your estate plan or will. You can make a bequest to designated charitable organisations by including language in your will.

### A sub-fund within a Public Ancillary Fund (PuAF)

A sub-fund within an existing PuAF can be established during a donor's lifetime or via a will. If a sub-fund is established during someone's lifetime, additional assets can flow through to the estate. A sub-fund within a PuAF is designed to last in perpetuity and support the charitable organisations or causes forever—creating a legacy.

### Private ancillary fund (PAF)

For tax optimisation, it is often recommended that a PAF is only included in an estate plan or will if it is already established during a donor's lifetime. A PAF is also designed to support the charitable organisation in perpetuity and is a vehicle for creating a legacy.

## Activity: Reflect on your giving vehicle options

M

### Instructions

Review the list of giving vehicle considerations below. This list is not exhaustive, and we encourage you to speak to your adviser and those involved in your philanthropic decision-making about additional considerations relevant to your personal situation, preferences, and goals.

- 1. Administrative support:** Are you willing to invest your time and effort on an ongoing basis and perhaps hire paid staff for your vehicle?
- 2. Anonymity:** Do you prefer to give anonymously?
- 3. Asset growth potential:** Would you want your philanthropic investment to increase in value over time?
- 4. Control over giving:** Would you want to retain control over how beneficiaries use donated funds?
- 5. Distribution requirement:** Would you want a vehicle with an annual distribution requirement in place to keep your philanthropy moving?
- 6. Family involvement:** Do you want your family members involved in giving decisions?
- 7. Impact investments:** Would you like to make investments that generate social as well as financial returns? For more information on impact investing, see Additional Resources: Section 4 at the end of this toolkit.
- 8. Perpetuity:** Do you want the structure to exist in perpetuity or would you prefer it to spend down in your lifetime or over a set period?
- 9. Tax implications:** Are tax implications important to your choice of vehicle? To understand how different taxes may be affected by your giving, see Additional Resources: Section 4 at the end of this toolkit.





**Activity: Reflect on your giving vehicle options**

**Instructions**

Complete the survey below to identify your preferences when choosing a giving vehicle. For each consideration, determine how important it is to your philanthropy. Your responses will be useful when reviewing the Giving Vehicles Comparison Chart.

Are you willing to invest the time to:	Yes	No	Not sure	How important is this to you? 1 = not, 5 = very
<b>Administrative support:</b> Are you willing to invest your time and effort on an ongoing basis and, if required, hire paid staff to help run your vehicle?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Anonymity:</b> Do you prefer to give anonymously?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Asset growth potential:</b> Would you want your philanthropic investment to increase in value over time?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Control over giving:</b> Would you want to retain total control over funding decisions?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Distribution requirement:</b> Would you want a vehicle with an annual distribution requirement in place to keep your philanthropy moving?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Family involvement:</b> Do you want your family members involved in giving decisions?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Impact investments:</b> Would you like to make investments that generate social as well as financial returns? For more information on impact investing, see Additional Resources: Section 4 at the end of this toolkit.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Perpetuity:</b> Do you want the structure to exist in perpetuity or would you prefer it to spend down in your lifetime or over a set period?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Tax implications:</b> Are tax implications important to your choice of vehicle? To understand how different taxes may be affected by your giving, see Additional Resources: Section 4.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>



## Resource

### Australian giving vehicle comparison table

Review the Australian giving vehicle comparison table to determine how your preferences align with the different giving vehicles available.

Perpetual has highlighted the three most common Australian giving vehicles that also allow you to give during your lifetime: direct giving, a sub-fund within a Public Ancillary Fund (PuAF), and Private Ancillary Funds (PAFs). These vehicles in particular, allow for more flexibility in your philanthropy. We encourage you to discuss these options with a trusted adviser.

## Australian giving vehicles comparison table

Considerations	Direct giving	A sub-fund within a Public Ancillary Fund (PuAF)	Private Ancillary Fund (PAF)
<b>Establishment</b>			
What is the minimum initial donation?	No minimum	\$20,000 or more, but varies depending on trustee	\$500,000 - \$1 million, but varies depending on trustee
How long to establish?	N/A	2-3 days, but varies depending on trustee	2-3 months
Can the public donate into my fund?	N/A	Yes	No. Donations can't be solicited from the public but can be received from the founder and family members and other associates.  In any financial year, the PAF must not accept donations totalling more than 20% of the market value of the fund's assets from the entities other than a founder, relative, or associates of the founder.
How often do I need to contribute?	Contribute as often as you like	Contribute as often as you like. There are no legal requirements.	Contribute as often as you like. There are no legal requirements.
Can the fund last in perpetuity?	N/A	Yes, though some trustees may have a policy of rolling the sub-fund into a general fund if there is no active donor/adviser.	Yes
<b>Fees</b>			
Establishment fees (including governing documents and required registrations)	N/A	No, but varies depending on trustee	Yes, approximately \$5,000 - \$10,000, depending on trustee
Trustee fee	N/A	Yes, varies depending on trustee	Yes, varies depending on trustee
Investment management fees	N/A	In most cases, dependant on trustee	In most cases, dependant on trustee

## Australian giving vehicles comparison table

Considerations	Direct giving	A sub-fund within a Public Ancillary Fund (PuAF)	Private Ancillary Fund (PAF)
<b>Tax considerations</b>			
<b>Are donations tax deductible?</b>	Generally yes, if you're only donating to an organisation with Deductible Gift Recipient (DGR) status. Not all charities in Australia have DGR status.	Donations made to a sub-fund are tax deductible and deductions can be spread over a period of up to five years.	Donations made to a PAF are tax deductible and deductions can be spread over a period of up to five years.
<b>Grantmaking</b>			
<b>Who can I give to?</b>	No restriction, but if you want a tax deduction, the entity must have DGR status.	As per the governing document of the PuAF. In most cases, organisations with DGR (Item 1) status.	As per the governing document of the PAF. In most cases, organisations with DGR (Item 1) status.
<b>Can you retain control over funding decisions?</b>	You control which charity you give to. Depending on the size of the donation, donors can request how the funds are allocated.	Donors can recommend how funds are distributed from their sub-fund, but the final funding decisions rest with the trustee.	If you control the trustee, you can control the funding decisions, subject to participation of at least one independent director. If you do not control the trustee but have an Advisory Committee, then you can advise the trustee on funding decisions. The final funding decisions rests with the trustee.
<b>What are the minimum distribution requirements?</b>	N/A	During each financial year, a PuAF must distribute at least 4 per cent (minimum annual distribution rate) of the market value of the fund's net assets (as at the end of the previous financial year). It will depend on the PuAF as to how this is managed at the sub-fund level.	During each financial year, a PAF must distribute at least 5 per cent (minimum annual distribution rate) of the market value of the fund's net assets (as at the end of the previous financial year) or \$11,000, whichever is greater.

## Australian giving vehicles comparison table

Considerations	Direct giving	A sub-fund within a Public Ancillary Fund (PuAF)	Private Ancillary Fund (PAF)
<b>Family involvement</b>			
<b>Can family members, friends, and trusted advisers be involved in grant-making decisions?</b>	Yes	Yes, the donor to the sub-fund can consult family members, friends, and trusted advisers on the recommended grant-making. Often, the trustee of the PuAF will only accept recommendations for grants by the donor or nominated individuals.	Yes, this can be done informally or through the establishment of an Advisory Committee.
<b>Trusteeship and investments</b>			
<b>Who is the Trustee?</b>	N/A	<p>Dependant on the PuAF but must:</p> <ul style="list-style-type: none"> <li>• Be a constitutional corporation</li> <li>• Agree to comply with the rules in the Public Ancillary Fund guidelines</li> </ul> <p>A PuAF is required to have a majority of directors with a degree of responsibility to the Australian community as a whole.</p>	<p>Each trustee must:</p> <ul style="list-style-type: none"> <li>• Be a constitutional corporation</li> <li>• Agree to comply with the rules in the Private Ancillary Fund guidelines</li> </ul> <p>A PAF also requires that at all times at least one of the individuals involved in the decision making of the fund be an individual with a degree of responsibility to the Australian community as a whole.</p> <p>The individual can't be the founder, an associate of the founder, or a donor who has contributed more than \$10,000.</p>
<b>Who manages the investments?</b>	The charity that receives the donation.	<p>The trustee of the PuAF is responsible for the investments and how these are managed.</p> <p>The trustee must prepare and maintain a current investment strategy as per the Public Ancillary Fund Guidelines 2011.</p> <p>In most cases, there is limited involvement by the donor for how the sub-fund is invested.</p>	<p>The trustee of the PAF is responsible for the investments and how these are managed. The trustee must prepare and maintain a current investment strategy as per the Private Ancillary Fund Guidelines 2019.</p> <p>Depending on the trustee and how the PAF is structured, the donor can make investment recommendations to the trustee. Often, this is done through control of the trustee or the establishment of an Advisory Committee.</p>

## Australian giving vehicles comparison table

Considerations	Direct giving	A sub-fund within a Public Ancillary Fund (PuAF)	Private Ancillary Fund (PAF)
<b>Legislation and regulation</b>			
<b>How is the giving vehicle regulated?</b>	Individual giving is incorporated into an individual's annual tax return via the ATO.	PuAFs are regulated by the Australian Charities and Not-for-Profit Commission (ACNC) and the Australian Taxation Office (ATO) and must adhere to the Public Ancillary Fund Guidelines 2011.	PAFs are regulated by the Australian Charities and Not-for-Profit Commission (ACNC) and the Australian Taxation Office (ATO) and must adhere to the Private Ancillary Fund Guidelines 2019.

# EPLI Philanthropy Planner

## **Structuring your giving summary**

Now that you have completed Section 4, turn to the Structuring your giving summary on the next page. Rank the giving vehicles best suited to your preferences and identify next steps for setting them up. You can tear out the page at the end of each section to create your Philanthropy Planner files.

EPLI Philanthropy Planner : Structuring your giving summary

4

**Instructions**

After reviewing the Giving vehicles comparison table together with your worksheet responses, rank the giving vehicles best suited to your preferences. Identify concerns, questions, and next steps you want to discuss with your adviser about setting up your giving vehicles. Fill out the completed page to include in your Philanthropy Planner at the end of this toolkit.

Which giving vehicles would best suit me?

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_

Questions / Concerns:

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Next Steps:

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# Section 5

## How do you find and assess organisations?





You are now ready to search for effective organisations aligned with your philanthropic goals. Even if you do not find a perfectly matching organisation, your research will help you understand the landscape and learn which organisations address your broader issues as well as their method for doing so. You may already have organisations in mind, but we nonetheless encourage you to take time to learn about other organisations working in your focus areas to ensure your giving is as effective as possible.

This section will guide you through the following steps:

- 1 Find organisations in your focus areas.**
- 2 Understand how organisations can achieve their intended outcomes.**
- 3 Assess organisations to identify those working effectively.**

## 5.1

# Find focus-aligned organisations



## Proactively identifying organisations to fund, rather than reactively responding to miscellaneous funding requests, makes it more likely that you will support organisations aligned with your philanthropic goals.

The search process also helps you learn more about the landscape of your focus areas, making your philanthropy more effective. You will take two main steps to find organisations: seeking recommendations from your networks and researching online.

### Seek recommendations from your networks

If you have family, friends, or professional acquaintances with significant experience in your focus areas, consider asking them to recommend organisations they know or volunteer with. Make sure you understand the depth of their experience with their recommended organisations, why they recommend them, and what biases may affect their recommendations.

You can also seek recommendations from issue-area experts. For example, you may ask a friend who is a human rights lawyer about organisations supporting immigrant rights, or an oncologist about current cancer research. Experienced donors in your focus area are another good source of recommendations.

Professional philanthropic advisers and donor networks can also help you identify effective organisations working in your focus areas. Refer to the Philanthropist Resource Directory (PRD) database on our website for information on professional philanthropic advisers and donor networks who are familiar with your areas of interest.

[pacscenter.stanford.edu/prd](https://pacscenter.stanford.edu/prd)

In Australia, there are networks to support philanthropists to find and solicit recommendations. These include Perpetual's IMPACT Philanthropy Program, Australians investing in Women, Australian Environmental Grantmakers Network, Mannifera, and Australian International Development Network. If you are looking for place-based funding

recommendations, community foundations often understand the local landscape of non-profit organisations.

Australian Community Philanthropy (ACP) is Australia's peak organisation for Community Foundations. ACP unites, represents and supports community foundation across the country in a national network, to amplify their collective voice and impact.

[australiancommunityphilanthropy.org.au](https://australiancommunityphilanthropy.org.au)

### Research online

Use the internet to find organisations in your focus areas. The following resources will be helpful in your search.

### Search engines

A focused online search is the most comprehensive way to find non-profit organisations. The more specific you are about your focus areas, the more likely your search query is to be useful.

Create targeted search queries by including your issue or focus area, the populations or groups you want to help, and (if relevant) your geographic interests. Note that you may want to change the word order of your search queries depending on your personal preferences.

For example, if you are more interested in a particular population than a specific location, place the population before the location. Here are a few examples of searches that provide focused results:

- non-profit organisation education low-income students in Adelaide
- non-profit mental health services in Queensland for youth
- charities global health women organisations

## Organisations' websites

Look on the website of each organisation that is a candidate for your giving for pages with titles like 'About Us' or 'About [the Organisation]' and 'Programs and Services', and read them carefully to see how the organisation aligns with your focus area. If you are interested in volunteering with the organisation before making a gift, look for titles like 'Get Involved' to look up ongoing volunteer activities, or see if the organisation has any public events or benefits you might attend.

Note that maintaining a sophisticated website requires significant resources that an effective organisation may have chosen to direct elsewhere; website design does not necessarily correlate with the organisation's effectiveness.

The Australian Charities and Not-for-Profits Commission (ACNC) provides up to date registration information on all active charities in Australia and provides a searchable database.

If you align yourself with an adviser who provides a philanthropic grant-making service, they should be able to provide you with a list of organisations which have been appropriately assessed and align with your areas of interest.

## When to stop your search

At some point, you will stop searching for organisations and begin assessing those on your list. What that point is depends on how many plausible candidates you've identified, how much time and capacity you have to devote to the process, and your own preferences for comprehensiveness. You may wish to ensure that you don't miss any organisations in the field, or you may be satisfied after finding a handful of good candidates.

## Landscape analysis

A landscape analysis helps you learn about the best research, strategies, stakeholders, organisations, and funders in your focus area. If you have limited time but want to make sure you have a strong grasp of the issue, stakeholders, other donor activity, and policies affecting your interest area, it is common to engage a consultant

to create a custom landscape analysis for you.

A landscape analysis can take a few weeks or a few months and generally begins with desk research—internet searches and literature reviews about a field. You (or the consultant) can supplement this by talking to principal stakeholders, including your intended beneficiaries, non-profits, other funders, scholars, government officials, business leaders, and community members. For example, Philanthropy Australia partnered with Candid to help make their members' grantmaking activities smarter and more strategic by boosting the availability of rich grants data – for and about funders in Australia. This data is delivered through a tool called Foundation Maps: Australia.

## Landscape analysis examples:

[issuelab.org/resource/launching-the-grand-challenges-for-ocean-conservation.html](http://issuelab.org/resource/launching-the-grand-challenges-for-ocean-conservation.html)

- [hewlett.org/library/landscape-analysis-of-youth-serving-funding-and-non-profit-communities-in-the-san-francisco-bay-area](http://hewlett.org/library/landscape-analysis-of-youth-serving-funding-and-non-profit-communities-in-the-san-francisco-bay-area)

## Funding map example:

Foundation Maps: Australia [philanthropy.org.au](http://philanthropy.org.au)

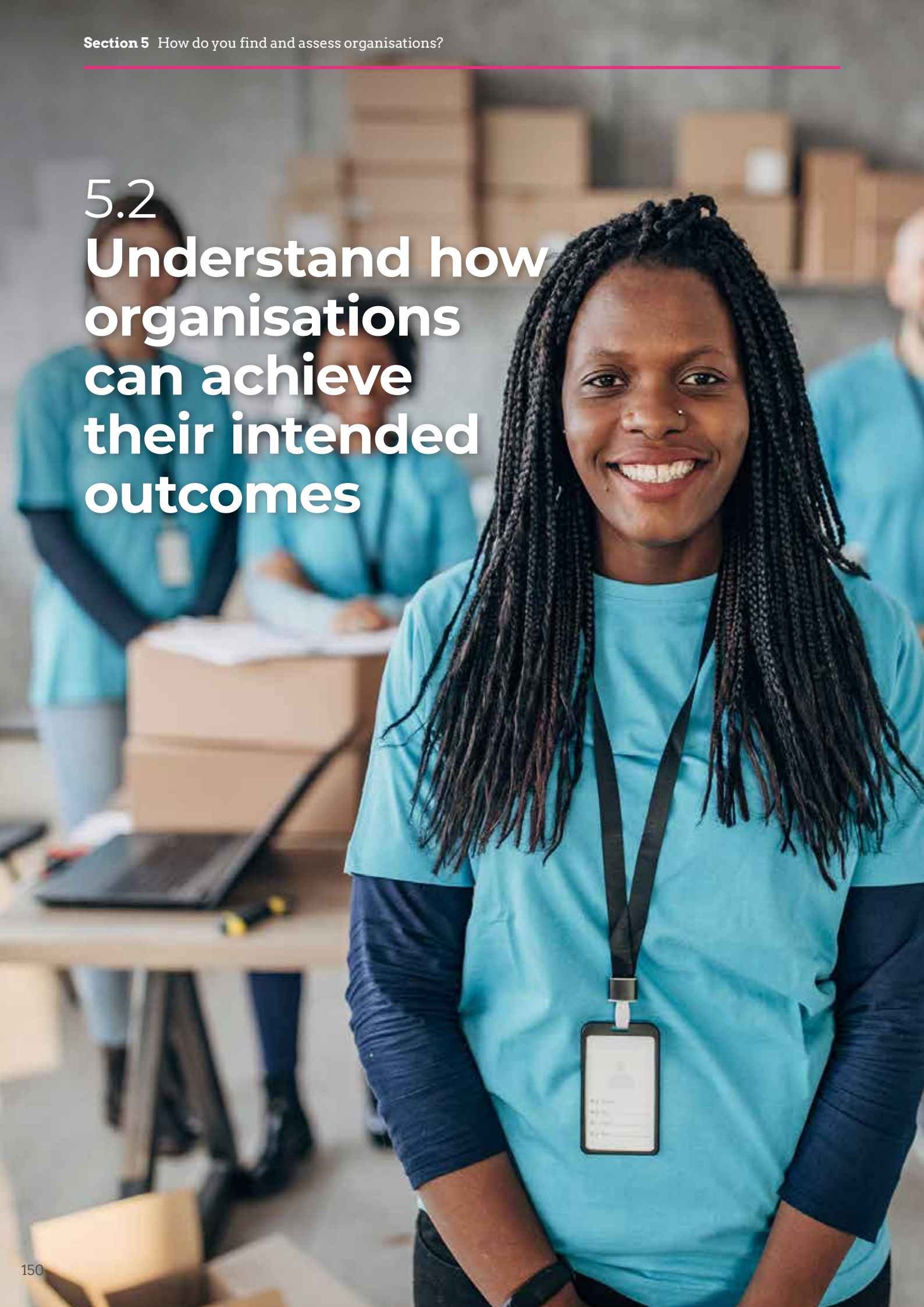
- [fundingtheocean.org](http://fundingtheocean.org)
- Australian Environmental Grantmakers Network ([AEGN.org.au](http://AEGN.org.au))

If you would like to conduct a landscape analysis on your own, please refer to Stanford PACS' Guide to Effective Philanthropy for a DIY Landscape Analysis Activity in Chapter 7: Finding effective organisations which is available in print or on Stanford's website. [pacscenter.stanford.edu/donorguide](http://pacscenter.stanford.edu/donorguide)



## 5.2

# Understand how organisations can achieve their intended outcomes



The following comparison tables describe three different approaches to addressing social and environmental problems.

The approaches are not mutually exclusive – donors, and even organisations, can use more than one approach. Use the charts to better understand the organisations you have identified so far. Then reflect on whether some approaches might be better suited than others to achieving your philanthropic goals in a focus area.

### **Activities:**

#### **N. Shortlist organisations**

Three different approaches to addressing social problems:

Approach	What is it?	Timeline
<b>Directly providing goods and services</b>	<p>Engages directly with beneficiaries through programs and services.</p> <p><b>Examples:</b> women’s shelters, soup kitchens, health clinics.</p>	Short term
<b>Supporting research and development</b>	<p>Supports the generation and dissemination of research and applied knowledge, as well as educational and cultural organisations.</p> <p><b>Examples:</b> cancer research by medical institutes, policy research by think tanks.</p>	Long term
<b>Advocacy, movement-building, and changing societal mindsets / system</b>	<p>Aims to address structural and systemic causes of a problem, generally by changing policies and laws to protect rights or promote interests; or attempts to change mindsets across society.</p> <p><b>Examples:</b> campaigns to mitigate climate change, campaigns for nutritional labels on foods, living wage campaigns, gay-rights movements, reproductive health movement.</p>	Long term

Visibility of results	Systemic change	Likelihood of success
High	No	High
Seldom	Not usually	Varies depending on project scope
High	Yes	Varies depending on project scope



These examples show how issues can be addressed using different approaches

<b>Issue: Suicide prevention (mental health)</b>		
<b>Providing goods and services</b>	<b>Promoting knowledge</b>	<b>Advocacy and movement-building</b>
Crisis helplines for individual suicide prevention.	Suicide prevention peer-training workshops for underserved populations.	Campaigning for mental health coverage under health insurance.

<b>Issue: Animal rescue (animal welfare)</b>		
<b>Providing goods and services</b>	<b>Promoting knowledge</b>	<b>Advocacy and movement-building</b>
Animal rescue services and shelters.	Training and research on best practices for shelters.	Advocating for more humane policies that regulate breeding.

<b>Issue: National park conservation (natural resources conservation and protection)</b>		
<b>Providing goods and services</b>	<b>Promoting knowledge</b>	<b>Advocacy and movement-building</b>
After-school and summer national park programs for children.	Monitoring of park conservation efforts.	Advocating for more federal funding for national parks.

**Activity: Shortlist organisations**

**N**

**Instructions**

For each focus area, select organisations in your assessing process. Use the different approaches to help you shortlist organisations you may want to fund.

Worksheet: **Shortlist organisations**

N

**Instructions**

For each focus area, shortlist organisations that you would like to review further.

	Organisation 1
Who does the organisation aim to serve?	<hr/> <hr/> <hr/>
Where does the organisation focus its work?	<hr/> <hr/> <hr/>
Website / name of contact / contact information	<hr/> <hr/> <hr/>
How does this organisation align with your philanthropic goals?	<hr/> <hr/> <hr/>
When you are satisfied with your list, select the organisations you will include in your assessing process.	<input type="radio"/> Shortlisted for due diligence <input type="radio"/> Due diligence completed

Worksheet: **Shortlist organisations**



**Instructions**

For each focus area, shortlist organisations that you would like to review further.

	Organisation 2
Who does the organisation aim to serve?	<hr/> <hr/> <hr/>
Where does the organisation focus its work?	<hr/> <hr/> <hr/>
Website / name of contact / contact information	<hr/> <hr/> <hr/>
How does this organisation align with your philanthropic goals?	<hr/> <hr/> <hr/>
When you are satisfied with your list, select the organisations you will include in your assessing process.	<input type="radio"/> Shortlisted for due diligence <input type="radio"/> Due diligence completed

Worksheet: **Shortlist organisations**

N

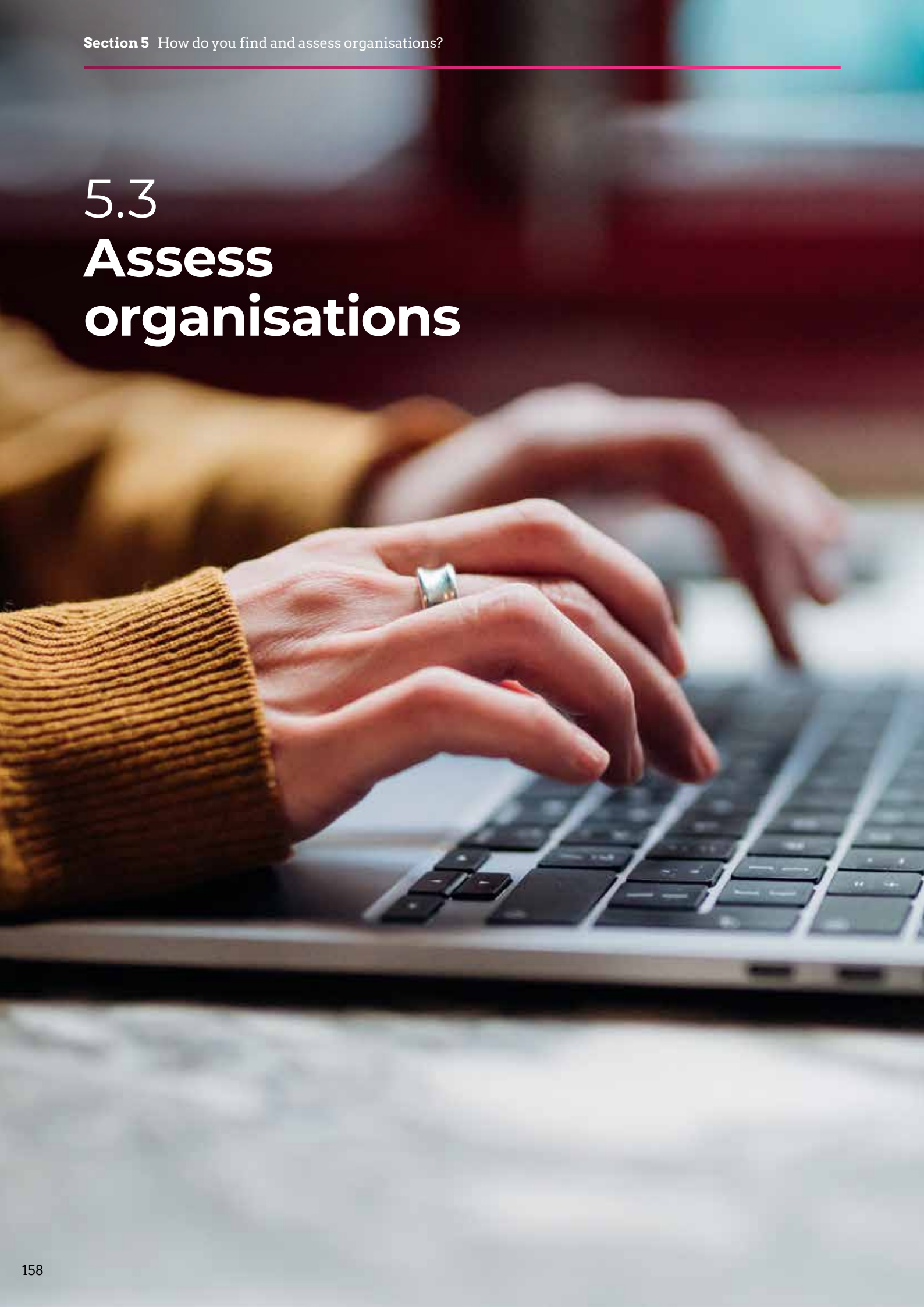
**Instructions**

For each focus area, shortlist organisations that you would like to review further.

	Organisation 3
Who does the organisation aim to serve?	<hr/> <hr/> <hr/>
Where does the organisation focus its work?	<hr/> <hr/> <hr/>
Website / name of contact / contact information	<hr/> <hr/> <hr/>
How does this organisation align with your philanthropic goals?	<hr/> <hr/> <hr/>
When you are satisfied with your list, select the organisations you will include in your assessing process.	<input type="radio"/> Shortlisted for due diligence <input type="radio"/> Due diligence completed

## 5.3

# Assess organisations



You can now assess the organisations you have shortlisted through your due diligence. Due diligence involves assessing an organisation's legal status, overall health, strategic direction, and programmatic impact. Completing this process thoroughly will enable you to make funding decisions with confidence.

The following tables outline the assessing areas your due diligence process will focus on.

A key resource for you during this process is the Australian Charities and Not-for-profits Commission (ACNC) website: [acnc.gov.au](https://www.acnc.gov.au)

### **Activities:**

#### **O. Conduct due diligence**

Assessment areas	Why is this important to consider?	Possible red flags
<b>Legal status</b>	Only contributions to an organisation endorsed with Deductible Gift Recipient (DGR) status are tax deductible.	<ul style="list-style-type: none"> <li>Organisations not endorsed with Deductible Gift Recipient (DGR) status</li> </ul>
<b>Organisational history</b>	An organisation's track record may indicate its ability to achieve its future goals.	<ul style="list-style-type: none"> <li>Negative press coverage (current or past)</li> </ul>
<b>Strategy</b>	Effective organisations are clear about their goals and the approach they take toward achieving them.	<ul style="list-style-type: none"> <li>Repeated changes in strategy and vision</li> <li>Pursuit of multiple, disparate strategies with limited resources</li> </ul>
<b>Programs and services</b>	Effective organisations have consistent and complementary programs and are not spread too thin.	<ul style="list-style-type: none"> <li>Programs/services are spread across multiple, disconnected issues or focus areas</li> <li>No signs of meaningful engagement with the target population</li> </ul>
<b>Governance and management</b>	Senior staff should have experience and knowledge relevant to the organisation's goals. Board members should have the expertise to provide strategic direction.	<ul style="list-style-type: none"> <li>A series of major changes in leadership (e.g., in the position of executive director, chief executive officer, chief finance officer, etc)</li> <li>Board members or significant donors have conflicts of interest</li> <li>Board lacks expertise about non-profit governance or lacks representation from the organisation's intended beneficiaries</li> </ul>
<b>Financials</b>	Effective organisations ensure their financial health by managing their budgets efficiently, fundraising from a diversified stream of donors, tracking revenue and expenses, and having resources in reserve.	<ul style="list-style-type: none"> <li>For organisations with an annual revenue of \$250,000 or more, no audited financial statements (as required by the ACNC)</li> <li>Growing deficit or unexplained financial volatility</li> <li>Reliance on a single donor or a small group of donors</li> </ul>
<b>Monitoring and evaluation (see explanation)</b>	Effective organisations function as <b>learning organisations</b> by tracking program outcomes and using ongoing feedback to inform current and future work.	<ul style="list-style-type: none"> <li>No statements or reports on recent work and results</li> <li>Reports show no indication that strategies have been adapted to address lessons from past activities</li> </ul>



Your due diligence on a non-profit organisation may raise red flags related to the organisation's operations, leadership, or programs. Not all red flags are necessarily deal breakers. Some may be challenges that exist for a fixed period of time (e.g., an executive director in transition, a temporary deficit in the current financial year), while others may be more pervasive or ongoing (e.g., lack of program data, lack of focus).

The tables on the following pages list some common red flags encountered in due diligence. Consider the donor reflection questions related to each of the red flags to help you weigh their significance when deciding whether to support the organisation. Ultimately, it is up to you to determine the weight a red flag will hold in your funding decision.

## Red flag table

	Transparency	Legal status / organisational history	
Possible red flags	Basic information is not made publicly available, including one or more of the following: the organisation's approach, programs and services, or list of board members.	The organisation is not legally registered as a charitable organisation in Australia or reporting is not up to date with the ACNC.	Research turns up negative press coverage (current or past).
Follow-up questions	<ul style="list-style-type: none"> <li>• Does the organisation provide contact information?</li> <li>• When contacted, is the organisation transparent about its work?</li> <li>• Is there a particular reason it does not share its information widely?</li> </ul>	<ul style="list-style-type: none"> <li>• Is the organisation registered outside of Australia? If so, where?</li> </ul>	<ul style="list-style-type: none"> <li>• If there is controversy surrounding the organisation, is it a positive indication that they are making an impact on a difficult issue, or is it due to a more problematic situation?</li> <li>• How has the organisation addressed or responded to the issues in the negative press coverage?</li> </ul>
Donor reflections questions	<ul style="list-style-type: none"> <li>• Do you have enough information to get a sense of the broad areas of due diligence and to feel comfortable funding the organisation?</li> </ul>	<ul style="list-style-type: none"> <li>• Are you willing to support an organisation not registered in Australia?</li> <li>• Is it necessary that your gift be tax deductible?</li> </ul>	<ul style="list-style-type: none"> <li>• Do you feel that the organisation has appropriately and sufficiently responded to the issues brought up by the press coverage?</li> </ul>

## Red flag table (continued)

Strategy				
<b>Possible red flags</b>	It is not clear where the organisation is headed in the near future.	The organisation is undergoing a change in its approach/ vision without any details.	The organisation does not seem to engage its target population in a meaningful way.	The organisation pursues multiple, disparate strategies with limited resources.
<b>Follow-up questions</b>	<ul style="list-style-type: none"> <li>• Is the organisation in a transition phase?</li> <li>• Is the organisation working in a dynamic field that requires flexibility?</li> <li>• Can the organisation's staff clearly articulate the current program goals?</li> </ul>	<ul style="list-style-type: none"> <li>• What are the reasons for this change?</li> <li>• How was the new approach/ vision determined?</li> </ul>	<ul style="list-style-type: none"> <li>• What barriers might the organisation face in engaging its target population?</li> <li>• How does the organisation take the target population's perspectives into account?</li> </ul>	<ul style="list-style-type: none"> <li>• Why does the organisation employ such strategies?</li> </ul>
<b>Donor reflections questions</b>	<ul style="list-style-type: none"> <li>• Do you feel that the organisation has a clear enough future direction and that your funds can contribute to its progress?</li> </ul>	<ul style="list-style-type: none"> <li>• Are you willing to support an organisation's efforts to change its approach/ vision?</li> </ul>	<ul style="list-style-type: none"> <li>• Do you feel the organisation sufficiently engages the target population given the focus area?</li> </ul>	<ul style="list-style-type: none"> <li>• Do you feel the organisation places sufficient emphasis on the strategies that are most important to you?</li> </ul>

## Red flag table (continued)

	Programs and services	Governance and management		
Possible red flags	Programs/services are spread thin across multiple, incohesive issues and focus areas.	The organisation has undergone a series of major leadership transitions (e.g., changes in executive director, chief executive officer, chief finance officer).	Board members or significant donors have conflicts of interest.	The board lacks expertise about and representation from the organisation's intended beneficiaries.
Follow-up questions	<ul style="list-style-type: none"> <li>• Is the organisation large enough to justify such a wide focus?</li> <li>• Is the organisation able to demonstrate past success across its focus areas?</li> </ul>	<ul style="list-style-type: none"> <li>• Is the organisation transparent about these transitions and the factors that caused them?</li> <li>• How has the organisation handled the transitions?</li> </ul>	<ul style="list-style-type: none"> <li>• Is the organisation transparent about any conflicts of interest?</li> <li>• How does it address the conflicts?</li> <li>• How might the conflicts affect the organisation's work?</li> </ul>	<ul style="list-style-type: none"> <li>• What barriers may the organisation face in engaging these key players?</li> <li>• How does the board try to make up for the lack of this perspective?</li> </ul>
Donor reflections questions	<ul style="list-style-type: none"> <li>• Do you feel the organisation places sufficient emphasis on the programs and services that most interest you?</li> </ul>	<ul style="list-style-type: none"> <li>• Are you willing to support an organisation undergoing a leadership transition?</li> </ul>	<ul style="list-style-type: none"> <li>• Do any conflicts of interest affect the organisation's alignment with your philanthropic goals?</li> </ul>	<ul style="list-style-type: none"> <li>• How does this organisation's beneficiary representation compare to that of others in its field?</li> </ul>

## Red flag table (continued)

Monitoring and evaluation			
<b>Possible red flags</b>	The organisation does not clearly track its work and impact.	The organisation has had a series of ineffective programs and does not apply lessons learned to its future work.	The organisation pursues multiple, disparate strategies with limited resources.
<b>Follow-up questions</b>	<ul style="list-style-type: none"> <li>• Does the organisation have sufficient capacity (e.g., staff, expertise) to track its work and impact?</li> <li>• How does the organisation know it is making progress?</li> </ul>	<ul style="list-style-type: none"> <li>• What does the organisation do with the information it collects about its past programs?</li> <li>• How does the organisation seek to improve its programs and general functioning?</li> </ul>	<ul style="list-style-type: none"> <li>• Why does the organisation employ such strategies?</li> </ul>
<b>Donor reflections questions</b>	<ul style="list-style-type: none"> <li>• Do you trust the organisation's account of progress in its programs?</li> <li>• Are you comfortable supporting a program that has yet to collect data on its work and impact (e.g., through pilot programs or trials)?</li> </ul>	<ul style="list-style-type: none"> <li>• Do you consider ineffective programs part of the learning process?</li> <li>• Does the organisation demonstrate interest in improving its programs?</li> </ul>	<ul style="list-style-type: none"> <li>• Do you feel the organisation places sufficient emphasis on the strategies that are most important to you?</li> </ul>

## Red flag table (continued)

Financials			
<b>Possible red flags</b>	An organisation with an annual revenue budget over \$250,000 does not have audited financial statements (as required by the ACNC).	The organisation relies on a single donor or a small group of donors.	The organisation has a growing deficit or has demonstrated extreme volatility in its financial accounts.
<b>Follow-up questions</b>	<ul style="list-style-type: none"> <li>Is the organisation generally transparent about its finances?</li> </ul>	<ul style="list-style-type: none"> <li>Does the organisation have a feasible strategy in place to diversify its revenue sources?</li> </ul>	<ul style="list-style-type: none"> <li>What factors have contributed to this financial state? Is the organisation working in a volatile field?</li> <li>What is the organisation doing to address its deficit in the next 2–3 years (e.g., fundraising activity, revenue generation)?</li> </ul>
<b>Donor reflections questions</b>	<ul style="list-style-type: none"> <li>Are you willing to support an organisation that does not comply with audit requirements?</li> </ul>	<ul style="list-style-type: none"> <li>Are you willing to be part of a smaller group of donors or to be the only donor supporting an organisation?</li> </ul>	<ul style="list-style-type: none"> <li>Do you consider a current deficit a significant risk?</li> <li>Are you tolerant of some financial volatility in the organisations you choose?</li> </ul>

## Monitoring and evaluation

Understanding how an organisation learns from experience is an essential component of effective due diligence. We separate the learning process into two categories: monitoring and evaluation.

Organisations have a wide range of measurement and evaluation reporting practices, from very basic to quite sophisticated.

Sophisticated program measurement and evaluation is resource-intensive and should not necessarily be expected from every organisation. If identified as a primary need by the organisation's leadership, it is common for donors to support improving and expanding an organisation's measurement and evaluation strategy and implementation.

### Monitoring

Monitoring is the systematic, routine collection of information from an organisation's programs and services, usually undertaken by the organisation itself. Monitoring focuses on predetermined key indicators (qualitative or quantitative) that help organisations assess their performance, such as beneficiary engagement and feedback, program implementation, finances, and unintended harms. Highly effective organisations set targets for these indicators and measure their progress toward them. These targets should be SMART (specific, measurable, attainable, realistic, and timely). This enables organisations to learn from their work and continually refine their programs.

### Evaluation

Evaluation helps organisations understand their programs' effectiveness in achieving their intended outcomes. Evaluation can be carried out within an organisation or by an external evaluator. Internal

evaluation offers the benefit of deep contextual understanding, while external evaluation offers the benefit of outside expertise and credibility through a neutral third party.

Referring to the three basic approaches described in Section 5.2 on achieving social outcomes, it is usually easiest to evaluate the outcomes of service delivery programs and can be difficult to evaluate the outcomes of advocacy, field-building, and promoting knowledge – which often have long time horizons and depend on the contributions of many actors. In these cases, evaluations may be more qualitative than quantitative.

If you are interested in learning more about assessing an organisation's strategy and evaluation process, see Additional Resources: Section 5 at the end of this toolkit.



**Activity: Conduct due diligence**



**Instructions**

Complete due diligence on your shortlisted organisations, either on your own or with a philanthropic adviser.

Much of the information you need will be on an organisation's website, in recent annual reports, or in the online resources listed at the back of the toolkit. If some information is not readily available, you may consider contacting the organisation. In conducting your due diligence, don't let your information requests be a drain on the organisation's time and resources. Ensure that the amount of information you are requesting is commensurate with the size of your intended gift.



## Activity: Conduct due diligence



### Instructions

For each organisation on your shortlist, conduct due diligence to assess its effectiveness and look for red flags in order to make your funding decisions. Circle any questions you plan to review later. It may help to read the questions before you begin your research.

### Caveats before your due diligence:

- **You do not have to answer every question in detail before funding an organisation** – many organisations do not have all this information available but are still extremely effective.
- On the other hand, if most of this information is difficult to find, that could raise a red flag.
- Do not rush to judgment based on an organisation's website – maintaining a compelling online presence requires significant staff capacity that may be focused elsewhere.
- If any of your research raises concerns, consult the red flags table in Section 5.3 to understand how to move forward with your decision-making.

Continued on following page



**Activity: Conduct due diligence**

**Legal status / organisational history**

**Is the organisation legally registered?**

Legal registration signals that organisations are adhering to basic standards and accountability frameworks in the country in which they work. In Australia, a non-profit might be registered as a charitable organisation but only gifts to a DGR1 or DGR2 are tax deductible.

**Is media coverage (if any) of the organisation positive?**

Conduct a quick internet search of your organisation. A lack of media coverage is not a red flag – it can be extremely difficult for smaller organisations to gain media coverage. However, a series of scandals and negative press and public perception may present concerns about an organisation’s work.

**Strategy**

**Does the organisation clearly define its goals and strategy for creating social change?**

Reading an organisation’s mission statement or theory of change can help you get a sense of this. Effective organisations clearly define their goals and the approach they take to meet these goals.

**Programs and services**

**Are the organisation’s programs and services aligned with its mission and goals?**

An organisation’s missions and goals should be consistent – or at least complementary – across its various programs and services. It is important to ensure that the organisation’s programs are not spread too thin across disparate areas.

## Activity: Conduct due diligence



## Governance and management

**Does the organisation's senior staff have the relevant experience, knowledge, and skills needed for their work?**

A variety of factors can indicate staff members' capability; one key factor is depth of experience within their field. Other factors can include familiarity with beneficiary communities and diverse skill sets across the staff as a whole. It is also important that the staff represent an organisational commitment to diversity and inclusion. Many non-profit organisations include staff bios on their websites; for each organisation, consider whether the staff size is appropriate, and the roles are well-rounded for the organisation's scope of work.

**Does the organisation's board have the broad experience, knowledge, and skill needed to provide the organisation with strategic direction?**

Boards can play an important role in providing legal, technical, and strategic guidance; provide checks and balances within the organisational structure; and generate fundraising support. It is important to have a diverse, inclusive board with active members who do not have any conflicts of interest with the organisation's work.

## Financials

Along with your other sources, the Australian Charities and Not-for-profits Commission (ACNC) can help you find the financial information you need for this section. This online resource database provides data from non-profits including Annual Information Statements (AIS) and financial statements (depending on size). [acnc.gov.au/charity](http://acnc.gov.au/charity)

**Have the organisation's financial records been audited?**

Non-profits with gross annual revenues of \$250,000 or more (medium charity) are required by the ACNC to provide financial statements prepared by an independent Accountant which have been reviewed or audited. A non-profit with gross annual revenue over \$1 million must provide audited financial statements certified by an independent Accountant. If the non-profit is not legally required to be audited and has not been audited, this is not a red flag—audits can be expensive for smaller organisations and may be unnecessary given their level of financial complexity.

## Monitoring and evaluation

**Does the organisation share how it tracks and measures the success of its work?**

This information is often provided in annual reports or other documents. It is important for organisations to track past outcomes to inform their current and future work. A lack of a successful track record need not prevent your gift. What is important is that the organisation collects data on outcomes from its programs, is transparent about its failures, and intentionally applies the lessons learned to its next initiative.

Worksheet: **Conduct due diligence**

	Yes	No	Not sure
<b>Legal status/organisational history</b>			
Is the organisation legally registered?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Does the organisation have offices in the regions where it works? If so, where?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is media coverage (if any) of the organisation positive?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Goals and approach</b>	<b>Yes</b>	<b>No</b>	<b>Not sure</b>
Does the organisation clearly define its goals and strategy for creating social change?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Programs and services</b>	<b>Yes</b>	<b>No</b>	<b>Not sure</b>
Are the organisation's programs and services aligned with its mission and goals?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Governance and management</b>	<b>Yes</b>	<b>No</b>	<b>Not sure</b>
Does the organisation's senior staff have the relevant experience, knowledge, and skills needed in their work?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Does the organisation's board have well-rounded and appropriate experience and the skills, and capacity needed to provide the organisation with strategic direction?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Financials</b>	<b>Yes</b>	<b>No</b>	<b>Not sure</b>
Have the organisation's financial records been audited?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are the organisation's revenue and funding sources diverse (e.g., from across foundations, corporations, government agencies, and individuals)?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is the organisation's revenue greater than its expenses?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Monitoring and evaluation</b>	<b>Yes</b>	<b>No</b>	<b>Not sure</b>
Are the organisation's programs and services aligned with its mission and goals?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Worksheet: **Conduct due diligence****Instructions**

If you would like to dive deeper into your understanding of an organisation, or if you are considering making a gift that is a significant part of your philanthropic budget or significant to the organisation in question, you can use the remaining questions to learn more. Otherwise, skip ahead to the end of the worksheet.

<b>Advanced due diligence</b>	<b>Yes</b>	<b>No</b>	<b>Not sure</b>
<p><b>Does the organisation have offices in the regions where it works? If so, where?</b></p> <p>This will be indicated on the organisation's website, often in the 'Contact Us' section. Having staff on-site is critical for building relationships with communities, carrying out effective programs, and conducting monitoring and evaluation.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p><b>Does the organisation have sufficient evidence or research supporting its chosen strategy?</b></p> <p>Ask how the organisation created its strategy. This can include social science research evidence, evidence from its previous work, or feedback from beneficiary communities.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p><b>Is the organisation's work aligned with the needs of its target population?</b></p> <p>Ask how the organisation began to understand the needs of its beneficiaries. To ensure that an organisation's work is rooted in the needs, goals, and way of life of its target population, it should seek input from beneficiaries in determining its programs and services. This can take multiple forms – having beneficiary community members on the staff or board, holding community feedback sessions, etc.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p><b>Are the organisation's goals and approach coherent over time?</b></p> <p>Ask how an organisation's approach may have changed over time. For older organisations, a change in strategy can demonstrate responsiveness to the needs of an ever-changing world. Alternatively it could suggest a lack of values grounding the organisation's work. This can often be gauged by reviewing annual reports from different periods of the organisation's history.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Worksheet: **Conduct due diligence**

Advanced due diligence	Yes	No	Not sure
<p><b>Are the organisation's revenue and funding sources diverse (e.g., from across foundations, corporations, government agencies, and individuals)?</b></p> <p>A diverse revenue stream is important for a non-profit's stability and financial health. However, a concentrated revenue stream does not necessarily have to deter your donation—it could represent an urgent need and key opportunity for impact. Additionally, when looking through funding sources, consider that large foundations and other established institutions often use rigorous evaluation criteria when choosing their grantees. Having one as a funder signals a certain degree of achievement that can boost your confidence in an organisation.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p><b>Does the organisation incorporate what it learns into future programs?</b></p> <p>Effective organisations expand on past successes, and do not repeat past failures.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p><b>Is the organisation's revenue greater than its expenses?</b></p> <p>In other words, does the organisation show a positive balance of funds? This is crucial for an organisation's financial sustainability. If its expenses do exceed its revenue, see if the organisation has a plan for fundraising or generating alternative revenue, and investigate how long the organisation has had a deficit.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p><b>Does the organisation have a suitable plan for monitoring and evaluating its current programs?</b></p> <p>Non-profits should have metrics for tracking whether their initiatives are being implemented effectively, on time, and on budget. While a certain level of evaluation is important, also consider that rigorous third-party evaluations are prohibitively expensive for many non-profits. Evaluations may also be done in-house.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p><b>Is the organisation heading into or in the midst of any significant leadership transitions?</b></p> <p>Leadership transitions, especially among executive directors, can often be a turning point for organisational mission and strategy. Prior to and during this period, it is important that an organisation has a detailed plan for how the transition will be handled. You can also ask how the organisation has handled any previous leadership transitions.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Worksheet: **Conduct due diligence**



Advanced due diligence	Yes	No	Not sure
<p><b>Is the organisation’s current budget made available? If so, is the organisation’s budget appropriate for its goals and strategies?</b></p> <p>Organisational budgets vary tremendously across scope and sector, but an organisation’s budget should align with the scale of its work. You can also consider specific program budgets to determine this. We do not recommend comparing program costs and overhead costs, as an organisation’s overhead budget is critical for maintaining and building its organisational capacity. Note that many organisations do not disclose their budget until the financial year is over; you can look at their financial statements for past budgets.</p>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**As you learn more about the organisation, keep the following question in mind:**

Organisations best understand their own needs and aligning your gift with those needs can often help you maximise the impact of your philanthropy. This could include any initiatives for which they are currently actively fundraising.

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## Worksheet: Conduct due diligence



When you are satisfied with your answers to the preceding questions, take some time to reflect on the strengths and weaknesses of this organisation.

Strengths:

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Weaknesses:

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Do you see this organisation fitting into your philanthropic vision? Why or why not?

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If you do not feel that this organisation is aligned with your philanthropic goals, remove it from your shortlist of organisations and move forward with due diligence for another organisation.





# EPLI Philanthropy Planner

## **Finding and assessing organisations summary**

Now that you have completed Section 5, turn to the Finding and assessing organisations summary on the next page. List the organisations you would like to fund and their key strengths. You can tear out the page at the end of each section to create your Philanthropy Planner files.

EPLI Philanthropy Planner: **Finding and assessing organisations summary****5****Instructions**

Compare the strengths and weaknesses of the organisations you have kept on your shortlist after each due diligence investigation. Identify at least one from each issue/focus area that you feel is well-aligned with your philanthropic goals and that you would like to fund.

**Issue / Focus area:**


Organisation 1 : \_\_\_\_\_

Why this organisation? \_\_\_\_\_

Organisation 2 : \_\_\_\_\_

Why this organisation? \_\_\_\_\_

**Issue / Focus area:**


Organisation 1 : \_\_\_\_\_

Why this organisation? \_\_\_\_\_

Organisation 2 : \_\_\_\_\_

Why this organisation? \_\_\_\_\_

**Issue / Focus area:**


Organisation 1 : \_\_\_\_\_

Why this organisation? \_\_\_\_\_

Organisation 2 : \_\_\_\_\_

Why this organisation? \_\_\_\_\_

**Issue / Focus area:**


Organisation 1 : \_\_\_\_\_

Why this organisation? \_\_\_\_\_

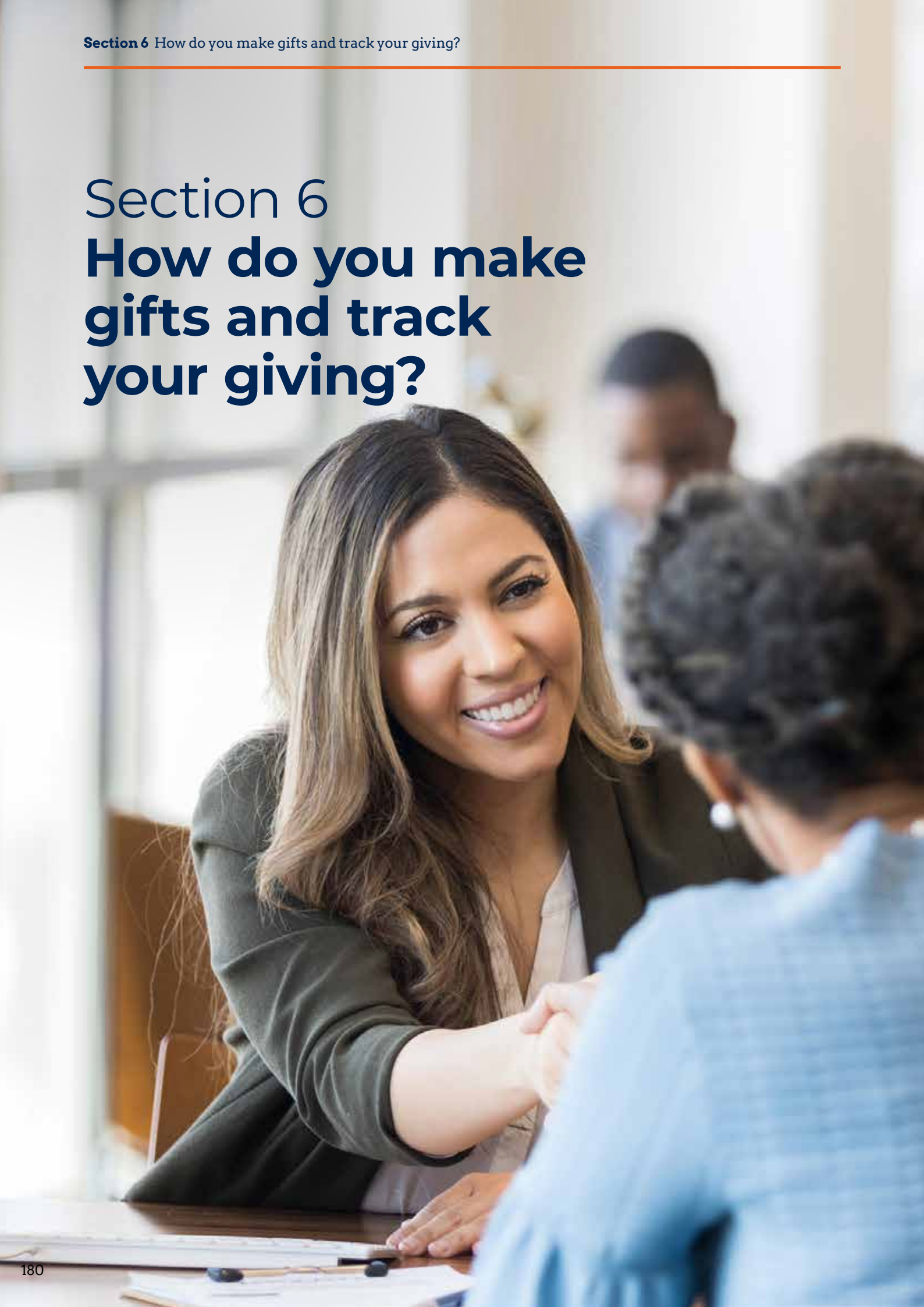
Organisation 2 : \_\_\_\_\_

Why this organisation? \_\_\_\_\_



# Section 6

## How do you make gifts and track your giving?



Now that you have identified and selected organisations aligned with your focus areas, you are ready to make gifts – and perhaps to contribute your time and talent as well.

This section will guide you through the following steps:

- 1** Make gifts to organisations you selected to achieve your philanthropic goals.
- 2** Track your philanthropy to help you learn about and improve your giving.
- 3** Consider expanding or refining your giving to further support your selected issues and organisations.

## 6.1 Make gifts to organisations you selected



Once you have selected organisations, the next step is to decide how you would like to allocate your philanthropic budget. Look back at **Activity L** to recall how much of your budget you allocated to each focus area.

You may also consider volunteering with the organisations you have selected, including serving on an organisation's board, in order to gain first-hand experience within your focus area and further support the organisations' work. Your primary consideration should be whether your expertise and other talents can help the organisation achieve its goals. (Don't join a board to direct or track how your gifts are used.) Refer back to Section 1.3 and **Activity F** for more considerations regarding volunteering and board service.

Once you have decided which organisations to fund and for what lengths of time, this section will help you build a funding plan for your focus areas.

## Types of organisational funding

When you make a financial gift to a non-profit organisation, you can designate it as either unrestricted or restricted funding. In keeping with best practices in philanthropy, we recommend that you mainly provide unrestricted general operating support. After all, the basic purpose of the due diligence process was to identify effective organisations whose leadership could be trusted to decide how best to allocate resources toward your shared stated goals.

Nonetheless, you may sometimes make a gift designated for a particular project that you and the organisation’s leadership agree is particularly important. If so, be sure that part of the gift covers indirect costs, or overhead—to cover the gift’s share of the organisation’s administrative expenses including office space, phone bills, and back-office staff. We recommend that at least 15%–20% of the gift be put toward these essential indirect costs.

Types of organisational funding	Considerations
<p><b>Unrestricted funding:</b> Contributions that the organisation’s management can direct to any of its programs and operations as needed.</p>	
<p><b>Unrestricted, general operating support</b> General operating support is the preferred mode for funding non-profits.</p> <p><b>Examples:</b> making a contribution to a local animal shelter or to a national education non-profit without placing any restrictions on the gift.</p>	<ul style="list-style-type: none"> <li>• Gives organisations the most autonomy to allocate funds to areas they deem necessary to achieve their charitable objectives.</li> </ul>
<p><b>Restricted funding:</b> Contributions given for a specific purpose, generally for the planning and implementation of particular programs or activities.</p>	
<p><b>Program support</b> Funds are directed toward specific programs or initiatives.</p> <p><b>Examples:</b> giving to a school’s music program, giving to a medical school’s breast cancer research lab.</p>	<ul style="list-style-type: none"> <li>• You are keen to support a particular initiative, or you are enthusiastic about filling a particular need, such as student financial aid.</li> <li>• Make sure that the organisation agrees that this is an important need.</li> </ul>



## Determine the frequency and time frame of your gift

When making a gift of significant size – either in terms of the organisation’s budget or your own resources – consider whether and under what circumstances you might wish to structure that gift as a multi-year pledge. Longer-term pledges, which can be binding or not, help an organisation engage in strategic planning for the future.

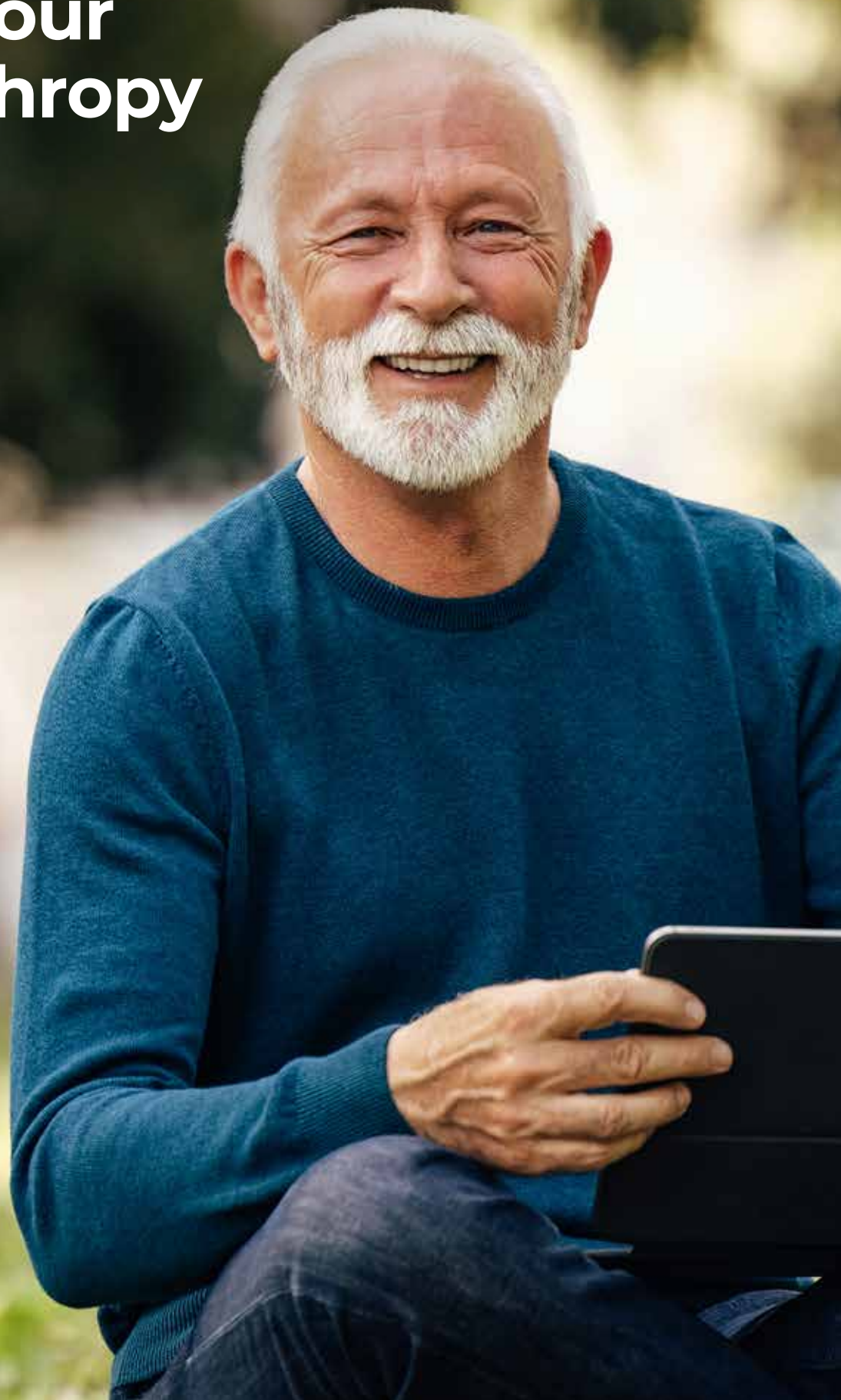
While the typical gift is expendable and can be used to meet the organisation’s current needs, some organisations seek gifts to endowment funds—for example, for scholarships or professorships at a university. Endowment funds are invested in perpetuity, and the organisation uses the income to pay for current needs.

## Record your gift

It is important to develop a system for recording your gifts. This will allow you to step back and reflect on your overall philanthropic portfolio. Use whatever format is convenient for you, such as a notebook, spreadsheet, or database. For tax purposes, unless you are giving through a PuAF or a PAF (with which you’ve already received a tax deduction when you put funds into the fund), make sure that the organisation provides you with a written receipt listing the date and amount or description of the contribution.

## 6.2

# Track your philanthropy



The philanthropic process does not end once your gifts are made. The next few paragraphs will help you track and learn from your giving and increase your effectiveness.

**Activities:**

P. Reflect on your contributions of Time, Talent and Ties

## Understanding impact in your philanthropy

Donors sometimes wish to trace the use of every dollar. This reflects a misunderstanding of impact in philanthropy, which is reflected in the overall impact of the organisations you support. Of course, organisations should track and publish their activities, outputs, and outcomes. But tracking each individual gift, even if it were possible, would divert the organisation's resources away from its core mission.

If your due diligence process (per Section 5) gave you confidence in an organisation's effectiveness, every dollar you contribute will add that much more to its outcomes. On the (hopefully rare) occasions

when you designate a gift for a particular project, you may be more interested in the results of that project than in the organisation as a whole. But if you have included adequate overhead funding, you can be confident that your gift did not detract from the organisation's overall effectiveness.

### Keep up with organisations you support

Below are some ways to stay current on the organisations you support:

- Read the organisations' annual reports, which typically include their budgets, accomplishments, and plans.
- Follow the organisations you support on social media platforms (e.g. Facebook, LinkedIn).
- Read the 'news' section on the websites of organisations you support and of similar organisations - or sign up for their e-newsletters.
- Attend events hosted by the organisations you support.
- If you made a major gift – for example, a gift that constitutes a noticeable portion of the organisation's budget – consider meeting with the organisation to get updates directly from its senior staff.

Activity: **Reflect on your contributions of your Time, Talent and Ties**

P

**Instructions**

Review the questions in Activity P to reflect on the time and effort you have contributed to organisations over your past giving cycle. Also consider your responses about your time and talent in Activity F. Jot down your thoughts.

**Reflect on your general volunteer work by answering these questions:**

Are you volunteering enough hours per month or year? Do you want to volunteer more?  
Do you feel you have been able to fulfill your volunteering commitments in a meaningful way?

**Example:** If you feel the answer is no, consider how you can scale back your commitment without derailing the organisation's work.

Do you want to continue volunteering for the same organisations?

**Example:** Do you want to add volunteer work with new organisations, or identify different organisations to work with instead?

If you want to volunteer more, can you get more involved with organisations you already support? Do you need to find more organisations?

**Reflect on your board service by answering these questions:**

How do you feel about your current board service? Are you providing value?

**Example:** Could you contribute your time, talent and professional or social ties in a more meaningful way?

If you want to join a new board, how can you find one that matches your interests and expertise?

Do you need to leave any boards?

**Example:** If you feel that the answer is yes, make sure to provide the organisation with adequate notice and work with them to effect the transition.



## Seek recommendations from your networks

Beyond tracking your particular contributions, it is useful to stay current about your focus areas.

Here are some ways to do this:

- Sign up for e-newsletters from foundations, funders, and thought leaders in your focus areas.
- Explore the websites of prominent foundations and funders who focus on your issues – read their issue-related pages and publications, note their recent grantees, and browse press releases about recent grants.
- Research annual awards that nominate exceptional organisations and individuals working on your focus areas and learn more about their strategy and approach.
- Talk to knowledgeable peers who support your focus areas.
- Join a peer group or giving circle dedicated to your focus areas or geography (refer to Section 2: Engaging others for more information).

## 6.3

# Consider expanding or refining your giving





**As you continue tracking the organisations you support and develop more confidence in their strategy and impact, you may wish to increase your gifts to further support their work.**

In addition to increasing annual gifts, consider setting up recurring gifts for a period of years. Such gifts can improve an organisation's stability and financial health. When reviewing your past donated funds, consider which contributions you would like to increase in the upcoming cycle.

Over time, you may decide that you wish to fund new issues or new organisations. This sometimes coincides with parting ways with a current recipient. In this case, we encourage you to help the

organisation prepare for your transition, especially if your gift constitutes a significant part of its budget, so that its operations do not suffer. At a minimum, most organisations will appreciate notification well in advance of your last gift. You may also consider setting up a transitional gift amount to phase out your support.

# EPLI Philanthropy Planner

## **Making and tracking gifts summary**

Now that you have completed Section 6, turn to the Making and tracking gifts summary on the next page. List the organisations you would like to fund and their key strengths. Fill in the table to outline your selected focus areas. You can tear out the page at the end of each section to create your Philanthropy Planner files.

6

EPLI Philanthropy Planner : Making and tracking gifts summary

**Instructions**

Review the questions in Activity P to reflect on the time and effort you have contributed to organisations over your past giving cycle. Also consider your responses about your time and talent in Activity F. Jot down your thoughts.

The following table reflects contributions from \_\_\_\_\_ to \_\_\_\_\_

I plan to revisit my funding decisions on \_\_\_\_\_

Total amount allocated

<b>Organisation name</b>	<b>Organisation status</b> Is it a registered charity? Does it have DGR1 status or DGR2 status?	<b>Type of organisation funding</b> Unrestricted / restricted	<b>Donation amount</b>	<b>One-time or recurring gift?</b> Note frequency (e.g., monthly, annual) if applicable	<b>Giving vehicle</b> Note which of your selected vehicles you will use for this gift.	<b>Gift documentation</b> Will your gift need any supporting documents?	<b>Next steps</b> Write down any actions you need to make this gift and any deadlines that apply.



EPLI Philanthropy Planner : **Making and tracking gifts summary**

**6**

**Volunteering overview**

<b>Organisation name</b>	<b>Intended amount of time to volunteer</b> Note how much time you can contribute.	<b>One-time or recurring?</b> Note any frequency (e.g., monthly, annual) if applicable.	<b>Organisation contact</b> Who will be your primary contact to arrange your volunteer hours?	<b>Next steps</b> Write down any actions you will need to take to make this commitment possible and any deadlines that apply.





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# Conclusion

**Congratulations on completing The Philanthropy Toolkit!**  
Engaging in this process of intense reflection, focus, and planning is no simple feat.

We hope this approach to philanthropy enriches your giving and paves the way for a lifelong practice of intentional philanthropy – one in which you build upon the lessons you learn along the way, and continually explore how you and your loved ones can deepen your impact on the world. Keep in mind that change takes time – patience is an essential component of the philanthropy journey.

On the following pages you will find additional resources and tools to help you continue your philanthropic learning process in your next giving cycle.

We would also love to hear your feedback on this toolkit and suggestions for new topics, webinars or other content that would be helpful for you.

**[pacscenter.stanford.edu/toolkit](https://pacscenter.stanford.edu/toolkit)**  
**[philanthropy@perpetual.com.au](mailto:philanthropy@perpetual.com.au)**

## **Activities:**

### **Q. Reflecting back and looking forward**

## Worksheet: Reflecting back and looking forward



### Instructions

Reflect on the questions below to assess your philanthropy and decide how you would like to refine it in your next giving cycle.

- Are the issues you prioritised still aligned with your philanthropic goals and values?
- Are you satisfied with your overall philanthropic budget?
- Did your reactive, proactive, and emergency giving align with your original allocation across these three buckets? If not, why not?
- Are you satisfied with your family's involvement in this last cycle? What went well? What did not?
- What are some ways you can expand your philanthropic learning opportunities in the next cycle – whether in regard to a particular issue or the process more generally?
- Would you like to obtain professional support for any areas in your next round of philanthropy?
- Are you satisfied with the giving vehicles you used in this last cycle?
- Would the next round of your philanthropy be a good time to start, continue, or deepen your collaboration with other donors?





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# Additional resources

## Philanthropy Australia

As the peak body, Philanthropy Australia serves a community of funders, social investors, and social change agents working to achieve positive social, cultural, environmental, and community change by leveraging their financial assets and influence. Philanthropy Australia provides a range of grant-making tools, publications, and links that are useful to both experienced philanthropists and those new to the field. [philanthropy.org.au](http://philanthropy.org.au)

## Australian Environmental Grantmakers Network (AEGN)

The AEGN is a membership-based organisation that works with philanthropic funders who want to become more effective in their giving to address environment and climate change issues.

**Consider joining a board to address the issues you care about**

## Australian Institute of Company Directors

The Australian Institute of Company Directors offers a range of courses, tools, and resources for Not-for-

Profit Directors. The Governance Foundations for Not-for-Profit Directors course provides participants with an understanding of fundamental compliance and performance related roles and responsibilities of directors, specifically in the areas of governance, risk, financial performance, and strategy. [aicd.companydirectors.com.au](http://aicd.companydirectors.com.au)

## Institute of Community Directors Australia

The Institute of Community Directors (ICDA) delivers information, tools, training, events, qualifications, and credentials to not-for-profits of all kinds. ICDA also offers a board matching service where individuals and workplace volunteering programs looking to make a stronger connection with their community can join a Board or Committee of Management. [communitydirectors.com.au](http://communitydirectors.com.au)

“Choosing a Nonprofit Board” video by Stanford Graduate School of Business This video walks you through the process of deciding to serve on a board. [youtu.be/3Z6Cyx0snw](https://youtu.be/3Z6Cyx0snw)



## Reading list

### **Giving Done Right: Effective Philanthropy and Making Every Dollar Count**

by Phil Buchanan (2019)

Published by Public Affairs Books, an Imprint of the Perseus Books Group.

This book discusses the experiences and lessons learned from multiple major philanthropists, offering insights, examples, and tools to guide donors in their giving.

### **Inspired Philanthropy: Your Step-by-Step Guide to Creating a Giving Plan and Leaving a Legacy**

by Tracy Gary, 3rd edition (2007)

Published by Jossey-Bass.

This book helps donors create giving and legacy plans and explains how to partner with advisers and non-profits in their philanthropy.

### **Mannifera**

Mannifera is a collective of Australian funders. The collective supports their partners in civil society working to build public trust, transparency, and fairness in democracy, and create a more inclusive economy.

[mannifera.org.au](http://mannifera.org.au)

### **Perpetual**

Perpetual is a leading provider of philanthropic services in Australia and provides support, governance, and advice to families and individuals wishing to start and grow their philanthropy.

[www.perpetual.com.au/philanthropy](http://www.perpetual.com.au/philanthropy)

### **Australian Community Philanthropy (ACP)**

ACP is Australia's peak organisation for Community Foundations. Community foundations have the skills and structures that make it easy for anyone to donate to local causes and charities in the most effective way. They raise money to support a community's changing needs over the long-term. ACP unites represents and supports community

foundations across the country in a national network, to amplify their collective voice and impact.

[australiancommunityphilanthropy.org.au](http://australiancommunityphilanthropy.org.au)

### **Learn with other donors**

If you are interested in starting your own giving circle, consult United Philanthropy Forum's "Handbook for Giving Circle Hosts."

[unitedphilforum.org/resources/handbook-giving-circle-hosts-tools-and-resources-developing-and-sustaining-giving-circles](http://unitedphilforum.org/resources/handbook-giving-circle-hosts-tools-and-resources-developing-and-sustaining-giving-circles)

### **Learn more about participatory grantmaking**

If you are interested in the rationale and various models for participatory grantmaking, consider Candid's GrantCraft resources on the topic including articles, videos, and research reports.

[grantcraft.org/content-series/participatory-grantmaking](http://grantcraft.org/content-series/participatory-grantmaking)

### **"Moving Beyond Feedback: The Promise of Participatory Grantmaking."**

Nonprofit Quarterly, August 29, 2019.  
Gibson, Cynthia

[non-profitquarterly.org/moving-beyond-feedback-the-promise-of-participatory-grantmaking](http://non-profitquarterly.org/moving-beyond-feedback-the-promise-of-participatory-grantmaking)

### **"Deciding Together: Shifting Power and Resources Through Participatory Grantmaking."**

Accessed March 7, 2020.

Gibson, Cynthia

[issuelab.org/resource/deciding-together-shifting-power-and-resources-through-participatory-grantmaking](http://issuelab.org/resource/deciding-together-shifting-power-and-resources-through-participatory-grantmaking)



## Section 3: How do you involve your family?

### Involve your family in your philanthropy

#### Perpetual's Family Office

A Family Office structure oversees and centralises the management of your family's investments, tax, succession, estate planning, philanthropic giving, and more. Perpetual's Family Office works with families to create the blueprint to protect and pass on their business and wealth. The team delivers governance, succession, trustee services, wealth management, property, concierge services, tax and accounting, advisory, consulting, philanthropy, and banking-related services for families.

#### Involve the next generation

Many next-generation philanthropists prefer to engage with giving structures designed specifically for them. If your children or grandchildren are ready to dive deeper into your family's philanthropy, below are some organisations that can help. There are also regional and local organisations that work specifically with next-generation donors.

#### NEXUS Australia

NEXUS is an international network of young philanthropists, social entrepreneurs, and influencers who work to increase and improve philanthropy and social investing. This network of diverse leaders collaborate to advance the potential of next generation leadership across nations and bridge communities of wealth and social entrepreneurship. NEXUS Australia aims to build this community by catalysing a change in philanthropic culture amongst emerging philanthropists, sharing best practice in impact-focused investment, and promoting bolder projects for social and environmental change.

[nexusaustralia.org.au](http://nexusaustralia.org.au)

#### New Gen – Philanthropy Australia

Philanthropy Australia's New Gen Network connects new and emerging philanthropists in their 20s and 30s who want to make a difference.

New Gen members create relationships that last a lifetime and learn from some of the most experienced philanthropists in Australia.

[philanthropy.org.au](http://philanthropy.org.au)

#### National Center for Family Philanthropy

The National Center for Family Philanthropy is a national non-profit organisation dedicated to families who give and those who support them. They provide resources and expertise to support family philanthropy, including advisory boards, events and webinars, a speaker's bureau, and research.[ncfp.org](http://ncfp.org)

#### Resource Generation

Resource Generation is an online platform with local chapters in major metropolitan areas for young people with wealth, ages 18–35, seeking to make transformative change through an equitable distribution of resources.[resourcegeneration.org](http://resourcegeneration.org)

#### Generation Impact: How Next Gen Donors Are Revolutionizing Giving by Sharna Goldseker and Michael Moody (2017)

This book offers firsthand accounts and expert analysis of the innovative strategies next-gen donors are beginning to pursue. It also offers advice to families, advisers, and non-profits on how to engage these rising donors.

#### Next Gen Fellows Program

Next Gen Fellows Program is a six-month training fellowship for dynamic leaders, roughly ages 18–35, who are involved in all types of foundations as current or soon-to-be trustees or staff. The program is designed to prepare the next generation for leadership roles and offers online learning seminars, conferences, and mentorship.

[exponentphilanthropy.org/event/next-gen-fellows-program](http://exponentphilanthropy.org/event/next-gen-fellows-program)



## Section 4: How do you structure your giving?

### Review and weigh considerations when choosing a giving vehicle

#### Tax implications

**Capital gains tax:** It is generally more tax-effective to donate appreciated investments or assets held for more than a year than it is to donate cash. This is because contributing appreciated assets to a public charity may eliminate capital gains tax on the sale of those assets and thereby increase your giving. Publicly traded shares, mutual managed funds and exchange-traded funds, restricted shares, privately held shares), initial public offerings, real estate, and private equity and hedge fund interests can all be tax-advantaged gifts to charity.

**Income tax:** When donors make a charitable contribution, they may take a charitable deduction on their tax return as long as they itemise their deductions. The size of the deduction is limited based on the assets donated. Discuss the current rates with your adviser.

#### Impact investing

Regardless of which giving vehicle(s) you select, you may decide to align your values not only with your philanthropic dollars but also with your for-profit investment dollars. Impact investments are made in companies, organisations, and funds in order to create social and environmental impact as well as financial returns. They can range from pooled investments made with a social screen (i.e. in companies promoting social good) to investments in non-profit organisations or social enterprises. Impact investment allows funders to play a key role in helping for-profit organisations scale and to deepen their social impact by demonstrating the viability of a new market or business. It also provides an opportunity to bring the innovation and resources of the private sector into the social sector. Impact investments may generate returns that are market rate or sub-market rate.

Your choice of giving vehicle may influence the type of impact investing you can carry out. We

recommend working with legal and investment professionals if you are considering incorporating impact investing into your philanthropic strategy. Impact investing is an emerging field with developing methods and terminology. There are many resources to guide new investors, some of which are listed here:

#### Impact Investing Focus within Stanford Social Innovation Review

Published by Stanford PACS, Stanford Social Innovation Review is a quarterly magazine and website about social innovation. SSIR produces many topics on impact investing to keep you current with the sector.

[ssir.org/topics/category/impact\\_investing](https://ssir.org/topics/category/impact_investing)

#### Impact Investing Resources from Change Catalyst and the Omidyar Network

This resource list consists of guides, case studies, books, reports, videos, glossaries, and articles to deepen your understanding of the impact investing sector.

[changecatalyst.co/impact-investing-resources](https://changecatalyst.co/impact-investing-resources)



## Section 5: How do you find and vet organisations?

Curated online lists of organisations

### **“Philanthropic Issue Funds: Impact Opportunities for Donors and Non-profits”** by the Raikes Foundation

This research paper outlines the landscape of philanthropic issue funds, the different types of offerings, the key players, and the operating models. [raikesfoundation.org/sites/default/files/issue-funds-research-paper.pdf](https://raikesfoundation.org/sites/default/files/issue-funds-research-paper.pdf)

### **The Center for Disaster Philanthropy**

The Center for Disaster Philanthropy (CDP) is an online resource to help donors make more thoughtful disaster-related giving decisions and direct their contributions to disaster relief and response—either through funds set up by CDP or through non-profit organisations working locally. CDP conducts its own due diligence to assess non-profit organisations involved in relief and response work.

[disasterphilanthropy.org](https://disasterphilanthropy.org)

## Measurement and evaluation

### **The Council of Non-profits**

The Council of Non-profits provides an overview of measurement and evaluation concepts as well as curated resources and tools for further learning.

[councilofnon-profits.org/tools-resources/evaluation-and-measurement-of-outcomes](https://councilofnon-profits.org/tools-resources/evaluation-and-measurement-of-outcomes)

### **A Primer about Monitoring and Evaluation for Funders and Implementers**

A report prepared by Giving Evidence and Keystone for funders new to non-profit monitoring and evaluation, designed to explain the important differences between monitoring and evaluation.

[measureresults.issuelab.org/resource/a-primer-about-monitoring-and-evaluation-for-funders-and-implementers](https://measureresults.issuelab.org/resource/a-primer-about-monitoring-and-evaluation-for-funders-and-implementers)

### **Candid IssueLab — Measurement and Evaluation Database**

A large database of reports, primers, and articles to help non-profit leaders assess impact and measure program effectiveness. The assessment approaches in this database were developed by a range of organisations, including social investors, foundations, NGOs, and microfinance institutions.

[measureresults.issuelab.org](https://measureresults.issuelab.org)

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# **EPLI Philanthropy Planner**



The EPLI Philanthropy Planner gathers the key takeaways from each section of this toolkit into an actionable philanthropy plan that you can share more broadly.

This serves as a template to summarise your philanthropic plan. You can use this planner to share your philanthropic vision with your family, friends, advisers, and collaborators, and as a personal guide to periodically revisit your giving.

**Note:** All the interactive Worksheets and EPLI Philanthropy Planner pages can be accessed online and downloaded from our websites at:

**[pacscenter.stanford.edu/toolkit](https://pacscenter.stanford.edu/toolkit)**

**[www.perpetual.com.au/philanthropy-toolkit](http://www.perpetual.com.au/philanthropy-toolkit)**

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## More information

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