

# DONOR STEWARDSHIP SPOTLIGHT

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ENDOWMENT  
PARTNERS, LLC

## *Why Planned Giving Is the True Driver of Endowment Growth*

When nonprofit organizations think about endowment growth, the conversation often begins with investment strategy and governance. Both are essential. A disciplined investment approach provides compounding over time, and strong governance ensures that decisions remain aligned with fiduciary responsibility. Without these foundations, long-term sustainability is not possible.

However, even the strongest investment strategy cannot grow an endowment in a meaningful way on its own. The truth is that true endowment growth is driven by planned giving.

Over time, the most significant increases in endowment assets do not come from market performance alone. They come from donors who make intentional, long-term commitments through bequests, beneficiary designations, charitable trusts, and other planned gifts. These gifts represent the culmination of years of trust, alignment, and thoughtful stewardship.

Organizations with strong planned giving programs understand that endowments are not built quarter by quarter. They are built relationship by relationship, often over decades of consistent effort. Planned gifts tend to be larger, more enduring, and more closely aligned with mission than annual gifts. They reflect a donor's deepest confidence in the organization's future, not just its present needs.

Importantly, planned giving does not happen by accident. It requires institutional commitment, board engagement, and a willingness to think beyond annual fundraising cycles. Organizations that treat planned giving as a side initiative or a passive offering often miss its true potential. By contrast, organizations that integrate planned giving into their long-term strategy create a natural pathway for donors to translate loyalty into legacy.

Strong governance plays a critical supporting role in this process. Donors considering planned gifts want reassurance that their commitment will be stewarded responsibly long after it is made. Clear policies, disciplined oversight, and thoughtful investment management provide that confidence. Yet governance alone does not invite a donor to make a planned gift. That invitation comes through education, conversation, and intentional donor engagement over time.

The most successful planned giving programs are fully integrated into the life of the organization. Development teams are educated and empowered to speak about legacy giving. Board members understand their role as ambassadors and exemplars. Donors are invited into conversations about long-term impact, not simply year-end needs. In this environment, planned giving becomes a natural extension of donor relationship management rather than a specialized or separate function.

Endowments that grow meaningfully over time almost always share this common thread. They are supported by donors who have been thoughtfully engaged, clearly informed, and given the opportunity to align their personal values with the long-term mission of the organization. Investment performance enhances these gifts, but it does not replace them.

In the end, endowment growth is not driven solely by markets, managers, or asset allocation. It is driven by people who believe deeply enough in an organization to include it in their legacy. A strong investment strategy and sound governance protect and grow capital, but a fully committed planned giving program is what makes enduring growth possible.