

PHILANTHROPY'S MISSING MIDDLE – CHARACTERISTICS OF MIDLEVEL DONORS

PART I The “missing middle” is a term used in a variety of contexts that can also be applied to philanthropy. While most research looks at the philanthropic behavior of high and ultra-high net worth donors, who represent 8.5% of US households, and may occasionally focus on small donors who give under \$1,000 annually, very little attention is paid to “midlevel” donors who earn between \$100,000 and \$200,000 a year. This demographic represents 22% of US households but falls just below the minimum earnings level to qualify for the SEC’s definition of “high net worth.”

Members of this group are noticeably more generous than small donors and care deeply about the effectiveness of their donations but cannot access the bespoke services of philanthropy advisory departments in private banks nor afford consultants. Their beliefs, needs and philanthropic habits are well worth investigating and monitoring.

To this end, and in collaboration with Dr. Cal Halvorsen of Boston College’s School of Social Work, I recently commissioned a study of 1,260 individuals who made charitable donations ranging from \$2,000 to \$20,000 in 2019. Each week, I will post a discussion of the results from one portion of this survey.

40% of survey respondents earned under \$100,000 annually and 16% earned over \$200,000 annually. So, almost half (44%) fell within the midlevel demographic. In my sample of midlevel donors, 32% gave between \$2,000 and \$5,000 in 2019, 29% gave between \$5,000 and \$10,000, 25% gave between \$10,000 and \$15,000, and 13% gave between \$15,000 and \$20,000.

Every midlevel donor gave well above the national average of 1.9% of income. When compared with donors at other income levels, it was apparent that a “jump” in giving occurred once individuals earned more than \$100,000. For example, only 12% of respondents earning under \$100,000 a year gave more than \$10,000 to charity, a figure often cited by fundraisers as a significant threshold. But 38% of the group earning between \$100,000 and \$200,000 reported giving over \$10,000 in 2019 – a jump of 309%.

As income levels increased beyond \$200,000, the curve leveled off. Only 48% of respondents in the high net worth income bracket reported making gifts over \$10,000, a much smaller increase of 26% over the midlevel bracket. In fact, there was almost no difference the percentage of midlevel and high net worth donors who gave over \$10,000. And 56% of high net worth respondents gave less than \$10,000 a year (this survey did not include high net worth donors who gave more than \$20,000).

Another noticeable change in giving behavior appeared at the \$150,000 earnings mark. While only 9% of donors earning between \$100,000 and \$150,000 gave at the highest level proposed in the survey (\$15,000 to \$20,000), the number jumped to 20% once respondents reached annual incomes of \$150,000. At this earning level, the most popular giving category shifted from "\$2,000 to \$5,000" to "\$5,000 to \$10,000" (chosen by a third). But high net worth respondents did not increase their favorite giving category beyond the \$10,000 level until they reached annual incomes over \$350,000.

These findings provide conclusive support for the proposition that midlevel donors are a much more important donor demographic than often perceived – yet woefully neglected by advisors and philanthropic resources.

PART II Since the birth of our nation, charitable giving has been a defining characteristic of Americans at all socio-economic levels. But a worrisome trend has appeared over the past two decades: total charitable donations are increasing in absolute terms, yet the share of American households who give has fallen significantly from a high of 68% in 2002 to less than 53% of households today. This "donors down, dollars up" phenomenon means that donations are coming from a much smaller pool: the very wealthy.

Research by institutions such as the Indiana University Lilly Family School of Philanthropy shows households with lower levels of education, income, and/or wealth stopped giving during the Great Recession (when Giving USA reported an 11.7% drop in inflation-adjusted giving by individuals) and simply have not returned to philanthropy. The Lilly Family School also cites decreasing congregational affiliation and attendance as an explanation. Religious donors tend to give more regularly and generously than the American average of 2% of disposable income, but due to the drop in affiliation and attendance, giving to religion has fallen from 47% of all donations in 2000 to 29% today.

The Lilly Family School's research looks in detail at donors earning less than \$100,000 annually who generally give less than \$2,000 a year, but lumps *all other donors* (who provide possibly 80% of total philanthropic dollars) into a single "\$100,000+" category. I posit that this category should be divided further between "High Net Worth" donors who earn at least \$200,000 annually, who are the subject of frequent surveys, and "MidLevel" donors who earn between \$100,000 and \$200,000 annually, because each of these groups displays particular giving behaviors. To this end, I partnered with Dr Cal Halvorsen of the Boston College School of Social Work to commission a survey of 1,260 individuals who gave between \$2,000 and

\$20,000 in 2019 (generally considered by fundraisers to be in the mid-size range of giving), with the intention of focusing specifically on those earning between \$100,000 and \$200,000 annually. Each week, I am publishing an article about this often overlooked and underserved demographic.

This week let's further examine the 44% of the Boston College Survey respondents who earn between \$100,000 and \$200,000. In my previous article, we saw that:

32% gave between \$2,000 and \$5,000

29% gave between \$5,000 and \$10,000

25% gave between \$10,000 and \$15,000

13% gave between \$15,000 and \$20,000

We also learned that the \$10,000 to \$15,000 giving level – seen as pivotal by many fundraisers – became most popular when donors began earning \$150,000. This substantial annual income is only achieved by 15.5% of Americans yet is still well below the minimum annual income of \$200,000 to be considered High Net Worth by the IRS.

MidLevel donors maintained or increased their giving – particularly at higher giving levels

The good news is that 94% of respondents earning between \$100,000 and \$200,000 gave the same (32%) or more (62%) to charity in 2019 than in the previous year, and 96% have given the same or more in the past five years. A key reason cited by 70% of this group was a "major change" in their personal financial situation. And even more encouraging, 79% of respondents in this earning category who experienced a significant improvement in their financial situation in 2019 then chose to increase their giving.

Not surprisingly, it was at the higher giving levels that the most donors increased their giving year-on-year. At the critical \$10,000 donation level, half of respondents moved from "I gave about the same," the dominant answer at lower giving levels, to "I gave more." And at the highest \$15,000 to \$20,000 donation level, an impressive 77% of donors gave more.

Conversely, among the small number of donors (6%) who were less generous in 2019 than in 2018, the majority (64%) gave at the lowest \$2,000 to \$5,000 level.

These findings uphold the well-publicized notion that a donor's personal financial situation is the single greatest determinant of giving. Indeed, 97% of all respondents – who had donated at least \$2,000 in 2019 to qualify for the survey – claimed to be in good, very good or excellent financial health.

Younger mid-level donors gave more than older generations, especially retirees

When giving trends were correlated with age, the Boston College Survey results directly contradicted another well-publicized belief, as described in the Lilly Family School's [Changes to the Giving Landscape 2019](#) which states, "When evaluating overall giving by generational cohorts, it is clear that older generations give larger percentages of their income to support philanthropy in America."

We divided our respondents into three age groups:

37% ranged in age from 35 years (the minimum age to participate in the survey) to 49 years

26% ranged in age from 50 years to 64 years

37% were over 65 years old

By far the greatest number of donors who gave over \$10,000 in 2019 were in the "under 50" generational cohort. An impressive 58% of annual donations at the highest \$15,000 to \$20,000 level came from donors under age 50 – despite their representing just over a third of the sample. 75% of donors in the under 50 age group had increased their giving over the past five years. Some of this generosity can be explained by the greater wealth of survey respondents under age 50 – there were almost exactly the same number of respondents under age 50 as there were over age 65, but 56% of the under 50s earned \$100,000 to \$200,000 and 21% were High Net Worth, as opposed to only a third of those over 65 earning \$100,000 to \$200,000 and 13% identified as High Net Worth.

However, our findings were reinforced when we focused on retirees. Contrary to research done on High Net Worth donors, retirement does not appear to lead to more generosity from Midlevel donors. Though representing 32% of our survey sample, retirees provided only a fifth of donations over \$10,000. And among retired respondents, half gave at the lowest level of \$2,000 to \$5,000 (just over a third of donors in the workforce gave at the lowest level). These lower levels of generosity can be explained partly by the lower annual income of the survey's retiree respondents – 36% earned between \$100,000 and \$200,000 as opposed to 52% of the working respondents; only 8% were High Net Worth. One may therefore conclude from the Boston College Survey that middle-aged MidLevel Donors are giving generously, which bodes well for the future and appeases the fear that the Millennial generation will not catch up with the giving levels of its older counterparts.

Changes to the tax law seem not to affect MidLevel Donors

Much has been written about the potential negative effect of the 2017 Tax Cuts and Jobs Act on charitable donations. But when asked "How did changes in the tax law influence how

much you gave in 2019?", 63% of respondents said it had no effect and only 10% noted they gave less. Since we know that most taxpayers who earn over \$100,000 itemize, and since 60% of the Boston College Survey respondents earned over \$100,000, we can safely conclude that the 94% of respondents who gave the same or more in 2019 were motivated by something other than a tax deduction.

In a pre-COVID world, this week's analysis of results from the Boston College Survey of MidLevel Donors would give great hope for the future. Despite being overlooked by researchers, underserved by philanthropy advisors, and increasingly ignored by fundraisers, MidLevel donors, particularly those under 50, were showing signs of growing generosity in April 2020 when the survey was conducted. The question now is whether this generosity will continue as they experience the painful effects of potential job loss and a post-COVID recession on their personal finances.

My next article will examine *how* MidLevel donors give.

PART III The first two articles in my "Philanthropy's Missing Middle" series on results from the Boston College **Survey of MidLevel Donors** focused on giving trends in relation to income levels and age for 1,200 respondents who gave between \$2,000 and \$20,000 in 2019. In this article, we'll analyze where the donations are going.

Each year, GivingUSA reports on the destination of American philanthropic dollars according to ten issue areas, such as religion, international affairs, or arts, culture & the humanities. To highlight the specific giving patterns of MidLevel donors, we used somewhat different criteria, asking our respondents about the destination of the *major part* of their donations, both in 2019 and over the past five years. Here are the answers:

Universities or hospitals (7%)

International organizations (5% – GivingUSA reports 6%)

National charitable organizations (18%)

Small charitable organizations in their community (9%)

Religion (37%% – GivingUSA reports 29%)

An equal split among charitable organizations of different sizes or locations (23%)

Other than giving to international organizations, where our respondents mirrored the percentage announced in June 2020 by GivingUSA, all other responses differ from the American average. The single digit allocation to universities and hospitals is not surprising as we know these donations come principally from wealthy donors, notably the multi-hundred

million-dollar gifts that make regular headlines. Thanks to large gifts, support for universities and hospitals has grown 44 percent since 2007 and they now account for half of America's 100 largest 501(c)3 organizations.

We also know that half of all US donors give to the top 20 largest US charities – household names such as The United Way, Boys and Girls Clubs, or Doctors Without Borders. Even the smallest on this list, Save The Children, received over \$500 million in private support in 2019. In fact, a third of American donors list just five charities among their favorites – The Salvation Army, St Jude's Children Hospital/ALSAC, The American Cancer Society, UNICEF and The Red Cross.

Our survey of Midlevel Donors revealed that 18 percent devoted the *major part* of their giving to large, national organizations. In order to dig deeper and compare our results with national averages, we conducted a smaller follow-up survey of 835 adults residing in the US, with a slightly broader demographic catchment (age 18 and older, rather than over 35 as in our larger survey, and donating between \$1 and \$20,000 a year to charity, rather than \$2,000 to \$20,000 in our larger survey). The responses well exceeded national statistics: Two-thirds of respondents gave to at least one of America's top 20 favorite charities in 2019, and almost 80 percent gave to at least one in the past five years. Even more dramatic, 40 percent gave to at least *five* of the top 20 charities in the past five years. The most popular is St Jude's Children's Hospital/ALSAC (48% of respondents), followed by The American Red Cross (46%), The United Way (34%), The American Heart Association (34%) and Habitat for Humanity (32%). While many respondents make small gifts (under \$1,000) to these mega-charities, our follow-up survey showed a direct correlation between giving levels and a proclivity to support mega-charities. Indeed, respondents who gave more than \$5,000 to charities in 2019 were at least four times more likely to give to "Top-20" organizations than those who gave less than \$2,000 that year.

One explanation for the popularity of mega charities is found in responses to the Boston College Survey of MidLevel Donors question "How much of your charitable giving is in response to disasters and other events that move you?". Two-thirds of respondents give to disaster relief – with 36 percent devoting "all" or "a lot" of their charitable dollars (only 8 percent of all respondents give nothing). When disasters strike, the largest national and international charities are best equipped to advertise and collect donations. Since the last five years have witnessed a high number of disasters, from hurricanes or shootings in the US to earthquakes abroad, these organizations have seen donations increase considerably. Interestingly, giving to disaster relief rises considerably at each giving level of our survey –

among the highest (\$15,000 to \$20,000) level donors, 78% give at least "a moderate amount" to disaster relief. Conversely, half of those who do not respond to disaster appeals are in the lowest (\$2,000-\$5,000) group

Another explanation for the high level of support of mega charities by MidLevel donors is their tendency towards "reactive" giving. Almost half (48%) respond to fundraising appeals – almost a quarter for "all" or "a lot of my giving." Though one would imagine donors who give over \$10,000 annually would proactively seek out high performing charities in their chosen cause area, our respondents at this giving level remain highly sensitive to fundraising appeals, with 37 percent admitting they give "all" or "a lot" reactively (conversely, 58 percent of donors at the lower \$2,000 to \$5,000 giving level said they give "none" or "a little" in response to appeals). Mega charities may represent just one percent of all public charities, but their slick advertising and direct mail/email/social media campaigns are bearing fruit. The fundraising success of mega charities also means that many donors then ignore smaller charities – only 5 percent of all US donors favor charities with budgets under \$5 million (two-thirds of American public charities have budgets under \$500,000). Yet almost all arts, culture, humanities, animal, environmental and youth development charities have budgets under \$10 million. Almost all health and human services charities have budgets under \$50 million. Nevertheless, just 9 percent of the Midlevel Donor responding to our survey favor small charitable organizations in their community.

The final choice of destination offered to survey respondents (who do not split their giving among organizations of different sizes or locations) was "the major part went to my place of worship." By far the greatest number of respondents, 37 percent, choose to focus their giving on America's 300,000 religious institutions. This high number contrasts with GivingUSA's finding that in 2019, 29 percent of all giving went to religion (down from 47 percent in 2020). Our survey's donors to religion appear more committed – 72 percent say they are aware "to a great extent" of the impact of the organization's mission, compared to 59 percent for all other respondents – but spend less time on research before making their gift (46 percent spend less than 15 minutes, as opposed to 28 percent of donors who are not primarily giving to a place of worship). Over half say no due diligence is required because they simply "know they want to support" the organization (a reason given by only 38 percent of those who do not focus their giving on religion) – a worrisome response as religious nonprofits are not required to file annual tax returns revealing how the donations they receive are spent. When all our respondents were asked about their interest in learning "how to select the most effective nonprofits," 68 percent reacted positively ("somewhat" or "very interested").

However, 55 percent of those responding "not at all interested" are donors whose give primarily to their place of worship. The respondents most interested in acquiring strategic skills are those who support international organizations – 83 are "somewhat" or "very interested" in learning how to be more effective. They are followed by those giving to large, national organizations (79 percent), to universities and hospitals (75 percent), to small, local charities (66 percent) and finally to place of worship (56%).

In our next article, we will delve more deeply into the "best practices" of effective giving and analyze how our MidLevel Donor respondents measure up to these standards.

PART IV In this fourth article of the "Philanthropy's Missing Middle" series on the Boston College **Survey of MidLevel Donors**, we will focus on the giving habits of 1,200 respondents who gave between \$2,000 and \$20,000 in 2019.

Based on best practices in effective philanthropy, a midsize donor should spend at least an hour conducting research before making a significant donation, seeking a basic understanding of the issues at stake and comparing charities to select those that are really making a difference and are well run. To our surprise and concern, only 4 percent of respondents fit our "ideal donor" profile (worse, if we remove "spend over an hour," the number only increases to 7 percent, and if we remove "comparing organizations," the number only rises to 8 percent). We found our respondents to be contented but apathetic, basing their giving on relationships rather than results.

90 percent of respondents claimed they donate to causes about which they are passionate, and 72 percent said their principal donation in 2019 went to an issue they care about strongly, yet only 19 percent researched *all* the organizations they supported to ensure these were "best in class." 48 percent of respondents did "moderate, little or no" such research. The majority of the "no research" answers (56 percent) came from the smallest donors (gifts totaling \$2,000 to \$5,000 in 2019), with only 4 percent of the largest donors (gifts totaling \$15,000 to \$20,000 in 2019) saying they did no research at all. As we have already repeatedly seen, it was at \$10,000 in annual giving that the majority of donors (60 percent) sought out "best in class" charities for "a lot" or "all" of their gifts.

Thus, it is not surprising that a third of respondents spent less than 15 minutes researching organizations before donating (another third spent 15 minutes to an hour, and the last third spent over an hour). Also unsurprising, half of those who spent no time were in the smallest

donor category, whereas 43 percent of those who spent over an hour were in the highest donor category.

As a result of this lack of research, only 64 percent of respondents were “very aware” of the impact of the charities they supported (this number rises to 83 percent among respondents who directed *all* their giving to “best in class” charities). Yet even among the most diligent donors, only 48 percent spent more than an hour researching their donations.

Respondents were asked about the tools they used to conduct research:

The organization's website 60%

An online search 48%

Information from family or friends 43%

A charity evaluation website (Charity Navigator, Guidestar/Candid...) 38%

A professional advisor 14%

Somewhere else 8%

There was a close correlation between respondents who used several tools and the time they spent on research: 60 percent of those who used four tools spent over an hour on research; 60 percent of those who used only one tool spent less than 15 minutes researching their donation. Almost two-thirds of donors did not contact organizations directly (except among the largest donors, 61 percent of whom were in direct contact with their beneficiaries).

While 60 percent of respondents checked a charity's website, only a shockingly low 34 percent compared charities before donating. Among donors who claimed to seek out “best in class” organizations for all or a lot of their giving, only 42 percent compared charities. Even among donors who spent over an hour on research, only 45 percent comparison shopped before making a donation. Almost a quarter of respondents said they “had no time,” “didn't know how,” or “didn't think to do it.” And 43 percent said they did not conduct research as they “knew they wanted to support the organization because of recommendations or a personal relationship” (among this particular group of respondents, 44 percent give principally to their place of worship; however, only 19% donors who focus on international charities used this excuse for not conducting research).

Indeed, personal relationships are key. 51 percent of respondents said “a lot” or “all” their giving went to charities with which they had a personal relationship. As would be expected, 61 percent of donors who favored places of worship, 58 percent of donors who focused on

universities and hospitals, and 57 percent of donors who primarily support small local organizations are driven by personal relationships.

In contrast, only 36 percent of donors who gave primarily to a large, national organization stated their giving was based on personal relationships.

Despite spending so little time and effort researching their donation, respondents gave the organizations they support extremely high approval ratings (the criteria we chose were based on best practices in effective philanthropy). There was little variation in these numbers between the largest and smallest donor groups.

Would you say the charitable organization... Yes

Does a good job demonstrating its effectiveness? 93%

Has good leadership? 89%

Meaningfully engages with the individuals and communities it serves? 90%

Has identified real opportunities to make change? 89%

Therefore, it not surprising that 45 percent of respondents gave a ten out of ten score when asked about their satisfaction with their giving – 87 percent gave a score between eight and ten. And while already extremely happy about their giving, 88 percent of respondents said they would give more if their satisfaction levels further increased.

When asked about their most significant gift of 2019, 68 percent of respondents said they had been supporting the organization for over five years. 82 percent have never stopped or decreased their giving due to feeling dissatisfied. Though the pool of dissatisfied respondents willing to drop a charity was small, it represented donors who conducted more research (70% spent more than 15 minutes) than the sample average. 34 percent of the dissatisfied donors favored places of worship and 20 percent gave principally to large, national charities.

Slightly more (a quarter) of respondents admitted to stopping or decreasing a donation because they felt it was not making a difference (the number drops to 16 percent among smaller donors) – yet only 55 percent of this group said they were “very aware” of the organization's impact!

We also probed one of the most common – and destructive – myths in the philanthropic sector: judging an organization by its overhead ratio.

How important is it to...

Very Important

Know that the smallest possible portion of my donation is going to overhead 57%

Know that staff is not being overpaid 50%

Know that staff is being paid a fair wage 49%

This focus on overhead rather than impact is highly damaging to the non-profit sector.

Given the extremely high general satisfaction of our respondents with their charitable giving, we were expecting similar enthusiastic responses – in the 80 to 90 percent range – when we asked what factors (based on best practices of effective philanthropy) gave rise to these feelings of satisfaction. To our great surprise, most responses were only in the 50 to 60 percent range...

Very Important:

- Knowing how to tell if an organization is legitimate 71%
- Knowing how to tell if a charitable organization is really making a difference 62%
- Knowing how to tell if a charitable organization is well run 57%
- Understanding the issues I care most about 51%
- Having a personal relationship with the organization 39%

Most philanthropy advisors would consider these criteria fundamental to thoughtful and effective giving – and to the feeling of satisfaction that comes from knowing your donation is making a difference. Yet it appears that a high level of “contented apathy” reigns among the Midlevel Donors we surveyed.

PART V In this fifth and final analysis of the Boston College survey of 1,260 Mid-Level donors (who gave between \$2,000 and \$20,000 to charity last year), we continue looking at our respondents' giving habits. In the preceding article, we sadly concluded that “contented apathy” is the best descriptive of our donors' attitude: they care about their effectiveness of their giving but are not requiring the organizations they support to demonstrate impact. In addition to measuring our respondents' discernment, we tested their knowledge of key philanthropic concepts in two ways. First, we listed a series of well-known pathways to change and asked respondents to identify all those that they had given to in the past five years. Overall, respondents reported giving to:

Type of issue or cause

Specific programs such as providing direct services	70%
Advocacy campaigns to change policy on an issue	23%
Communications to influence public opinion	21%
Capacity building to fund the management needs of a charitable organization such as strategic planning, technology or fundraising consultants	24%
Capital campaigns such as for buildings, endowments or expansion to a new location	34%
Research	42%
General operating costs or an annual fund	41%

These numbers are not surprising given how little our respondents seem to know about how their donations are used, although the high score for "giving to research" is explained by the popularity of health charities.

Second, we tested our respondents' familiarity with giving vehicles whose popularity has increased in recent years: community foundations, donor advised funds, and giving circles. While most were familiar with (76%) or gave through (6%) community foundations, far fewer were familiar with (55%) or gave through (4%) donor advised funds ("DAFs"). Even fewer were familiar with (49%) or gave through (3%) giving circles.

As could be expected, familiarity with giving circles and DAFs increased at the higher income and giving levels. 69 percent of donors who gave at the top level (between \$15,000 and \$20,000) knew of or gave through giving circles, as did the same percent of respondents who earned over \$350,000 annually. At this highest giving level, 7% of respondents claimed to use DAFs as a giving vehicle (as opposed to 4% overall).

We ended the survey by exploring three possible ways to encourage donors towards more research and thoughtfulness: volunteering, financial advisors, and educational resources.

We expected that volunteering, and especially board service, would encourage donors to invest more time in their philanthropic due diligence. Indeed, 84 percent of respondents

volunteer at least once per year – almost half at least once a month and almost a quarter at least once a week. Further, nearly a quarter of all respondents serve on boards. We found that volunteering is closely correlated with increased giving: 90 percent give to the organization for which they volunteer and half of those respondents make the organization the focus of their charitable dollars. Furthermore, more than twice as many of the "high-ticket" donors who give over \$10,000 annually (39%) were board members as those who gave less than that amount. 67 percent of the high-ticket donors volunteer at least once a month (compared to 42 percent of those who give between \$2,000 and \$9,999 a year) and only 11 percent of high-ticket donors do not volunteer at all. Donors who volunteer are also more responsive to appeals (letters, emails, calls, social media): Of donors who make "all" their gifts in response to fundraising appeals, two-thirds serve on boards and over half volunteer at least once a week.

However, volunteering and even board service do not seem to correlate with more thoughtful and effective giving (defined for the purposes of this survey as linking donor satisfaction with knowing that a charitable organization is making a difference, whether it is well run, or understanding the solutions to an issue). Donors who volunteer are more likely to say that having a personal contact with a charitable organization is very important to their sense of satisfaction about their giving, and question whether the charity is legitimate less than donors who do not volunteer, but volunteering does not seem to impact their "philanthropic literacy."

The second pathway to improving Mid-Level donor thoughtfulness could be through their trusted advisors. In recent years, the wealth advisory community has been sensitized to the beneficial effects of discussing philanthropy with clients although its focus has been primarily on high/ultra-high net worth individuals and families. Certainly, 80 percent of our 1,260 respondents have a financial or legal advisor (despite the great majority – 81 percent – owning less than \$1 million in assets). Of the 1,004 respondents who seek professional financial or legal advice, 68% discuss philanthropy with their advisor – 20 percent regularly and 48 percent sometimes. It's once again at the \$100,000 annual income mark that more than half of donors (56 percent) begin discussing philanthropy at least sometimes with an advisor – a portion that rises to 75 percent at the \$350,000 annual income level. We were also surprised – and gratified – to learn that 55 percent of our respondents intend or are thinking of leaving charitable bequests despite the fact that 40% earn less than \$100,000 annually.

Thus the pump is primed for advisors to provide the educational resources that will empower Mid-Level donors to be smarter about their charitable giving. When asked, two-thirds of respondents would "be willing to invest time in learning how to select the most effective nonprofits" (and almost 1/3rd "very interested"). Of those who responded "Not at all interested," the most common responses were "I already know how to do this" and "I already have so many charitable obligations that I have no money left over for new charities." But the majority who report being "very interested" in donor education indicated preferring an online course or webinar series (81 percent) or a workshop offered by their financial or legal advisor (51%).

While there exist a number of self-education resources for individuals interested in becoming more effective in their charitable giving, almost all target high and ultra-high net worth donors. Yet almost half (48 percent according to the Chronicle of Philanthropy, 2019) of US philanthropic dollars from individuals come from donors who earn less than \$200,000 annually. As demonstrated by this survey, MidLevel donors care deeply about their giving and want to have impact but are unwilling to invest much time or resources to select high performing charities. They need to feel empowered with clear and simple tools to make effective decisions. And those best placed to distribute these tools are their trusted advisors. To this end, I developed for advisors a number of donor education products specifically targeted at the MidLevel donor demographic (which can also be used by more affluent donors!) that are enlightening, engaging, and free of jargon. My virtual, modular curriculum, "Smart Donors... Make A Difference," can be used as a three-hour, self-directed online course for clients to view in their own time, or as the basis for webinars and workshops. Please look at www.sd-mad.com for a sample of the modules and more information on obtaining access to this unique donor education tool.