

Strategic planning for philanthropy

Developing a philanthropic plan can help accelerate your philanthropy, create more impact and ultimately make you feel more fulfilled in your giving. Adopting a planned approach and working with your UBS Financial Advisor improves satisfaction with the effectiveness of your giving.*

A philanthropic plan should be a living, breathing document. This allows for shifts in the family's passions as well as growing knowledge about the causes you support. It also allows you to leverage technological innovations and new thinking from leaders in those sectors.



Focus on the "why" of giving.

Why are we giving?

Before focusing on the causes to which you will dedicate your time, talent and treasures, first consider; "Why do I want to give back?" This is where you focus on the "why" of giving, rather than the "what."

- Do you give out of passion, responsibility or obligation?
- Do you want to honor a loved one?
- Do you donate to bring your family together or teach values?
- Do you want to change the world in which we live?
- Do you want to fix an issue or protect something beautiful?

*UBS Investor Watch, Doing Well at Doing Good, 2015.

Examples*

"I want to teach my children good values when it comes to money."

“Our community has made us successful. In turn, we would like to give back and invest in our community.”

"I want to change the world and leave my mark on it long after I'm gone."

*For illustrative purposes.

Why does your family give?

When crafting a vision statement, ask yourself this:

“If our philanthropic efforts meet their goals, what would the future state of the world, country or community look like?”

Vision statement

A vision statement articulates what you want the world to look like. It is both idealistic and long term, and serves as an inspiration and motivation for driving your philanthropic endeavors. It clarifies the issues your philanthropic efforts are intended to address and serves as a starting point for all your future philanthropic activities, collaborations and decisions.

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Examples*

"America will be free from hunger."

– Feeding America

“India will be a child-friendly nation that guarantees the rights and protection of all children.”

– Childline India Foundation

"The world's oceans will be free of plastic pollution."

– Plastic Oceans International

*For illustrative purposes.

Our vision is to:

Mission statement

If your vision is what you hope the world to be, your mission is what you do to reach your goal. It should be clear and concise—ideally, no more than 15 words. Your mission statement signals to others what your philanthropy is trying to achieve in an easy-to-understand way. It helps you focus your philanthropic activities on what is most important to you.

Your mission should be stated as clearly and concisely as possible. Try to make it no longer than 15 words.

Keep in mind that a narrow or specific mission does not limit your activities; rather, it allows you to check your actions against your mission to ensure that they're aligned. Additionally, it helps potential funders or grant seekers understand whether there is an opportunity for partnership or collaboration, as well as help you decide whether to accept or decline funding opportunities.

Examples*

"To conserve the lands and waters on which all life depends."

– The Nature Conservancy

"To support creative people, effective institutions, and influential networks who are building a more just, verdant, and peaceful world."

– The MacArthur Foundation

"To ensure that kids growing up in poverty get an excellent education."

– Teach for America

*For illustrative purposes.

Our mission is to:

Decision-makers

- Who is included in the decision-making of your philanthropy? If you have a formal giving structure, will you have board members?
- Will these individuals be family members, non-family advisors or friends?
- Will decision-making be unanimous? Democratic? Will one person have the ultimate say?

Examples*

"The primary decision-makers will be Mom and Dad, and we will invite our kids to choose an organization annually to support for a specified amount."

"Our family foundation will have five rotating board seats, available on rotation for blood relatives. Younger family members will have an option to join a junior board with an allotted amount to give toward our mission."

*For illustrative purposes.

Add your responses here.

Who will be in charge of making the big decisions?

Making it endure

Your legacy plan for philanthropic dollars will determine how you want to allocate them now. Here are a few questions to help determine which path is right for you.

- Will you give all the assets during your lifetime?
- Do you plan to wind down over a certain number of years?
- Would you like your family or friends to continue to give once you’re gone?
- Do you plan to add additional assets over time?
- Will you give away only the income of the investments or principal?
- How much capital do you need to apply to the problem you’re trying to solve?

Will your philanthropic plan extend beyond your lifetime?

Examples*

“Our family intends to increase the value of our private foundation over our lifetime, and create a succession plan for family members to continue to give in perpetuity.”

“We value ‘giving while living’ and would like to see the impact of our philanthropy in our lifetime. We intend to fully distribute our entire donor-advised fund before we turn 85.”

*For illustrative purposes.

What is your legacy plan for your philanthropy?

Type of philanthropy

What type of philanthropists are you and your family members? Do your philanthropy styles align? Styles of giving within one family may vary based on age, life stage or other considerations. All types of giving can be thoughtful and strategic, but a unified approach may make it easier to agree on the types of organizations and opportunities you are looking to fund. Here are some common philanthropic styles:

Family members may have different approaches when it comes to the best way to give.

- We select organizations based on their overall results and trust them to allocate funds where they have the greatest need.
- We’re trying to solve a problem and want to leverage all of the tools at our disposal to make the largest impact.
- The issue that we are tackling is too big to solve on our own. We want to partner with other funders and nonprofits to reduce redundancy, share knowledge and drive results.

Examples*

Here's how those styles may be expressed by individual families:

"Our family spends a lot of time vetting our grantees and understanding how they measure success, as well as how they pivot when they aren't getting the results they expect. We feel confident providing them with general operational support, knowing they will make sure our funds are allocated where the need is greatest."

“We are venture philanthropists seeking several multi-year projects that have opportunity for scale, impact and collaboration.”

"We know that our foundation can't impact hunger in our community on our own, so we're collaborating with two other foundations, a nonprofit, the local school system and a local company with available warehouse space."

What's your family's philanthropic approach?

*For illustrative purposes.

Giving allocations

Using a philanthropic allocation or “bucketing strategy” can help you decide what to fund and what not to fund. Pre-determined amounts of money or percentages of your budget can be allotted to differing interests or specific missions. This allows you to dedicate more resources to those issues in which you strive to have the most impact, and to decline grant requests that are unrelated to your mission.

Allocation segments will depend on your family's passions and responsibilities.

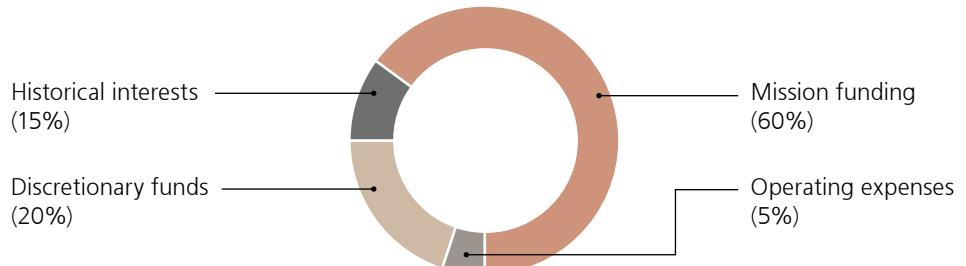
- Mission-aligned funding
 - Ocean conservation
 - Art programs
 - Local school
 - Global hunger
 - Other areas of interest
- Historical obligations
- Discretionary funding
- Emergency and disaster relief

These are meant to serve as examples.
Your allocation categories may be different.

Some families will allocate a set percentage of their gifting to a project or area they work on together, with the rest to be spent in a discretionary manner by the board. Other families might keep their private foundation focused on a specific mission, using their donor-advised fund for anonymous gifts and discretionary projects. Still others might partner with a community foundation to leverage the expertise of their local programmatic staff.

At UBS, we suggest allocating at least some funding to a discretionary bucket. This gives you the flexibility to support friends' charity runs or auction galas when you feel inspired to do so, regardless of whether it fits within your mission.

Example of giving allocations by percentage



What do your family's giving allocations look like?

The who/what/where of philanthropy

In philanthropy, focusing on a specific goal can make it easier to measure your impact, while having too broad a focus can be frustrating when you don't see results. Apply a who/what/where model to help you define your philanthropic focus, and you can effect real, visible change.

For example, wanting all children to have access to healthy foods is a noble goal, but it's overly broad. By narrowing your focus to "We want every child in Rice County, Kansas to have access to a free and healthy breakfast and lunch, seven days a week," you've created a goal against which you can measure your progress and impact.

Whom will you help?

- **Age group**, e.g., children, youth, adults or the elderly
- **Gender**, e.g., women or girls
- **Populations**, e.g., rural, immigrant, ethnic or religious communities
- **Socioeconomic communities**, e.g., underserved populations, budding entrepreneurs or small business owners



What issue will you focus on?

- Make progress on a **health** issue
- Address **environmental** concerns
- Promote **social** justice
- Expand **educational** opportunities
- Support **arts and culture**
- Provide **disaster relief**
- Increase **social welfare**

Where will you act?

- **At home or abroad?**
- **At what level?**

Global, regional, national, local

Examples

Who	Community-based health and development programs
What	HIV and AIDS
Where	South Africa

Who	Marginalized youth and adults
What	Homelessness
Where	Our community



Who

The beneficiaries of your philanthropic activities



What

What issue will you focus on?



Where

The geographic location of your efforts

A disciplined identification and selection process will help you translate your vision and strategy into concrete actions.

Choosing charities

Philanthropy is much more than just granting funds to charities that align with your family's passions. A disciplined identification and selection process will help you make smart, systematic decisions about who to support and how—and that will help you translate your vision and strategy into concrete actions. It can also be a good place to start when you're making decisions about grants.

You will need effective criteria for assessing the potential fit of a partner or project. One helpful way to organize criteria is along the following two dimensions:

Does the project align with your vision?

- Does it share your focus (what, where, whom)?
- Does it align closely with your strategy?
- Does it fit well with your other activities?

Does the partner have the capacity to deliver on the project goal?

- Do they have a track record of delivering similar work?
- Do they have the financial, human and technical capacity to reach the project goal?
- Does the management team seem capable and effective?

Choosing charities

Fill in this chart to help your family decide which charities you will support.

	Charity #1	Charity #2	Charity #3	Charity #4	Charity #5
Nonprofit organization name					
Fits focus					
Financial status					
Entrepreneurial values					
Leadership strength					
"Gut check"					
Measure results					
Total					
Average					
Amount requested					
Comments					
Fund? (Y or N)					
Funding allotted					
Total funding					

Before you commit

Select three charities that you'd like to explore in depth. Here are some ways to find out if these organizations align with your philanthropic goals.

- Review the organization's website.
- Request their annual report and read it carefully.
- Look up their ranking on a charity rating service.
- Talk to other donors about why they've chosen to support this particular charity.
- Conduct a site visit or explore opportunities for volunteering.
- Consider meeting the Executive Director, board members, program staff and, if appropriate, the people or areas served by the organization.
- Ask about the organization's origins, and their plan for the future.
- Ask what makes them different from similar charities.
- Learn more about the issues they address, and what challenges may be impeding their effectiveness.
- Ask if they have a specific purpose in mind for your donation.
- Tour their facilities or offices, if possible. This will give you an idea of how well the organization is managed, the programs they offer and the population they serve.

Now, fill in this chart.

	Charity #1	Charity #2	Charity #3
Why did you choose?			
What did you learn?			
Does it match your expectations?			
Are there next steps?			
Overall impression			

Make your choice

Document your decision-making process below.

Why have we chosen this charity to support?

How does this charity align with our philanthropic strategy?

Do we plan to continue or increase funding beyond this initial gift?

Do we want to support the organization in ways beyond funding (e.g., volunteer, serve on the gala committee, join the board of directors, etc.)

Quotes that inspire philanthropy

Do you have a favorite saying about giving? Is it an old family saying, or a quote from someone you admire?

Examples*

"The meaning of life is to find your gift. The purpose of life is to give it away."
– Anonymous

"There is no passion to be found playing small, in settling for a life that is less than the one you are capable of living."
– Nelson Mandela

*For illustrative purposes.

What's your family's favorite quote about giving?

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