

Highlights from the 2016 U.S. Trust® Study of High Net Worth Philanthropy

Claire Costello, National Philanthropic Practice Executive at U.S. Trust

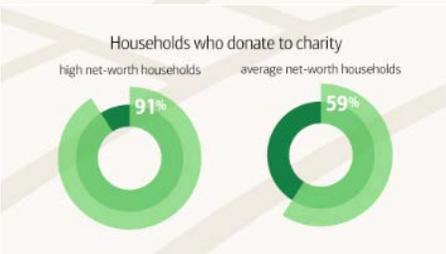


Hello, my name is Claire Costello, and I'm a managing director in the Philanthropic Solutions Group at U.S. Trust.

Every two years since 2006, U.S. Trust surveys high-net-worth individuals to learn more about the philanthropic priorities—and challenges—of wealthy Americans.



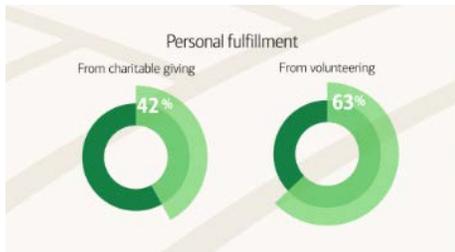
Perhaps the most fundamental finding from the survey is that giving remains a priority for wealthy individuals. Last year, 91% of American high net worth households, as compared to 59% of average households, donated to charity, giving on average \$25,000 per household—about 10 times that of the general population.



Importantly, wealthy families' giving was not limited to dollars donated.



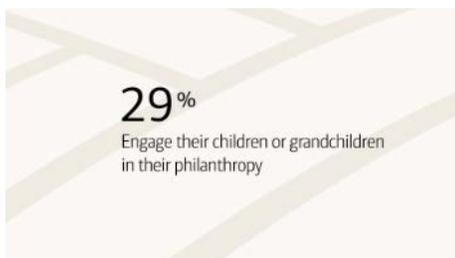
In 2015, 50% of wealthy individuals volunteered their time and talents to charitable organizations, a rate twice that of the general population.



And while 42% of wealthy donors said they experienced a high degree of personal fulfillment from their charitable giving, even more (63%) said they derived fulfillment from volunteering.



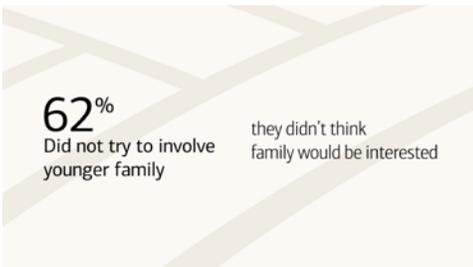
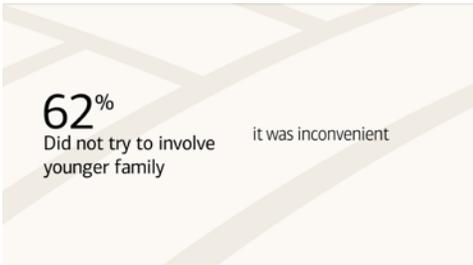
One way to make charitable giving more satisfying, according to our survey's results, is to make charitable giving a multigenerational effort.



More than three quarters of wealthy families, 77%, who involve their younger family members in their philanthropic decisions found it was personally rewarding to do so, yet only 29% of wealthy households engage their children or grandchildren in their philanthropy.



Among those who did not involve their younger family members, more than 60% said they did not even try to involve them—either because it was inconvenient to do so, because they didn’t think their younger relatives might be interested, or simply because they did not know how to do so.



- Benefits of involving children in philanthropy
- communicate values across generations
 - instill an interest in philanthropy
 - strengthen family commitment to philanthropy

At U.S Trust, we’ve helped many of our clients bring their children into the charitable giving process, and we can attest to the benefits of doing so. It’s an effective way to communicate values to children across generations. It can also instill an interest in philanthropy at a younger age, which can translate into a strong commitment to giving over time. And being strongly committed to philanthropy is important because, while charitable giving can be very satisfying, it can also be very challenging.



Of the wealthy donors surveyed, 67% reported that their greatest challenge is identifying what causes they care about and about deciding where to donate.



They also said it was difficult to determine whether their giving was effective. Indeed, only 44% of respondents said they believe their giving is having the impact they intended, which may be partly due to the fact that 78% of wealthy donors do not monitor or evaluate the impact of their charitable giving at all.

These findings about the challenges associated with charitable giving come as no surprise to us. Many of our clients have told us how difficult it is to decide which organizations to support and to determine whether their gifts are being used well.



We've found that you can make philanthropy less challenging—and more fulfilling—by putting some structure around your charitable giving. For example, we've helped our clients make the philanthropic decision making process more efficient and effective by utilizing donor-advised funds, charitable trusts and family foundations. By leveraging these vehicles as part of a more strategic approach to giving, you can maximize the impact of your gifts on the organizations you support and the causes they address and make the giving process more satisfying for you and your family.





I have covered only a fraction of the findings. I urge you to read the full report, which you can find here on ustrust.com/philanthropy.

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