Trends in Family Philanthropy 2025 Report: Exploring the Main Findings

A *Fundamentals of Family Philanthropy* webinar recorded on January 14, 2025.

Featuring:

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Transcript of the *Fundamentals of Family Philanthropy* Webinar, Trends in Family Philanthropy 2025 Report: Exploring the Main Findings, Recorded on January 14, 2025

Britt Benavidez

Welcome everyone. Thank you for joining us for our first Fundamentals of Family Philanthropy webinar of the year. My name is Britt Benavidez. I'm the Manager of Programs at the National Center for Family Philanthropy. I use she, her pronouns. I'm wearing brown glasses, I have long brown hair pulled back, and I'm wearing a black sweater in front of a Zoom background of a living room. This webinar series provides guidance on the core tenets of effective family philanthropy from motivations and values, to governance, grant making and succession. The series is designed to equip giving families with the latest information on evergreen topics in the donor life cycle through practical takeaways and diverse family stories that illustrate important practices.

Thank you for joining our first webinar of the year. Today we will be exploring the 2025 Trends in Family Philanthropy Reports findings. Before we start, we want to acknowledge the devastation of the wildfires in Southern California. Our thoughts are with the millions of people impacted by this ongoing disaster.

Now let me briefly share about our webinar technology. I'm sure you are all Zoom pros by now. We hope that this webinar is interactive. We want it to be so please submit your questions for the panelists as they come to you. To ask a question, please use the question box as indicated on the current slide. When sending in a question if you wish to remain anonymous, please indicate that. With so many of you joining us today, it would be a really great help if you could please enter all questions in the Q&A box, not in the chat, so that we can have them all in one place and keep the chat free for technical assistance and other issues. So please put your questions in the Q&A. As a reminder, this webinar is being recorded and a replay will be made available to all attendees. If you experience any technical issues, please try reconnecting to the technology or you can email me for assistance. I'll put my email in the chat in just a moment.

As always, you're welcome to chat with us on Twitter about today's webinar using the hashtag NCFP web. Today's program trends in Family Philanthropy 2025 report exploring the main findings will review high level findings from the report and contextualize these trends within the current philanthropic landscape. NCFP would like to thank the many people who contributed to this report, starting with the hundreds of family foundation staff and board members who took the time to fill out our survey. We are also very grateful for the support of Bank of America, our 2025 trends sponsor.

And finally, we'd like to recognize the time and expertise of our Trends 2025 Advisory Committee, the Prism Partners Group, and the NCFP staff who developed this report. Before I introduce our speakers, I've just launched a poll here. We would love to see who's in the room with us today. If you could please respond to this poll question. What is your role or affiliation with family philanthropy? And if none of the options closely match your role, please describe in the chat. We have 450 of our closest friends here with us today, so thank you for letting us know where you're coming from. I'll leave this poll up for a few more minutes or seconds.

All right. A lot of family foundation staff, some board members, advisors, community foundation staff, what a great mix. Thank you all for being here. Just a few more seconds, I'll let a few more participate. All right, I think we have a critical mass. I'm going to end the poll and share the results with you here.

We have a really great mix. Thank you so much everyone for responding. So what will we discuss on today's webinar? Our learning goals for this community conversation are to explain the context and purpose of the survey and findings, present notable findings and their implications for the field, answer your questions about the data and high-level trends and show how to use these findings in your own organization.

I'm now thrilled to introduce Erin Hogan, who is NCFP's board Secretary and private philanthropy executive at Bank of America. Bank of America was the primary sponsor of the Trends 2025 report, and Erin also served on the Trends Advisory committee. We're so grateful to have her with us today. Erin, over to you.

Erin Hogan

Thank you so much, Britt and hello everyone. It's a pleasure to be here today and kicking off NCFP's first webinar of the year. So my name is Erin Hogan and I am the private philanthropy executive at Bank of America, which is proud to once again sponsor the Trends in Family Philanthropy report with the National Center for Family Philanthropy. For those of you who are familiar with our philanthropic solutions group at Bank of America, you know that we are strong believers in the importance of research and data on the philanthropic sector, including some of the earliest research into the practices and motivations of wealthy donors. But until recently, research on the experiences and practices of family philanthropy was in relatively short supply, making NCFP's trends research all the more essential to families who wish to give effectively to together and to sustain that legacy across generations.

As a board member of NCFP and as an advisor to philanthropic families, I'm grateful for the opportunity to bring these findings to families who have long been the bedrock of generosity in this country. And so turning now to today's program, I am thrilled to be in conversation with two exceptional leaders in philanthropy whom I'm also proud to call colleagues and friends, Nick Tedesco, the President and CEO of the National Center for Family Philanthropy and Miki Akimoto, chief impact officer for NCFP. Now, Nick and Miki will share a number of compelling findings from the 2025 Trends report. But before we dive in, I want to share a little background information that's important to frame this research. It started in 2015, trends is the only comprehensive research of its kind specifically focusing on philanthropic families. Now in its third iteration, NCFP conducts this research every five years to really understand the shifts we are seeing in family philanthropy across time.

The prior survey was fielded in 2019, which was prior to the COVID pandemic and the major shifts in giving that we have seen since that time. Now a lot can change in five years and now with 10 years of data, families can really see themselves within the broader landscape of giving and really embrace proven practices that will help them achieve their goals. So on behalf of my colleagues at Bank of America, I would like to once again thank NCFP for the opportunity to partner and bring the important findings of trends 2025 to our clients and to the entire philanthropic community. We know that this data will strengthen the field and lead to more effective and fulfilling giving practices for families. So with that, I'm happy now to turn it over to Nick Tedesco, President and CEO of NCFP to start today's conversation. Nick, over to you.

Nick Tedesco

Thank you, Erin, and thank you all for joining us today. We're so thrilled to have you with us and grateful for the interest in our trends 2025 report. As Erin mentioned, the study is a critical benchmark for families and the sector. It allows families and their partners to understand their giving practices relative to their peers and learn where they can make more effective community-centered choices. We conducted this study with a lot of enthusiasm given the ever-present narrative of change within the sector over the past five years. This year's report marks our third allowing us to see the evolution of family philanthropy over time. It also allowed us to reflect on how the field has or has not embraced and applied the four principles of effective family philanthropy that we've identified through our previous research, accountability, equity, reflection and learning, and relationships. So what did we find?

The headline is change but slow change. The field has made positive if incremental progress towards embracing effective practices, but the pace of change is too slow to achieve lasting and transformational impact. The report highlights a number of examples that are important for us to examine. For instance, the data tells us that more family foundations are spending beyond the required minimum distribution compared to previous reports. However, the rate at which foundations give general operating support, multi-year grants, and capacity-building grants has declined steadily since 2015. This illuminates the somewhat incongruent nature of the data. So what is the data telling us? It's demanding that we do more and that we do it better. Our world is facing a complex set of systemic issues that require significant capital to be deployed in coordinated ways and at scale, and therefore it's imperative that we all pause to better understand our own hesitations.

But you might be thinking how? The report tells us what but not the why or the how. Examining those two questions will be our focus throughout 2025 and we invite you to join us. As I mentioned earlier, we designed the report to better understand the ways in which the field has or has not applied, the four principles of effective family philanthropy. So before we review the report in greater depth, let's pause and reconsider the definition of effectiveness. For family philanthropy to be effective, it must do four things. First, it must make a collective commitment to meaningful social change. Second, it must hold itself accountable to impact as defined by community and to the proven practices that support it. Third, it must be adaptive, evolving with the family and the broader community or ecosystem in which it resides. And lastly, it must share or cede power with different family members and generations as well as staff members, community partners and grantees.

Are families adopting effective practices? The report indicates yes and no. We see families adopting practices that indicate that they're embracing the principles of effectiveness, but they're doing so selectively and the question of permanence of these practices remain. Our hope is that we're able to answer these questions by our report in 2030, and in the meantime, we invite you to reflect on how your commitments might change in light of the data. I'm now thrilled to introduce NCFP's chief impact officer Miki Akimoto to join me to present the main findings and to be in conversation with you about the report. Miki, over to you.

Miki Akimoto

Thanks so much, Nick and thank you, Erin and Bank of America again for your amazing partnership in sponsoring this report that we know is so valuable both for us and for the field at large and for the leadership you showed along with all of our advisory committee members. What are we going to do today? We have a little bit over an hour together now to talk about what is just reams and reams of data. And so I wanted to mention a couple of things upfront. One of which is what Nick has already talked about, that what these data tell us is the what? Where we are right now. It gives us a snapshot and I'm going to bring you through a lot of those data points. A lot of the how and the why these things are the way they are. We have yet to answer and we are hoping to get more under the hood on those kinds of questions in the year ahead.

Today what we're going to talk about in this particular webinar is really the changes in foundation identity that have happened over the time, how that's evolving, how community needs are being heard and understood, the ways in which some of the grant-making practices are evolving, both within the field and over time, how philanthropies are learning and taking on new ideas, changes or shifts in family dynamics, and particularly what this means in terms of engaging with the next generation and significant trends in governance such as staff, board composition, et cetera. We'll also do a little bit of future looking in terms of what foundations are telling us is going to happen in the future. And as this is the beginning of the year, I will just make the note that for everyone who makes New Year's resolutions, we all know we have intentions and so we'll see some of those intentions being noted in this report and we'll have the opportunity in five years to find out how many of them have come true.

We can start with just a little bit of how we got the data that we're going to be talking about. For all of you who are interested in methodology, there's more information on this in the full report, link to which you will get at the end of this. That being said, we will also, I'll bring you through a little bit of the key information right now. So our sample is 524 respondents where the family foundation is the primary vehicle. What that meant is that we actually started with a much larger sample, as you might imagine. We along with our partner Prism Partners Group, looked at how we did our sampling in both 2015 and 2020. In 2024, which is when these data were collected, the candid database had over 18,000 foundations that met the criteria of being what we identified as a family foundation having assets of at least $2 million and total annual giving at least a $100,000.

From that, we developed a survey and mailing list. We emailed out invitations. Our staff, our advisory committee, our board members, other friends of our organization really helped spread the word and encourage people and we actually we're looking at the whole range of family philanthropy vehicles. We were interested in who was using DAFs donor-advised funds as primary giving vehicles or LLCs or other structures. At the end of the day when the data came in, the vast, vast majority of families who responded to this survey were using private foundations as their primary giving vehicle. So this report, this set of slides really focuses in on those foundations because that was the subset of data, which where we had enough data to really begin looking at patterns. So just to say this report is about private foundations, but we acknowledge that many families are using other vehicles either alongside private foundations or in place of private foundations.

The identity of the person who filled out the survey, the majority of those were non-family members, and so that could be staffs, advisers, other kinds of non-family members, but we did have a significant number of family members also responding. And just over half the sample had assets under $10 million. That's a very quick snapshot of who we are hearing from as we dive into this next set of data points. So Jen, if we can move on two slides ahead now into the notable finding sections. We start with where do these foundations start? What is the story? What is the origin story of these foundations? And what we see is that more than half of families and the founders chose to create foundations as a vehicle for long-term family legacy, their philanthropic legacy explicitly, and that is really the driver is that intersection of both family and philanthropy as we see in so many cases.

It is notable also that nearly 2 in 5, 39% were advised by a lawyer or estate planner. So as we think about the voices in the field that have influenced in how philanthropy gets started, the roles of lawyer and estate planners, and I suspect other advisors loom quite large. I will also note here that in this case what you're seeing are only 2025 data. Because we asked this question for the first time, we were curious about how foundations are really getting started. So this is new data, but as we move forward through this deck, you'll see in other cases we're able to make comparisons across all the years. We tried to hold constant the number of the questions that we were asking so we could really look for those long-term trends. But in some cases, as we've evolved as the field has evolved, we recognize that there's more information we could be getting.

So if we move on to the next slide, what you'll see is that the founding donors remain active and influential. That purple bar at the bottom of the screen is whether or not the founding donor or donors are still actively involved and in over half of the cases, in this case 56%, which was the same number as in 2020, we see that the founding donor is still involved and we also know that donors continue to play a really strong influence in the focus and vision of the foundations where 63% of foundations report continuing to follow founding donors very closely in terms of their focus. So moving along to the next slide, what we see is that asset sizes have increased. Again, if you go so here in this case the lower bars are the smaller numbers. As we get up towards the top, you see the larger numbers and you see that significant increase in the orange bar where the asset sizes between 10 and essentially 50 million have increased dramatically. And overall we see that foundation sizes are growing as proportions of the sample.

This tracks very closely in fact to report that came out today. For those of you who get the foundation mark mailing, this is an organization that follows endowments of foundations. The email that came out today from foundation mark looking backward to 2024 reported that over the past year foundations writ large, which includes family foundations as well as independent. And other foundations, increased their endowments by 170 billion with a B dollars. And that in fact over the past five years, foundations as a whole have increased their asset levels by 50%, five-zero. So tracking, this tracks our samples definitely tracking with those broader trends in terms of those asset sizes increasing. So this then unsurprisingly flows, into the next slide, where what we see is that payout rates are also increasing and that we asked the question of over the past two years, how is your payout looking?

And what we see as a significant increase in the previous two studies foundations reporting giving beyond the 5% were just over half 56 and 55% respectively from 15 and 20. Whereas in this current iteration, 71% of foundations are in fact giving beyond the 5%, which is heartening news I think for many of us. So with that, I will move on to the next slide where this is a question we've been asking about in terms of lifespan, we know that there's been a significant amount of discussion about increases or potential increases in foundations that are limiting their lifespan, either taking on a specific sunset term or thinking about this question more broadly. And what you see in this is that the gray blue bar are those that decide to operate in perpetuity, which is stay pretty constant at about one third of the sample just under one third of the sample.

Whereas now in 2025, we see this jump from 9% in 15 and 20 of foundations that are already saying, yes, we are explicitly going to sunset the foundation or limit the life of the foundation. There's a jump up to 13%. I think also very interestingly, if you look at that orange bar, which is we're going to revisit this question from time to time, that has gone from 20% to 26%. So what you see is an act curiosity among foundations about what it might mean to revisit this question and hold open the question of do we operate in perpetuity or there are different ways for us to think about how we spend out and use our assets for philanthropy? Moving on to the next slide, one of the shifts that we really noticed in this particular data set is an increase in the foundations moving from less issue focused to more issue focused.

What you saw in 2015 is that only just slightly over half of the foundations said that they were really focusing their work in one or more issue areas. This jumps to almost three quarters of the sample in this go around. Interestingly, the geographic focus has remained constant at 64% precisely across all three studies. And so you see this sort of overlay. Foundations could obviously pick more than one. You'll note these numbers add up to more than 100%. So you see that foundations are able, there's still this very strong geographic focus, but you see this increased narrowing or overlay of a focus area in the giving. You also had smaller percents reporting that racial ethnic and cultural views were informing some of their focus areas and that just over 1 in 10 had a faith-based focus.

Moving along to, that's sort of the what of grant making, what you're giving to, what issues are focused on. If you think about the how, what you are seeing as Nick noted in his introduction is that we are heartened to see that foundations are taking initial steps towards becoming more grantee focused in the how of their grant making. You see that they're streamlining applications and reporting, they're taking on more of the work in terms of due diligence of doing the homework ahead of time. There's more support beyond the check. These are things that are moving forward. I will also note that even while we see that these are steps that have been taken and sustained since 2020 for each of these areas, each of these steps that the foundation could take to support nonprofits, each of them is still under 50%. And so to Nick's point around the pace of change, we have a ways to go.

And I think as we think about moving the field forward as we think collectively how we can put our shoulders to the wheel to continue this work, this slide gives you a lot of good ideas about ways that there is room for growth for us. And we do in fact see that almost three quarters of the sample is saying that they're considering one or more of these practices in the future. So there is some hope ahead there. Moving on to the next slide, we also see an interesting set of intersecting lines, and I'm the first to say that you're looking at a lot of numbers on the screen. Fear not all of this is in the report that you'll have access to, but I want to call your attention to though are the ways in which there's a couple pieces of movement here that we find very interesting.

If you look towards the bottom of the table, you see that the needs of grant seekers move from 23% to 43%, which is a significant jump, not quite a doubling, but quite significant. And that response to community needs and trends influencing giving has jumped from 25% to 42%. You see this upward trend in terms of community and grant seeker needs really driving and influencing the focus of giving. At the same time, we see a decline of historic funding patterns that we've always given in a certain way dropping from 51% down to 42%. You see the founding donors values and wishes declining from 76 to 58. And you see the interest of individual board members dropping from 49 to 39%. So what we see in that pattern is that the internal players of the foundation's influence are declining in some ways and the external calls and needs of grantees and communities are coming up.

And we see those two lines as being particularly useful as well as three up from the bottom. Philanthropy's missions and focus areas. You see this jump from 57 to 72%, which really tracks back to that earlier slide we showed you that shows that foundations have become more issue area focused. And so all of those things seem to be playing together to give us some starting points. All of that said that what we do see, some very positive trends, general operating support grants are down and there's a significant drop from 2015 at 83% to 2025 at 66%. And this is one of those moments where we know the what, this is what the data says, this is what our respondents said in terms of what they're doing. We don't know the why. And I think it's one of those questions that we're hoping to dive into as we move forward.

So we do know that in what we're planning to do in the future, you'll see that some foundations are planning to do more or institute general operating support grants. But this is an open question for us that seems a little bit contradictory to some of the other data that we've seen that we've presented. In the next slide. We noted that only about 1 in 5, 19% of foundations are engaging in any type of impact investing. And this is a drop-off from 2020 where it had jumped to 28%, but a return to the levels of 2015. So again, this is what we know is that grant making remains the dominant tool in the field, but there is obviously an active cohort of funders that are using impact investing.

And then on the next slide, what we see are that foundations as they're moving forward are really thinking about how they're assessing impact and they're doing it in both older and newer ways. And the primary ways in which they are thinking about their impact are to look at the outcomes of their individual grants and to directly solicit feedback from the grantees or communities that we serve. And if we think about that direct solicitation of feedback that seems to track with some of the principle-based grant-making practices that we're seeing writ large. And so I've now said a whole lot of words and a whole lot of numbers at you, and we're going to take a brief pause. And Nick, I'd really invite you to come off-camera and think a little bit, how's this hitting for you? You've been in these data with us, what are your reflections here?

Nick Tedesco

Yeah, thank you, Miki. Really appreciate the overview of the first few sections and excited to address some of the questions of the audience. But I want to underscore some of the points that you made. Just generally to me, the data describes a sector in transition and I want us all to hold that this is a sector in transition and two primary observations come to mind in one question. The two observations, one, change is incremental, this concept of evolution not revolution. And the second is that more philanthropies are indeed centering communities and we are seeing the pacing move towards centering communities. So on that first point, we're seeing again that change is incremental. Going into this, as I mentioned in the opening remarks, we weren't sure what the data might tell us because the conversation on change in 2020 and the years since have really been centering a narrative on moving more towards community-centered practices.

But what we're seeing here again is that this change is indeed incremental. We're seeing a lot of families that are taking the initial steps to be more grantee focused, such as the noted shifts in streamlining applications and reporting structures. And these are necessary, but they're not sufficient. But I am very heartened by the data and its indication that the respondents of the survey, the families indicate future shifts in their grant-making practice. So what that's telling me is that there's an interest to translate and understanding into behavior change and to changes in practice. It's also asking a question of what it takes to make that transition. The second point that really stands out to me is again, that we are seeing this move for philanthropies to be more focused on centering communities in their decision-making and certainly as the end beneficiary of their work.

And again, we are seeing a sector that is less reactive, more proactive, and really guided by, as you mentioned, the defined missions of the work and less influenced by individual interests and guided more by observable need and opportunity. And so for me, all of this leads to a question of how do we continue to make progress? How do we continue to evolve and how do we name some of the hesitations in the shifts in practice that we desire to make and that the data is telling us that you all desire to make.

Britt Benavidez

Yeah. Thank you, Nick, for those reflections. And that segues really nicely into one of the questions. Now I know the data tells us the what, not the how or the why, but someone asked how do you think the trends from 2020 to 2025 are temporary reactions to some of the maybe crises that we're seeing or are they indicative of a greater direction of progress?

Miki Akimoto

You want me to jump in and?

Nick Tedesco

Please. Yeah.

Miki Akimoto

I mean one of the things that is important to note about the 2020 report is that those data were collected in 2019. So the 2020 report, despite its name, does not reflect the effects of either the COVID pandemic or any of the subsequent racial reckoning or other moments that we had in that 2020-2021 period of time. So I think one of the things about this report is it probably gives us the best line of view into practices that might've been implemented in 2020-2021 and sustained or not. What we don't know is how much happened and then came back to the point in time where we were measuring in 2024. But it is important to note that the 2020 report have 2019 data.

Nick Tedesco

And Britt, I'll add, my sense is that this is quite accurate of sustained practices and not a moment in time. Because if it was representative of the practices that many family philanthropies embraced in 2020 and perhaps let go of, we would've seen greater numbers of unrestricted grants and other indicators. And so to me, this data is far more measured than I expected it to be, quite honestly. And to me that really indicates that this is indicative of the sustained practices, not some of the temporary responses to the opportunities of 2020, which again goes back to this question of what does it take to realize what's possible? Because what we know is that families implemented a different set of practices in 2020 than they're sustaining now in many instances.

Britt Benavidez

Thank you, both. Let's do one more question and then I know Miki will dive back into presentation. There's multiple questions on sun setting as one of the data points is around lifespan or considering lifespan. Someone asked, do we understand why foundations consider? What are the reasons that we're seeing pop up? And then also what are the options for, is there something in between limited lifespan and perpetuity?

Nick Tedesco

Yeah, I'm happy to start out. Miki would very much welcome your additional thoughts and reflections. I think in terms of the factors, there are a number of factors at play here. One is the generational wealth transfer that is happening. And so we are seeing the next generation of family philanthropy leaders coming into family systems and are asking questions, asking questions about observable need, about opportunity, about just generally the utility of wealth preservation and the influence of that next generation is revisiting some of the set points in family philanthropy, revisiting set points like lifespan.

I also think that what we are witnessing and have been witnessing over the last five years plus is a set of extraordinary circumstances that are asking for people to really reflect on the possibilities of philanthropic capital and how to meet the moment. And in many ways that speaks to the commitment that many families have made by setting up the structures. And so those families are asking themselves, well if not now, then when. Right? And so I think there's a lot of dialogue that's happening around the utility of philanthropic capital and around the timeliness of philanthropic capital in part because of the next generation coming into the system, in part because of the externalities that are asking families to reflect upon this.

Britt Benavidez

Thank you, both. Miki, anything to add? Otherwise, we'll send it over to you for the rest of the presentation.

Miki Akimoto

No, I think you covered it. I mean, the only thing I might add is that there's the old adage that every family is different. You've seen one family, you've seen one family, and I think that in some cases there are highly individualized circumstances that can drive a sunset decision. Sometimes it's just coming in the next generation or I know of one family where there may not be a next generation, and so that sometimes there is those considerations to be had. So there's a little bit of everything.

Nick Tedesco

Yeah. And Britt, I know we did not address the second question of is there a construct that meets a middle ground? And I will encourage everyone to visit our website. There was a publication around balancing payout and permanence. Perhaps we can put the link in the chat. Tony Macklin, who I know is on the webinar, authored the publication and it does in fact speak to some of the data behind what it means to flex, to meet opportunities and how that actually does not compromise a commitment to perpetuity, but allows you to meet a moment with much more flexibility than perhaps a rigid distribution requirement might indicate. So check out the publication.

Miki Akimoto

Great, great recommendation. All right, with that we will move on to the next session, which is about reflection and learning among foundations, starting with the idea that learning is in fact prevalent and that almost all foundations in this report, 90% of them, 9 in 10, report having at least one practice design, help them learn about new ideas and approaches. As you might imagine, as you will see on the next slide, the approaches to learning can vary and the depth of that commitment to learning is described in different ways. And so while 9 in 10 foundations have some kind of practice where they're learning about things, 33%, one-third describe themselves as being active learning institutions. Now I will just say that we did not define that explicitly in the survey. So it was somewhat left to people to infer what we mean by that or how they would identify themselves.

But we were heartened to see that jump from 19% of organizations describing themselves as acting learning institutions from 19% up to 33% in this most recent iteration. Of those that do describe themselves as acting learning organizations, 81% were attending philanthropic conferences, 71% were doing group site visits, almost 80% were gathering feedback from grantees. You see that there's active engagement with other foundations, with communities, with grantees as ways of bringing in new knowledge, including things like bringing in speakers to boards. And boards are in fact spending more time learning. We ask the respondents to describe the top three areas in which boards were spending their time. And what you see is a somewhat even spread with a lean towards planning and strategy development, learning about their grant-making focus in areas and evaluating and reflecting on the foundation's work. And so you do see an ethos within these boards of thinking about the impact that they want to have in the world, learning about how to drive that impact. And then really reflecting on whether or not that impact is happening.

You do see an interesting decline in time spent on investment management from 45 and 48% down to 28% in this most recent study. There's differing levels of the ways in which boards are spending their time learning. What we see in the next slide is that youth engagement or engaging the younger generations. And we again did not put specific age parameters on what we meant by younger. So this could be a range of ages, but engaging that younger generation or the younger generations remains a stated priority, but the follow through is uneven. And so what we see for instance is a decline in, for instance, bringing younger generations members on site visits. Now in a couple of other places where we've talked about these data, there have been some speculations that decline in site visits for example, could be in fact an echo of the pandemic when all sort of in-person site visits really stopped. And that may have been slower to reengage as the world has returned to what we're now calling normal.

We also see this very sharp decline in organizing formal discussions about the core values of the family foundation with younger family members. On the other hand, what we see are some leveling or slight increases in things like inviting younger generations to participate in discussions or decision-making or governance. So there's noise in the data I would say, and a range of ways in which families are trying to think about how to engage, how to successfully really bring in those younger family members. If we see on the next slide in general that is probably not being that sort of uneven engagement with next-gen or younger generations is probably not really being driven by our dynamics. We asked for generational dynamics that are affecting the family philanthropy. People could select all that applied. And what you will see is the number one issue, if you will, or the dynamic is that the younger generation does not have time to be actively involved. That has stayed steady at about a third of the sample.

What you see are changes that there's a rise from 8% to 16% in conflicting political, social, religious views between generations. You also see a doubling from 6% to 12% of conflicting views about wealth between generations. That being said, even though those numbers are double what they were five years ago, I think it's also important to note that those are still very low numbers. Those are numbers that are a significant minority of all foundations reporting potential dynamics. So while I think we see what we hear discussed in the media about the social divisiveness that's out there, we see some of that reflected here. It is also important to note that any of these dynamics are still less than a third with the exception of not having enough time, which is just slightly over a third.

There are however complex dynamics, and if we ask specifically what are the dynamics that are impeding participation, again, you see phase of life and other commitments of family members as the number one area that is the most challenging at 28%, which tracks pretty closely that 35% about people not having enough time. You also see that geographic dispersion is causing a challenge of participation, which may have to do with the way board meetings are constructed, foundation focused areas and so forth. And again, everything else is really fairly low. It is probably worth noting that dysfunctional family dynamics went from 7 to 14%, which is a doubling, and yet that still means that 86% of families are not saying that dysfunctional family dynamics are a problem. So I think it's important to look at both sides of that question. When you look at a chart like this. As we think about who is on that board, who are they trying to engage? The question of who is eligible to serve in a board has stayed pretty consistent across the decade.

It is still the case that less than half of foundations have eligibility criteria that recognize the ability for independent, meaning non-family to serve, and that the focus tends to still be within children and grandchildren, although spouses and domestic partners are also involved in foundations. So this has stayed pretty similar from the previous study. That being said, we do see that about 1 in 5 foundations expects to add more independent board members in the future. We are expecting to see a shift in those numbers in 2030. So stay tuned for this presentation roughly five years from now. We'll see what happens. Moving along to the increased board diversity. Even while eligibility has stayed fairly consistent. What we do see is that the boards are more racially diverse. We first asked this question in 2020, so we don't have comparison data from 2015, but what we do see is an increase across the board with the exception of Native Americans for a more racially diverse board construction in foundations these days.

I'll also note not on the slide, but in the report, the number of boards that report, at least one member who identifies as LGBTQ plus nearly doubled up to 19% in this most recent report. What are foundations saying that they're going to do in the next few years? A small number are going to hire staff. We do see a small number also saying that they explicitly hope to increase the racial and ethnic diversity of the board about one in five as noted previously, expect to increase the number of independent board members, and just under 10%, 1 in 10 will expand the existing number of staff members. With this, we are concluding our lightning run through the greatest hits of the trends 2025 report. And I will invite

Nick to come off camera and reflect a little bit about this section or any other thoughts he has. And then Britt to begin moderating some Q&A for us.

Nick Tedesco

Great. I'm excited to get to the questions from the attendees, but a couple of initial thoughts from these sections as well. Similar to the earlier sections, we are again seeing a narrative of change here and I want to underscore a couple of points. The first that you had mentioned is that learning is really meeting more of a universal embrace. And I want us to pause and hold that. As you noted, Miki, a third of organizations almost double that of our last report, have taken steps to expand beyond a grant making institution to be a learning institution. And that's huge. And so I want us all to reflect on what it means to be a learning institution and to note that positive shift that we're seeing and to invite us all to think about what it means to continue to hold learning at the center of our work because that's how we're going to continue to improve.

That's how we're going to translate the learning and the observing into the doing, and that's really important. The other point that I want to underscore is that we are seeing some warning signs that if families don't tend to the complex business of working together towards a collective commitment, towards the work of being a family, then their efforts are going to meet limited success. And so I encourage you all to hold the question of how you work together to find consensus, how you work together as a family to make decisions, particularly when what we're seeing are some headwinds around geographic dispersion and life commitments of younger family members and the demands of philanthropic stewardship being present. We're also seeing division and conflict come to the surface. And so again, I encourage you all to think about the business of making decisions together as a family and what that means and how you do it, how you're structured through your governance to be able to be the most effective in your commitments. And so with that, we welcome questions from the audience reflections, and I'll turn it over to Britt to help moderate.

Britt Benavidez

Thanks so much. Let's stay on next-gen for a moment. There's a number of questions on next-gen, and first is how do we define next-gen or the younger generations? And then what are you seeing for creative ways that foundations are engaging the younger generations in order to prepare them for their leadership roles?

Miki Akimoto

Why don't I take the definitional question. Then, Nick, you can talk about the creative ways. How does that work? In terms of, I saw a couple of different questions come through about next-gen, how we were defining that. And in some cases, in most cases when we say next-gen, we are asking the family to talk about their next generation without putting any kind of age around that. We're not saying your 18-year-old, we're saying whatever your next generation is, whether that generation is 2 or 62. But what I will say is in the full report, we do have a breakdown of the relative ages of people on the board.

If you're interested in what the distribution of ages is on average across boards, who has, what percent of boards have 20-year-olds, et cetera, those data are in the fuller report. We just couldn't bring every single table into this presentation. In the report I think the age ranges roughly line up with silent generation, boomer, et cetera. Understanding that there's some squirreliness about definitions around those depending on who you're talking to. There's the age breakdown in the report, and then when we talk about the next generation, we're literally just meaning the next generation for that family.

Nick Tedesco

And I'll underscore that definition before sharing some practices. It really is about, as Miki mentioned, the next generation of decision makers. And that is a wide berth in terms of age. And that gets to the question of how do you prepare that next generation of decision makers? And there are many, many ways that we see families do this. One invitational offer is to think about the developmentally appropriate way to engage the next generation. One is, as we just noted, it's not one singular age category. So really think about that next generation that is coming up or next generations that are coming up, and think about the ways to engage them in developmentally appropriate ways. In the earlier ages, it's volunteerism, it's some exposure to the acts of generosity and the spirit of generosity and to understanding your commitment as a family. So for example, have conversations at the dinner table about what you are doing as a trustee of the family philanthropy field, questions from your children, your grandchildren, your nieces and nephews.

As you get into more formal engagement perhaps in the teen years and certainly in the 20 years, it's really about those opportunities for learning without expectations of formal service. And really thinking about in those earlier years, are there some structured learning opportunities? Some families, we'll do webinars that are offered perhaps quarterly that you could dial in to learn from potentially one of the grantees of the foundation or from one of the trustees themselves. So is there some topical issue that can be talked about that is accessible for learning? But again, the threshold of engagement isn't extremely high. And then as you get into more formal ways to engage, you can think about some structured collective giving opportunities, some discretion for that next generation to be able to go out and move some of those resources.

I always say really keep that fund and make sure that that's flexible, right? It doesn't need to align to the defined areas of interest of the family, philanthropy or the foundation. It's just really again about instilling a sense of generosity. And so thinking about what that means. And then certainly as you get into the 20s and 30s, it's about preparation for service and that's a whole different discussion, what it means to be a fiduciary and thinking about more structured learning opportunities.

Britt Benavidez

Thank you, both. There's a really great question here from Kelly Nolan. As we think about the principle of equity, were there new questions in the 2025 survey that weren't asked in 2020? Given the anti-DEI environment we find ourselves in, have the questions changed to ask more questions about equity, racial justice?

Nick Tedesco

I will defer to Miki, but I will say, hi, Kelly.

Miki Akimoto

Oh, sorry, that's what you were saying was, hi Kelly? Hi, Kelly.

Nick Tedesco

Yeah.

Miki Akimoto

Kelly, yes, there were slightly more granular questions asked, but what I'll say is that I think we're going to try to put together a document to get to some of these more granular questions that I don't want to guess at live because I don't have the full survey next to me right here. But we did dive into practices that would align with some of that, but we were also trying to balance not making the survey so long that nobody would answer it. With also carrying through some of our previous questions that we could actually make these longer term trend analysis. That was a little bit of both and on that, and we can put that into the follow-up document. I'll work on with Britt.

Britt Benavidez

Perfect. Thanks. So for those of you who may need to drop at the top of the hour, I want to make sure that you have the link to the report and to our survey. So I'm going to drop those in the chat now. For those of you who are able to stay, please stay and we will continue doing some Q&A. There's a lot of really great questions in here. The link to the report is there in the chat. Let's see. We have some really quick announcements before we transition to that Q&A. For those of you who need to leave, we understand and thank you for joining us. You can download the full report just by submitting your name, email address, and organization. It's free. We just collect that information upon downloading. And we will have future NCFP events and resources on trends 2025, including additional virtual programs and deep dives on specific topic areas. We will take all the questions that we are getting today and that will help us think about and inform our programming for the year ahead. So let us know if you would like to learn more about this work.

The team is always happy to talk through these findings in more depth with you and your organization. Please share it broadly. And we also welcome your feedback. So I'm going to drop a link to the survey here, and you can also include any lingering questions that you have that maybe weren't answered today if you need to hop in this survey. Just a moment here.

All right. So, Jen, I think we can take the slides down and just transition to our Q&A period. We're so happy that most of you were able to stay with us. And we have some questions first that came in from registrants to get us started and then we'll dive into the Q&A. The first question that I have for you both is there a growing interest in shifting power? So including non-family members on boards doing participatory grant making. Are you seeing a growing interest and what accounts for this?

Nick Tedesco

Yeah, I think it's such a great question, Britt, and perhaps I'll start. Miki would very much encourage you to share your reflections as well. And Britt, I think one of the greatest trends we are seeing both in the data but anecdotally through our conversations, through our programs, is a shift from centering donor to centering community and a reflection on this question of stewardship. And coming back to this fundamental question of stewardship and what it means to move resources intended for the public benefit. And so what we're seeing is a deep curiosity on the part of philanthropic families to center community and their decision-making.

And so we are witnessing some early indications of the shifts of practices in structured governance, in grant making, and in the work to inform decision-making and grant-making. We're seeing even more greater willingness and curiosity to make those shifts. And so this perhaps is one of the most exciting trends that we are seeing is this shift towards centering community, but it's raising a lot of questions. It's raising a lot of questions around than how families think about maintaining their efforts in relationship to control, in relationship to sharing power. And so there are a lot of questions that I think families are wrestling with rightfully at this time.

Miki Akimoto

And I would say building onto the excellent points you've just made, Nick, is that it's a landscape that there's not a one-size-fits-all model around what shifting power means to any one family or any one set of actors. And that in some cases what we're seeing is a shifting in power from board to staff where you've hired perhaps movement leaders or community members in your staff who are helping you make these resource allocation decisions. In other cases, it's advisory committees that there's a range of structures that people are considering while also wrestling with family dynamics and all the other things. And I think to the point we've made a couple of times in this presentation.

The data that we have is this what? It is a point in time. It is how people interpreted questions when they answered them. It's all the things that any set of survey data to say and don't say. And it's the work for us in the next couple of years to really understand the contradictions in the data, which in some cases would say, yes, there's this interest. In other cases would say no, maybe not. Maybe there's less interest than we are hearing. And so really trying to figure out how we interpret some of these findings.

Nick Tedesco

And Miki, I want to underscore what you just said. There's no one right way to shift power, right? We're in fact doing some research right now with several partners of ours. Elizabeth Vermeer is one of the partners where we are benchmarking governance models and operating models with this question of sharing power. And we see really effective models that are born of governance structures that are still all family and governance structures that are majority community. And so it's really interesting to think about the different ways that you can approach shifting power, sharing power both operationally and in your governance models. And there's no one right way to do that.

As Miki mentioned, you may be a board that is all family, but you've made a commitment. It's part of your set of principles that you are going to incorporate the advice of advisory committee members or your staff with lived experience into the decision-making in a much more prominent way. And that might be a little bit different than perhaps a board structure that has community members present as trustees in that decision-making structure where then their voices are perhaps more prominent at the governance level. So again, it's about assessing what's possible within your structure and then thinking about the modifications you can make operationally and at the governance level.

Britt Benavidez

Yeah, lots of ways to shift power. Thank you, both, so much. And we know that family foundations are the primary respondents, but are we seeing anecdotally or in the data trends of giving through DAFs, LLCs, using consultants or intermediaries versus setting up a full foundation and hiring staff? If you could speak to that.

Miki Akimoto

Sure. I mean, we're certainly seeing a lot of families that are using both foundations and donor-advised funds. I think we're also seeing, I mean just nationally, we're certainly seeing a huge increase in the number of donor-advised funds that are being established at all. And as I mentioned in the early part of the methodology section, we actually went out and sourced a wide range of family philanthropies hoping that we would be able to really capture some information on how donor-advised fund-givers might differ from those working at a private foundation. In our particular response, we did not get a lot of those comparatively speaking, but we're certainly seeing that a range of vehicles, including donor-advised funds, LLCs, c4s, other kinds of things are being used.

Nick Tedesco

Yeah, I think that we are fundamentally seeing shifts in operating models and structures as Miki mentioned, and it's a bit of an overgeneralization, but I would say that we are seeing a trend towards leaner structures and leaner operating models. And that's really a trend towards efficiency and optimization. And so we're seeing people leverage donor-advised funds. We're seeing people leveraging donor collaboratives and re-grantors. So there are definitely some trend lines here where philanthropic families are looking at, again, leaner infrastructure and structures that allow for more efficient and outsourced and shared service models.

Britt Benavidez

Great. Thank you, both. There's a lot of discourse in the Q&A. People are very surprised by the finding about general operating grants being down as were we. And so if you could provide further insights, is this definitional, right? People say they are increasing their trust-based philanthropy practices, but decreasing general operating, this is a really interesting trend that if we could dive into for a second.

Miki Akimoto

Sure. So just to be clear, we did not explicitly say are you practicing trust-based philanthropy? But we did ask, are you doing certain things that we know align with principle-based philanthropy, trust-based philanthropy, listening for, shifting power, all of those kinds of things. And I will just say personally, as I began diving into the data as one of the first people to get to do so because a numbers nerd, that was one of the great surprises for me to see that decline in general operating support, because it seemed to fly in the face of certainly a lot of the anecdotal evidence we had heard, the sort of discourse we've heard about funders moving toward this.

Now, at the same time, I think if you talk to a lot of nonprofits, which I also do, you hear that there's some tension about how well funders are doing this. And this is to the point of the what versus the why. All we know is what. We know this trend is happening. At this point I will just again say personally, I don't have a working hypothesis about why the seeming contradiction between what we see as a rise in more community-centered, more grantee-centered thinking and this decline in general operating.

Nick Tedesco

And I'll add that, I am as Miki mentioned, surprised, we are all surprised that that number is not higher. And in part it is not surprising because it is the way that philanthropy has been structured for many, many years. And it actually speaks to the DNA of philanthropic practice. And what I mean by that, there's a couple of points here. One is that there is a really complicated relationship that philanthropy has with measurement, and that actually speaks to the practice of restricted versus unrestricted funding, right? Often families want to be able to, and institutions want to be able to point to outcomes that are directly attributed to their support, right? It's contribution versus attribution. And oftentimes budgets are made and amended based on those success metrics.

And so I do think that what we need to do is interrogate our relationship to measurement, to monitoring the work to what we're defining as success and thinking about in many ways how the practice of philanthropy is structured from the budgeting to the monitoring of the work to the execution. Because right now, I actually think that, again, philanthropy has historically been structured to look at attribution less contribution. And I think we need to shift that. But yes, I think we are all surprised that that number is not different.

Britt Benavidez

And Nick, you answered another question that was in the Q&A while you were talking on attribution versus contribution. Thank you so much for answering both of those. There's a number of questions in here on leveraging capital in other ways besides impact investing. And I'm wondering if you can speak to what those ways are and what you're seeing and maybe some comparing of them.

Nick Tedesco

Sure. Miki, welcome your thoughts as it pertains to the report and more broadly speaking. But one of the invitations we often issue to families is to think about all of your resources, your time, your ties in addition to your treasure, your talent. And capital comes in many forms. You have relationship capital, you have many different forms of capital. I think it's really important to be able to think about the different forms of capital that you have. As philanthropic families, one of the things that actually is quite distinct from independent philanthropy are the relationships and the influence that you hold. And so are you working to clear the way for those that are best positioned to do the work? Your nonprofit partners, are you leveraging your relationship capital? And that's something that's really important. Impact investing, as you noted, is something that we continue to see great interest in. And so that's really important for us to note here is the concept of aligning all capital for good and total portfolio activation is one that's really important.

And so we invite families to reflect on how you put all of your assets to work or at least do know harm. And those are two distinct things, but reflect on them, right? At least do no harm, but if not actively do good. Investing equity or leveraging debt, whatever that might mean. Happy to go into more depth on that. But then there's also leveraging capital through c4 structures and think about out supporting political candidates and movement leaders and others. But Miki, welcome your thoughts as well on capital as a concept.

Miki Akimoto

I mean, certainly echo all the things that you said. I was just going back to the report to see what additional data we might have. And I think this had come up in a question that I saw about PRIs and other forms. So we asked the question sort of broadly, do you do impact investing? And then we got a little bit more granular. And in the full report there is a table, table 20 that lays out small percents of people. 7% are doing debt PRI, 9% are doing equity PRI, 9% are doing MRI private. I won't read you every single number because that's incredibly boring. But just to say that it's vanishingly small numbers that are really adding on these other kinds of things.

But to Nick's point, I do think that there are conversations happening in the field both about how we're leveraging our capital, and also to answer a question that I saw come in, where that capital came from. We do have a question in there about whether or not families are beginning to take on the question about the origin of their wealth. Again, less than half certainly in any given segment, but it's a question that's beginning so that we're seeing that whole question about not only not do any harm, but is there perhaps harm that needs to be repaired.

Nick Tedesco

Yeah. And Britt before we move to the next question, one of the invitations I might offer to those who are out in the audience is to connect with us with some of your peers around the practices of leveraging all of your capital and learn more about impact investing in its various forms. Learn more about perhaps advocacy work, learn more about just generally what it means to look beyond some traditional practices.

Britt Benavidez

Thanks so much. We'll do one more question before closing announcements, and I think this is a really great one. So what is next for NCFP? How are we going to be using this data? How are we going to continue to dive deeper and how is this going to ground us before trends 2030?

Nick Tedesco

Great question. We are going to be using this trend study as a baseline and as a central set of questions for us to interrogate. We are going to be doing a set of companion reports and companion blog posts that we'll be releasing that will be going deeper on these data points that will allow us to bring examples forward and allow us to bring the data forward with much more definition. As I mentioned, two reports that we're currently working on. One is on interrogating operating models, one is on charting governance models and how decisions are made. So stay tuned. We're also going to be doing some work around impact investing and looking at the resources and the practices that are available for people interested in pursuing impact investing. One other thing I'll note is that we are going to be continuing our work on psychological barriers.

We're moving forward with a second phase of work, and that really is a through line in all of this. It's how you think about shifting your mental model. It's thinking about behavior change. It's thinking about how you take time to reflect on the questions and to think about the commitments and those hesitations that are perhaps preventing you from making the change. And so stay tuned for all of that and more. We invite you to stay in dialogue, share your thoughts, reflections, and questions.

Britt, I know you're going to move to closing, but I just want to extend our gratitude for everyone, for being part of this conversation, being part of the network, and continuing to challenge us in the way that we think about the evolution of the field of family philanthropy.

Britt Benavidez

Miki, any last words?

Miki Akimoto

Thanks again to our research partner, to all of our advisory committee members and to the many, many foundations who helped fill out the survey. We couldn't have done it without you. Thank you so much.

Britt Benavidez

And thank you, Nick and Miki, for a great presentation. We look forward to continued conversations and programming around this topic. Jen, if we could bring the final slides up please. And as we get ready to leave you a reminder that we will send out the recording of this conversation, a link to the report, the slides, and other resources relevant to this. So you will have all of this. We aim to get it out by the end of the week so that you can have this data handy and dig in. So we hope that you learn something that you take this back with you and really reflect on how will your actions today influence the trends of 2030. So we encourage you to continue to be thoughtful and intentional about your work to keep these trends top of mind as your organization evolves and shifts over the next few years. And please keep us updated on those changes.

Before we sign off, I'm excited to share about our upcoming programs. The next three fundamentals webinars are three part series titled Laying the Foundation. We hope you'll continue to join us on the second Tuesday of each month for those. And I think we hit a record for today's program. So we need 500 people on every webinar every month. It was so exciting to see you all here. You can register and find information on all of our programs on our website, and this series will really tackle some of the definitional questions that came up today.

As a reminder, we will also be taking some of these more granular questions and send them out in the resource document as you're reviewing the report. So thank you all again for joining this webinar. We will send everything out hoping by the end of the week. We encourage you to stay in contact with us, send us updates, and let us know all of the exciting things that are happening. We're so glad that you joined us today, and we hope to see you at an upcoming program. Thanks so much, everyone. Have a great day.