

## The Power of “Giving Circles”

When it comes to philanthropy, there are many different ways to give and help those in need. From foundations to nonprofits, the power of philanthropy is alive and well in many communities.

Besides giving to foundations and nonprofit organizations, giving circles are another way to practice philanthropy and make sure those who need help receive it. Let’s take a closer look at what giving circles can do and how you can create one.

### What is a giving circle?

A giving circle is formed when a group of people who share the same values decide to come together to make a positive impact. They pool their time and resources and decide the best ways to use them.

Giving circles are exploding in popularity. Philanthropy Together reports there are 2,500-plus giving circles in the U.S., up from 2,000 in the year 2020, and expects that number to reach 3,000 by 2025.

### What can a giving circle do?

*A giving circle can be a powerful form of philanthropy.* It involves a highly motivated group of people who have voluntarily come together to make a positive change as efficiently as possible. When each member of the giving circle donates time, money, and voice, the result can be amazing and more people can be reached.

*Giving circles are getting more attention.* These circles not only give financially, but they also emphasize the importance of working together and giving their time and talents. Those who are a part of a giving circle can become well-rounded as they learn from others in the group and make philanthropic decisions.

*Giving circles come in all shapes and sizes, and there are no hard-fast rules.* Giving circles range from a handful or people to hundreds. Some circles can start off small and grow bigger over time. When members of a giving circle get together, they can decide to give locally to their community or on a larger scale to a national or international cause. Giving circles also shine the spotlight on the importance of volunteering and becoming aware of the needs around them.

Besides helping the cause at hand, giving circles also get to know one another and make new friendships. These bonds can form true friendships and help people make valuable connections.

### Steps to get a giving circle going

If you’re interested in forming a giving circle, follow these steps to make your giving circle a success:

- *Gather people.* Look for people who talk about the causes that are important to them. This can be family members, friends, co-workers, or a combination. Ask them if they would be interested in joining together with a group to make an even stronger impact.
- *Talk about what’s important.* Once you have your giving circle together, you want to discuss what’s important. What values will your circle have? What is the vision? These are all things that the group needs to agree on as your giving circle moves forward.
- *Decide where your resources will go.* As a group, you need to be on the same page as to where your money, time, and talents will be best allocated.
- *Donate.* Once you know where you want your time, talents, and money to go, it’s time to donate. You’ll see that your power as a group is much stronger than it would be alone.
- *Be engaged and look for ways to extend your giving.* After you donate, your work as a giving circle is far from over. You need to stay engaged with your cause and as a group if you want to be powerful.

Remember: You can start off small and still make a great impact. Finding like-minded individuals is important to making a giving circle a success and for it to grow and continue to have a presence for years to come.

I love the concept of giving circles and am happy to discuss further if you have an interest. Let's discuss.

Stifel does not provide legal or tax advice. You should consult with your legal and tax advisors regarding your particular situation.