

Survey Overview

On February 23, 2015, the Urban Institute's Center on Nonprofits and Philanthropy conducted a survey of community foundations and the IRA Charitable Rollover provision. All community foundations with total assets of \$5 million or more were invited to take the survey. By March 13, 2015, we received complete or partial responses from 203 of the 605 eligible foundations. The results reported here are weighted to represent the full community foundation universe. The response rate for the survey was 33 percent.

Findings:

The majority of community foundations received donations from the IRA Charitable Rollover provision since it was introduced in 2006.

- Fully 85 percent of community foundations with over \$5 million in assets report that they received IRA rollover donations. Among community foundations that received such gifts, about two-thirds (67.3%) report receiving rollover contributions during the 2012-2013 fiscal year.
- For those foundations that received IRA rollover gifts since 2006, the number ranged from one to over a hundred with a median of 6 gifts.

Foundations that reported receiving IRA Charitable Rollovers gifts were much more likely to receive smaller rollovers (less than \$25,000) than they were to receive gifts that were close to the maximum allowable size (\$100,000).

- Over 80 percent of community foundations that reported IRA charitable rollover gifts received at least one gift of less than \$25,000, while over half (57.9%) received at least one gift in the \$50,000 to \$100,000 range.
- Not only were community foundations more likely to receive small gifts than larger gifts, they were also more likely to receive *more* gifts of small denominations. Just under ten percent of community foundations that reported receiving IRA rollover gifts received more than 25 gifts of under \$10,000, while no community foundations reported 25 or more gifts of any size larger than \$25,000.

Over two-thirds (68.9%) of community foundations report that gifts have been lost, delayed, and/or reduced as a result of the uncertainty of the IRA Charitable Rollover provision being renewed by Congress.

Community foundations that have data on donors report that the majority of IRA Charitable Rollover gifts are from donors who report annual income of less than \$200,000.

- For community foundations with data on IRA rollover donors, 11 percent report that the average annual income of donors was under \$100,000. Fifty-seven percent said that the average income of donors was between \$100,000 and \$200,000, and 31.8 percent report that the average income of donors was over \$200,000.

Community foundations shared sample profiles of typical donors, including the stated purposes of donors' IRA Charitable Rollover gifts. Such profiles included:

- Retired businesspeople/school administrators establishing and funding scholarships
- A utility company supervisor starting a fund to benefit energy conservation projects
- A physician funding community recreation projects
- A librarian contributing to an agency endowment fund