



Philanthropic Advisor

*A Guide to Charitable Giving
for Professional Advisors*

The Boston Foundation 



Advisor Insights

How Do Women Do Philanthropy?

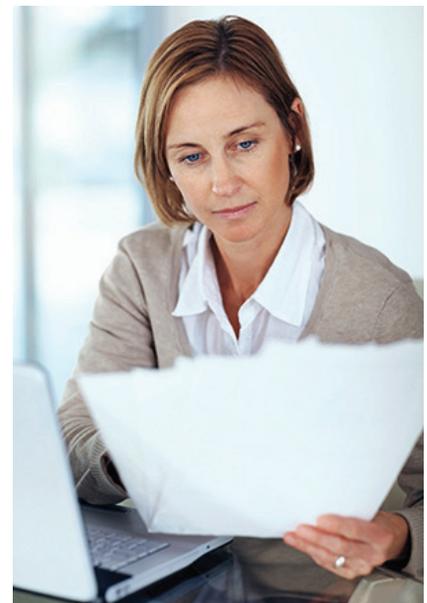
Women:

- Make up 47 percent of this country's top wealth holders (those with assets of \$2 million or more) and these women control nearly \$5 trillion in assets, according to the U.S. Internal Revenue Service;
- Give a greater percentage of their wealth to charity than men;
- Will often outlive their spouses and assume control of the family wealth;
- Tend to consult financial/wealth advisors when making philanthropic decisions, while men favor accountants.

Year after year, research conducted for the Women's Philanthropy Institute (WPI) has found that households headed by women, at all levels of income and wealth, give more money and are more likely to give than similarly situated men. This difference is most pronounced in women born before or during the Baby Boom (1946-1964) whose income and assets put them in the top 25 percent of wealth holders. Women in this group give "156 percent more to charity than men," says Debra Mesch, executive director of WPI, which is part of the Indiana University Lilly Family School of Philanthropy.

It's not just a matter of generosity. For nearly 90 percent of high-net-worth households, "women are either the sole decision maker or at least an equal partner in charitable decision-making," a 2011 study by Bank of America Merrill Lynch reported.

"The research literature indicates that women are more altruistic, empathetic and charitable than men," the study noted. Social and cultural factors, such as more college-educated women in the workforce, have contributed to women's increased visibility and involvement in philanthropy.



"How can we create a place where women can have a trusted source for knowledge and ideas but marry that to expert advice about the dollars they give?"

— Dune Thorne
Partner, Brown Advisory

over

Ellen Remmer, a partner at The Philanthropic Initiative (TPI) and chair of the board of WPI, agrees. “Women are going to shape the future of philanthropy, and we need to step up and seize that opportunity and responsibility,” she says. “Not only do we influence most of the giving in the household, we are more philanthropic than men and we are now accumulating more of the wealth.”

Dune Thorne, a partner at Brown Advisory and a member of the Boston Foundation’s Professional Advisors Committee (PAC), says advisors need to realize that while men and women may have similar goals for their philanthropy, they achieve them by different routes.

“Both women and men want to drive impact and see changes made in the areas they are passionate about,” she says. “I see the differences around the processes they use to educate themselves and make decisions. So the end result is very similar but the path to get there can be very different.”

For that reason, she asks herself: “How can we create a place where women can have a trusted source for knowledge and ideas but marry that to expert advice about the dollars they give?”

Jennifer Ewing, an attorney at Ropes & Gray who also serves on the Boston Foundation’s PAC, works with high-net-worth individuals and couples on charitable gift and estate planning. “My female clients want their gifts to have an impact and they want to make sure their giving is not reactionary, but is thoughtful and planned.” Advisors, she notes, should not assume that tax avoidance is what drives most charitable giving. In general, she finds, “the non-tax goal of just helping the charity and the philanthropic endeavor is what’s more important to the client.”

The 2011 Bank of America study, which was performed by researchers at what is now IU’s Lilly Family School of Philanthropy, looked at the attitudes and behaviors of more than 800 U.S. women with household income greater than \$200,000 and/or net worth (excluding their primary residence) of at least \$1 million.

“High-net-worth women are more likely than men to report that they give when they believe their gift will make a difference, when they know the organization is efficient in its use of donations, and in order to give back to the community,” the report said. Ms. Remmer observes that women “love to learn from each other. So I think advisors need not be afraid of bringing together women as a group, convening them, or hosting programs for them.”

Because women usually make the well-being of their children and family their No. 1 priority, they want to ensure that above all else, their “safety bucket” is full, Ms. Thorne says. “Women don’t give as much to philanthropy as they could because they don’t have strong enough financial advisory and planning work done. As soon as women know they have enough, they love the excess being devoted to philanthropy.” 

How the Boston Foundation Works with Advisors

The Boston Foundation works closely with financial, wealth, legal and philanthropic advisors to meet the charitable giving needs of their clients. As a community foundation with close to \$900 million in assets under management, the Foundation offers Donor Advised Funds (DAFs) that can be started with gifts of \$10,000 or more in cash, securities, complex assets, real estate, and LLC or partnership interests. Gifts to DAFs are generally tax deductible (50 percent of adjusted growth income for cash; 30 percent for stock or real property) and no yearly distribution is required. The Foundation charges a small annual fee for administration and management.

Please contact Laura T. Godine, Senior Director of Professional Advisor Relations, at laura.godine@tbf.org or 617-338-1218 for more information about Donor Advised Funds.

