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Trust

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Donor-Advised Fund Giving Has Surged During COVID-19—and You Can Keep the Generosity Going

By Jenna Mulhall-Brereton, Chief Philanthropic Services Officer

Since the COVID-19 pandemic started, the philanthropic sector has responded with remarkable speed, flexibility and innovation. Hundreds of foundations and other organizations have pledged to loosen or eliminate [restrictions on grants](#), and recently the Ford Foundation announced that it would offer \$1 billion of taxable social bonds in order to increase its grantmaking. [Community foundations](#) have also been leading the charge and have mobilized nearly [\\$883 million](#) in relief funds to help those in need across the U.S.

Behind these efforts is an army of donors, big and small. While it is difficult to analyze our donors' response fully at this early juncture, National Philanthropic Trust (NPT) is pleased to share some encouraging, preliminary numbers from the period beginning March 1 and ending on May 31, 2020:

- The total number of grants our donors recommended increased by 53 percent over the same time period last year, and the dollar amount soared by 64 percent. This represents the busiest grantmaking period in NPT's nearly 25-year history.
- Donor focus has shifted, with organizations that serve public and social benefit needs—including food banks, community foundations and advocacy organizations —becoming the top giving category with 27 percent of the total dollar amount of grants issued by NPT, compared with 18 percent last year (see table below).
- While some philanthropic sectors received a smaller share of total giving than last year, every sector experienced an increase in the dollar volume of grants. This finding is significant, as it indicates that donors remain committed to charities they have always supported. Education, for instance, fell to second place in NPT's top eight giving categories in the spring, but it still experienced a 14 percent uptick in grant dollars over last year.
- Giving to environmental and animal causes grew the most but remained the most modest giving category.

Donor-Advised Fund Giving Has Surged During COVID-19 (continued)

	PANDEMIC GIVING Top Sectors Share of Total Dollars	LAST SPRING GIVING Top Sectors Share of Total Dollars	Percent increase in dollars given in Spring 2020 over 2019
Public, Social Benefit	27%	18%	140%
Education	22%	32%	14%
Human Services	13%	11%	98%
Health	10%	8%	106%
International	10%	12%	34%
Religion	7%	9%	24%
Culture & Art	6%	8%	27%
Environment & Animals	5%	2%	337%

How to increase your impact

Knowing where and how to give at this time can be challenging. As you weigh the many needs facing society today, consider prioritizing the nonprofits you have already been funding. It's also a good idea to check in with them to see if their needs have changed or if they have altered their mission.

Most grants from NPT (more than 60 percent) are unrestricted. These grants are especially powerful, as they allow nonprofits the flexibility to use funds where most needed. If you made a restricted grant earlier in the year, consider releasing the charity from the grant terms so that they can respond more nimbly to today's needs. Recurring gifts are also helpful to nonprofits, as they provide a steady, reliable flow of income. At NPT, you can recommend that a recurring grant be sent to your favorite charity twice a month, monthly, quarterly, twice a year or yearly.

The COVID-19 pandemic has taken a huge toll on nonprofits. Many have only one to three months of operating reserves and may have to let go of key staff. With your long-term commitment of support, these organizations can continue to thrive and provide valuable services in everything from arts and culture to social justice.

As always, NPT stands ready to help you help others. Contact us at (888) 878-7900 or npt@nptrust.org with any questions.

Jenna Mulhall-Brereton is NPT's Chief Philanthropic Services Officer. She leads the team providing customized services to enable NPT's donors to develop and execute their philanthropic vision

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