

# How to effectively engage donors with donor-advised funds

Grantmaking from DAFs to qualified charities totaled more than \$25 billion in 2019, a 93% increase since 2015.\*

## How to attract the attention of donors with donor-advised funds

### 1. Increase your visibility.

Many donors look to resources such as [Guidestar](#) by [Candid](#), [Charity Navigator](#), [Charity Watch](#) or [Give.org](#) when they are searching for nonprofits to support. Add or update your organization's profile to the Guidestar database and check any other databases where your organization is listed for accuracy. Keep these profiles up to date so donors have the most accurate information.

Donors also actively search for nonprofits online using Google and other search engines, so make sure to keep your website up to date.

### 2. Make it easy for donors to give from their donor-advised funds.

Promote giving through donor-advised funds as an option in your nonprofit organization's solicitation materials and on your donation website. Referencing donor-advised funds, and providing instructions on how to make a donation to your organization, increases the likelihood those donors will make a contribution.

Consider dedicating a webpage to information about donor-advised fund giving, and include information on granting guidelines (see [our fact sheet on that topic](#)).

Consider featuring a story about one of your donors who gives through a donor-advised fund in your newsletter or emails.

### 3. Add the DAF Direct widget to your donation website.

The DAF Direct [widget](#) enables donors to contribute to your organization from their donor-advised fund account with just a few clicks.

### 4. Share information and insights about effective giving strategies.

Donors who have established donor-advised funds are generally interested in giving effectively and achieving the maximum impact with their philanthropy. Therefore, including educational information for donors on relevant topics like [giving appreciated assets](#), [tax bunching strategies](#) and increased flexibility through a donor-advised fund may enable them to maximize their giving potential, and include your organization in their giving plans. Consider sharing the [Schwab Charitable Giving Guide](#), which can help donors achieve greater philanthropic impact by providing them with a comprehensive approach for developing their giving strategy.

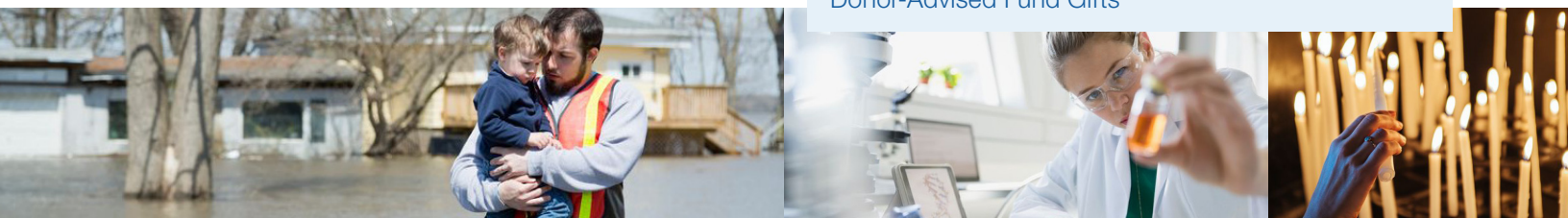
### 5. Grow your network of advisors.

Since there is no central database to search for donor-advised fund donors, one way to reach donors is through their advisors, such as wealth, tax and philanthropy advisors. Make efforts to develop relationships with those advisors, so when donors are searching for an organization with your expertise, the advisors can point them in your direction.

#### For additional resources and information:

[Chronicle of Philanthropy article — How to Land Donor-Advised Fund Gifts](#)

\* as of January 2020: The 2020 DAF Report, National Philanthropic Trust



## How to build a relationship with a donor who has made a gift from their donor-advised fund

### 1. Recognize your current donor-advised fund donors.

Identify donors who already give to your organization from donor-advised funds. Your gift processing team can identify them because their gift usually comes in the form of a check from the donor-advised fund sponsoring organization accompanied by a letter that may include the donor's contact information. Keep your donor records up to date by soft crediting the gift to the donor in your database and acknowledging their gift with a thank you letter. You do not need to provide tax deduction information since the donor has already received their deduction when they made their contribution into their donor-advised fund account.

Some organizations noted that having a process in place to accept and code gifts from donor-advised funds significantly improved their development opportunities. For example, a large environmental organization shared their experience developing such a process: "We audited our donor records and linked DAFs to individual donors and sponsoring organizations. This process was a big undertaking but worth it for better entering, coding, and stewarding DAF gifts. We have also marketed DAF gifts and asked donors to let us know if they are giving through a DAF so we can properly thank them."

### 2. Cultivate and steward the relationship with new donors.

If you receive a gift from a donor-advised fund sponsoring organization, and the accompanying letter includes the name and address of a new donor to your organization, set up a new donor file in your database, soft credit the gift, and reach out to acknowledge their contribution with a thank you note to begin your stewardship process.

### 3. As with other donors, share your progress, highlight stories, and keep donors engaged.

Make it easy for donors to follow your organization's progress, ensuring that donors will keep your organization top of mind as they engage in their charitable planning.

### 4. Personalize the ask.

Consider asking these donors with donor-advised fund accounts for charitable contributions that are time sensitive. Since donor-advised fund dollars are already earmarked for charitable giving, decisions about when to give are typically not affected by changes in disposable income or adverse market conditions.

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A 2020 study conducted by the Lilly Family School of Philanthropy found that

**87% of nonprofits that solicited**

for donor-advised fund gifts received a gift in the past three years compared with

**42% of nonprofits who received**

a donor-advised gift over the same timeframe without soliciting for donor-advised fund gifts.†

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To learn more, visit  
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**800-746-6216**

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† Nonprofits and Donor-Advised Funds: Perceptions and Potential Impacts, October 7, 2020, Researched and written by Indiana University Lilly Family School of Philanthropy with support from Schwab Charitable

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