



Limited Lifespan vs. Perpetuity Foundation Survey (Limited Lifespan Version)

Respondent information

Name _____ Title _____
Grantmaker _____
Address _____
City _____ State _____ Zip _____
Phone _____ Fax _____ Email _____ URL _____

- 1. Does your foundation expect to exist in perpetuity? (Check one response.)
[] No
[] Yes
[] Undecided } (Stop! Please complete alternate survey questionnaire.)

- 2. Are any of the foundation's founders still living? (Check one response.)
[] Yes
[] No

- 3. Which of the following best describes your foundation's charter? (Check one response.)
[] Charter has a sunset clause
[] Charter specifies perpetuity (even though the foundation now expects to limit its lifespan)
[] Charter neither specifies perpetuity nor has a sunset clause
[] Foundation has no formal charter

- 4. When was the decision made to limit the lifespan of the foundation? (Check one response.)
[] At inception by the founder(s) (Continue to question 5.)
[] Made later by the founder(s)
[] Made later by the founder(s)' heirs and/or the foundation's board } (Skip to questions 6-8.)

5. If the decision to limit the foundation's lifespan was made at its inception, to what extent did each of the following factors influence the founder(s) decision? (Check one response for each factor.)

Table with 4 columns: Factor, Great deal, Somewhat, Not at all. Rows include: Desire to be directly involved in how the money is spent, Desire to have a greater impact during their lifetime(s), Desire to preserve philanthropic intent, Belief that foundations are more efficient when working within a limited lifespan, Belief that subsequent generations will create their own philanthropies to address future needs, Belief that foundation dollars are worth more now than in the future, Belief that spending more foundation dollars now will have a greater impact than spending dollars more slowly over time, Belief that tax-advantaged wealth should be given back faster, Other (Please specify.)

(Skip to question 9.)

Questions 6 - 8 pertain to foundations that adopted a limited lifespan policy later in their life cycle.

6. If the decision to limit the foundation's lifespan was made later, when was it made? (Check one response.)

- During the founder(s)' lifetime(s)
- After the death of the founder(s) (Please specify number of years.) _____

6a. In what year was the decision made? (Please specify. If you are not sure, your best guess is fine.) _____

7. If the decision was made later, what led to the foundation's decision to adopt a limited lifespan policy? (Check all responses that apply.)

- New foundation leadership
- Decline in resources
- Organizational challenges, e.g., concern that organization was becoming too big or burdensome
- Family crisis, e.g., illness, divorce or death
- Internal dissension among family members
- Family decided to pursue other philanthropic options
- Lack of family interest in foundation
- Change in mission or focus of the foundation
- Greater urgency to address specific social problems
- Unique funding opportunity
- Shift in founder(s)'/donor(s)' attitudes towards perpetuity vs. limited lifespan
- Inability to continue to fulfill the donor(s)' philanthropic intent
- Belief that subsequent generations will create their own philanthropies to address future needs
- Desire to have greater impact on specific fields of giving (Please specify fields.) _____
- Other (Please specify): _____

8. Did any of the following external influences contribute to the decision? (Check all responses that apply.)

- Recommendation of a consultant or advisor
- Recommendation of a professional estate planner
- Media/journal articles
- Participation in professional workshop(s)
- Colleague(s)' experience
- Concerns about potential congressional actions to further regulate foundations or limit their lifespans
- None of the above
- Other (Please specify.) _____

Questions 9 - 17 apply to all foundations that plan to spend down or cease operations.

9. Has the foundation set a timeframe for spending down? (Check one response.)

- Yes (Continue to questions 9a-9b.)
- No (Skip to question 10)

9a. If yes, what timeframe was set? (Check one response.)

- 0 to 4 years
- 5 to 9 years
- 10 to 14 years
- 15 to 19 years
- 20 to 29 years
- 30 years or more (Please specify.) _____

9b. What factors determined the length of spend-down time? (Please specify.) _____

10. Was the decision to spend-down pegged to a particular event, e.g., the death of the founder?

- Yes (Please specify.) _____
- No

11. Has the foundation decided on which option it will follow for spending down? *(Check all responses that apply.)*
- Close foundation after spending out all assets
 - Distribute remaining assets into other private foundation(s)
 - Distribute remaining assets to a community foundation – donor advised fund(s)
 - Distribute remaining assets to a community foundation – other/unrestricted funds
 - Distribute remaining assets to a public charity – donor-advised fund(s), e.g., charitable gift funds established by commercial institutions
 - Distribute remaining assets to a public charity – other funds, e.g., university, religious organization, etc.
 - Distribute remaining assets to selected grantees
 - Establish endowments from which selected grantees could draw revenue
 - Other *(Please specify):* _____
- No decision has been made

12. What changes is the foundation making in its operational strategies in preparation for spending down? *(Check all responses that apply.)*
- Changing the balance of investments from equities to fixed income
 - Increasing the payout level
 - Increasing the number of paid staff
 - Reducing the number of paid staff
 - Shifting from paid staff to consultants
 - Other *(Please specify):* _____
- _____

13. What changes is the foundation making in its grantmaking strategies in preparation for spending down? *(Check one response for each action.)*

| | Increase | No Change | Decrease | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Size of grants | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| Number of program areas | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| Number of grantees | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | N/A |
| Number of multi-year grants | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Number of endowment grants | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Number of grants to build capacity of grantees | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Number of non-grantmaking charitable activities, e.g., using foundation staff to consult with grantees <i>(Please specify.)</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| _____ | | | | |
| Other <i>(Please specify):</i> _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| _____ | | | | |

14. Which of the following actions has the foundation taken in preparation for spending out? *(Check all responses that apply.)*
- Announced the foundation's spend-down plans/policy in its public communications
 - Communicated directly with grantees and partners to prepare them for the closing of the foundation
 - Created an operational plan for spending down, e.g., regarding pensions, staff out-placement, excise taxes, real estate, etc.
 - Archiving records
 - Documenting the process of spending down
 - Other *(Please specify):* _____

15. What does the foundation see as the advantages of having a limited lifespan vs. existing in perpetuity?

16. Does the foundation see any disadvantages in having a limited lifespan? (If yes, please specify.) _____

17. Do you agree or disagree that in recent years, more (i.e., a greater proportion of) foundations have begun to consider a limited lifespan as a viable option? (Check one response.)

- Agree strongly Agree No opinion Disagree Disagree strongly

Additional Comments: _____

END

THANK YOU FOR YOUR PARTICIPATION



Respondent information

Name _____ Title _____

Grantmaker _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____ Email _____ URL _____

1. Does your foundation expect to exist in perpetuity? (Check one response.)

- Yes
- Undecided

No (**Stop! Please complete alternate survey questionnaire.**)

2. Are any of the foundation's founders still living? (Check one response.)

- Yes
- No

3. Which of the following best describes your foundation's charter? (Check one response.)

- Charter specifies perpetuity (Skip to question 5.)
 - Charter has a sunset clause
 - Charter neither specifies perpetuity nor has a sunset clause
 - Foundation has no formal charter
- } (Follow instructions below.)

If your foundation is "undecided" as to whether or not it will exist in perpetuity, please skip to question 6. If your foundation expects to exist in perpetuity, please continue on to questions 4 and 5 below.

4. Was a formal decision made to exist in perpetuity? (Check one response.)

- Yes (Continue to question 4a.)
- No (Skip to question 5.)

4a. When was the decision made to exist in perpetuity? (Check one response.)

- At inception by the founder(s)
- Made later by the founder(s)
- Made later by the founder(s)' heirs and/or the foundation's board

5. To what extent has each of the following factors influenced the foundation's expectation to exist in perpetuity? (Check one response for each factor.)

| | Great Deal | Somewhat | Not at all |
|---|--------------------------|--------------------------|--------------------------|
| Desire for family engagement in philanthropy across generations | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Desire to have a sustained, long-term impact on the local community | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Desire to ensure funding will continue to be available to grantees | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Desire of the founder(s) to leave a lasting legacy | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Belief that our fields of giving will continue to need investment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Obligation to the founder(s) to preserve the foundation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Belief that new social needs will emerge that require private funding solutions | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Other (Please specify): _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

(Continue to question 6.)

The remaining questions pertain to foundations that expect to exist in perpetuity and those that are undecided.

6. Has the foundation ever considered options other than existing in perpetuity? (Check one response.)

- Yes
- No (Skip to question 8.)

7. If the foundation has considered other options, what led to these considerations? (Check all responses that apply.)

- Family crisis
- Lack of family interest in foundation
- New foundation leadership
- Decline in resources
- Organizational challenges (e.g., concern that organization was becoming too big or burdensome)
- Change in mission or focus
- Greater urgency to address social problems
- Unique funding opportunity
- Desire to have greater impact on specific fields of giving (Please specify fields): _____
- Shift in founder(s)/donor(s)' attitudes towards perpetuity vs. limited lifespan
- Desire to preserve donor(s)' philanthropic intent
- Other (Please specify): _____

8. Looking ahead, what is the likelihood that the foundation will explore alternatives to perpetuity? (Check one response.)

- Not likely
- Somewhat likely
- Very likely

9. What does the foundation see as the advantages of existing in perpetuity vs. having a limited lifespan?

10. Does the foundation see any disadvantages in existing in perpetuity? (If yes, please specify.)

11. Do you agree or disagree that in recent years, more (i.e., a greater proportion of) foundations have begun to consider a limited lifespan as a viable option? (Check one response.)

- Agree strongly
- Agree
- No opinion
- Disagree
- Disagree strongly

Additional Comments: _____

END

THANK YOU FOR YOUR PARTICIPATION