



VERITUS  
GROUP

Building Authentic Donor Relationships

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# Demystifying Donor Advised Funds





**VERITUS GROUP**

# Jeff Schreifels

- Principal & Owner
  - Expert in developing, planning and executing strategic fundraising and marketing programs
  - Over 30 years of experience building major gifts and mid-level fundraising programs
  - Jeff and his son Jake have seen almost every MLB stadium together
- 







**VERITUS GROUP**

# Diana Frazier

- Senior Client Experience Leader
  - Broadcast Media
  - Graduate School
  - International Development
  - Comprehensive University
  - Legal Clinic
- 





**B E R N S T E I N   P R I V A T E   W E A L T H**

# Evan Linhardt

- VP, Advisor to Families, Foundations, & Non-Profits
  - Expert in designing, planning and executing investment plans that align and allow clients to fulfill their mission and maximize impact
  - Former Development Director where he built and led multi-million dollar campaigns, communication strategies and stewardship programs
  - Evan resides in Collingswood, NJ with his wife and two daughters
- 







NATIONAL PHILANTHROPIC TRUST

# Fernando Gonzalez

- Senior Director, Head of U.S. East
  - Expert in providing consultative support for advisors and donors working to achieve their philanthropic goals with donor-advised funds
  - Over 12 years experience in wealth planning and a Chartered Advisor in Philanthropy (CAP)
  - Former opera singer who enjoys tying his arts background and current role together in board service, most recently with Delaware Valley Legacy Fund
- 







**M E R C Y   S H I P S**

# Andrew Bobbit

- Regional Development Manager
  - Over 27 years of experience in fundraising and non-profit leadership
  - As CEO of the YMCA, lead efforts to raise over \$25 million
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## VERITUS GROUP

Our vision is to help non-profits create a culture and approach to fundraising that creates transformational relationships with your donors.

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**VERITUS GROUP**

# Our Strategy and Approach

We accomplish this vision by helping non-profits create a system, structure, and strategy that will:

- Create alignment and buy-in across your organization
  - Reduce donor and value attrition
  - Improve revenue per donor
  - Support increased net revenue for programs
  - Create deeper, more meaningful relationships with your donors
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# Who We've Partnered With

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**GREATER  
PUBLIC**



**SEATTLE  
OPERA.**





A woman with long brown hair, wearing a yellow cardigan over a striped shirt, is pointing with a red pen at a whiteboard. The whiteboard is covered with numerous colorful sticky notes in yellow, orange, green, and pink. A man with a beard, wearing a dark suit and a light blue shirt, stands behind her, looking at the whiteboard with a thoughtful expression, his hand near his chin. The background is a blurred office setting with warm lighting.

# Non-Profits Must Prioritize Opportunities with Donor Advised Funds





**VERITUS GROUP**

# Donor Advised Funds

- Massive unrealized opportunity for asking transformationally.
  - Resiliency during uncertain economic or political times.
  - Start talking to your donors about this as early as possible.
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# What to Consider About DAFs

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- Remember, the money has **already been given!**
- But... donors may not remember that they set one up, so **talk openly with your donors about this option!**
- **Don't worry** about creating a complex strategy for donors who give through DAFs.
- There is **no requirement to make a distribution**, like with some other vehicles.





# How to Maximize Donor Advised Funds

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With significant funds undesignated, you don't want to miss out on your share of the Donor Advised Funds pie:

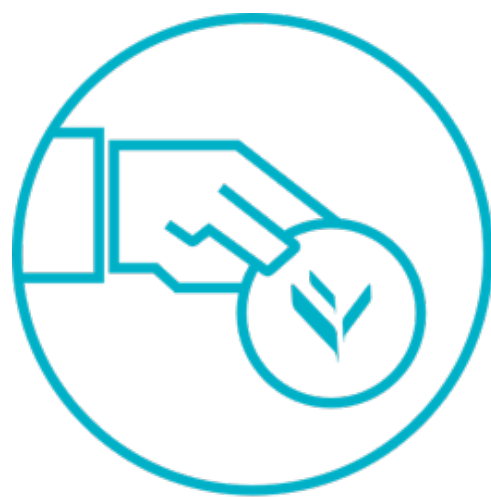
- ✓ Create compelling offers you can share with your donors
- ✓ Make sure your donors know you can accept gifts in this format
- ✓ Make sure you promptly report back on gifts made through this vehicle



# How Donor-Advised Funds Work

**Donors contribute assets to DAF sponsors—which have 501(c)(3) status—in order to open a DAF account. They retain advisory status on the account and recommend grants to charity.**

The DAF sponsor provides administration for the account, including detailed recordkeeping, sub-accounting, quarterly statements, and tax reporting.



## **DONORS CONTRIBUTE**

Contributions are irrevocable  
and donors can take an  
immediate tax deduction



## **ASSETS MAY GROW**

Donor's charitable  
assets are invested and  
may grow tax-free



## **CHARITIES BENEFIT**

Donor recommends  
grants to qualified  
charities



# Who Are DAF Donors?

- DAF donors have a **range of wealth levels**; some sponsors offer DAFs with little or no initial contribution requirement.
- The average DAF size is **\$141,120**.
- DAF donors are **active philanthropists** who pay out **20% + /year**.
- They are **the same donors you cultivate**.
- Most DAF sponsors are agnostic, and you cannot appeal to them directly. What you can do is **cultivate DAF donors** and make it easier for them to recommend DAF grants to you.

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Source: National Philanthropic Trust, 2024 *DAF Report*



# Demystifying the DAF

- ✓ DAFs serve as charitable savings for your donors and may help **sustain grantmaking** in uncertain times. In 2023, DAF grants totaled **\$54.77 billion**—a slight dip from 2022’s record high and only the second decline on record.
- ✓ There is a misconception that the **\$251 billion** in DAFs is fully inaccessible; it was placed and is **advised by the donors you cultivate**.

- ✓ You probably already benefit from DAFs—DAF grant value has **increased over 92%** since 2019 and has grown **5X faster** than foundation grants over the past decade.



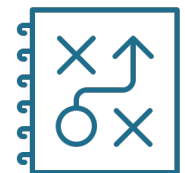
**Donors can do a lot with their DAFs.  
What can YOU do to engage with them?**

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Source: National Philanthropic Trust, 2024 *DAF Report*



# 5 Steps to Succeed with DAFs



**With the right strategy, charities can make DAFs work for them.**

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1. **Communicate** how you credit DAF grants
2. **Include** DAF language in your solicitations
3. **Cultivate** DAF donors for planned gifts
4. **Engage** the family of DAF donors
5. **Partner** with a DAF sponsor for complex gift administration



A photograph of two men in an office setting. The man on the left, with blonde hair and glasses, is wearing a checkered shirt and holding a pen. The man on the right, with a shaved head, is wearing a grey blazer and smiling. They are sitting at a desk with laptops, a coffee cup, and a smartphone. A large window with a grid pattern is in the background, and a small potted plant sits on the windowsill. The entire image has a warm, orange-toned overlay.

# Commonly Asked Questions About DAFs





## FAQs

How do we find donors with Donor Advised Funds? Our board is encouraging us to target DAF, how do we educate our board members on how this works?





## FAQs

How should we credit a Donor Advised Fund gift? Hard credit to the fund and soft credit to the donor?





## FAQs

Should we be engaging the wealth advisors for these DAFs to cultivate gifts the way we do other major gift prospects?





## FAQs

Are there seasons or times of year when DAF appeals are more effective?





## FAQs

What do you feel is the best way to market DAF giving to our donors, to encourage them to give in this way?





## FAQs

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Do you have any suggestions for how to break through and connect with anonymous DAF donors?



A woman with long dark hair, wearing a blue and white striped button-down shirt, is standing and gesturing with her hands while speaking to a man. The man, seen from the back, is wearing a dark maroon shirt. They are in an office environment with desks, papers, and a laptop visible. The scene is lit with warm, golden light, possibly from a window. The word "Questions?" is overlaid in large white text across the center of the image.

Questions?





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