

Interestingly, despite the fact that many nonprofits are now rated or scrutinized based on their “administrative cost ratios” (by Guidestar and Charity Navigator, among other online tools), many HNWP participants thought overhead was not a useful decision criterion.

“[T]he whole issue of overhead expenses as a percentage of your total budget is... not regular. It seems like the wrong way to think about it.”

“[S]omebody needs to pay for the overhead in order for them to provide their services, so why shouldn't it be us? And if we believe in the organization, why shouldn't we pay for their overhead?”

“I think people tend to put too many restrictions, especially on small gifts, and these organizations end up chasing their tails and doing way too much, when what they should be doing is just focusing on their core missions. And most of our funding is just general operating funds.”

“I just run a business, and I understand that maybe you need to pay for infrastructure.”

**While very few HNWP participants told us they invested in particular programs because they thought they represented “value for the money” or “bang for the buck,” a few paid close attention to what outcomes could be achieved per unit of investment.**

“I like getting everything down to a cost per effective unit of whatever it is you do... If there is one thing that drives me crazy, it is dealing with non-profits where I get BS numbers. Makes me nuts.”

“You want to look at what the cost is per urban education, what the cost is per child who receives the intervention, and how to measure impact across ‘the universe.’”

The majority of HNWP participants, however, seemed reluctant to inquire about specific costs before making an initial or repeat gift (“I think you can drive yourself nuts trying to quantify this stuff”). This seemed implicitly, if not explicitly, related to the fact that HNWP participants did not want their giving activities to feel like work.

“You know, I enjoy it.”

“I don't want this to be a job.”

“It's my joy. It's my pleasure.”

“For me, it is all art... I have enough science in my day job.”

**Many HNWP participants anticipated that the criteria they used to make giving decisions would change over time.**

“I'd love to be much more thoughtful about this in years to come.”

“Ask me that question in five years because I suspect at that point we will broaden our giving and sort of change some of our criteria.”

“... but once I spend more time doing research, it might only be really important upfront.”

“In the past few years, the amount that we've been able to give has grown to an amount that will shortly [require us to give it] some thought rather than just handing [the money] out.”