

Attachment for GiveWell board meeting – June 6, 2017
Revenue projections and current assets

Summary

<i>In millions USD</i>	2017	2018
Expenses	\$4.6	\$4.1
Revenue*	\$4.1	\$4.1
Unrestricted assets at year end*	\$4.3	\$4.4

** See section below for details about projected revenue that totals approximately \$5.2 million and which has been excluded from this document.*

Revenue projections

We project that we will raise \$3.8 million in 2017, plus \$0.2 million in in-kind office space, for a total of \$4.1 million. Our "conservative scenario" projection is \$3.4 million.

We project the following sources of revenue:

1. **Good Ventures** has in the last few years supported GiveWell at 20% of its operating expenses. A portion of this gift is in the form of in-kind office space. Total: **\$0.75 million**.
2. A **private individual** has made large unrestricted gifts to GiveWell. In past years, we have used a portion of the gift, set to 10% of operating expenses, for operating costs, and granted the remainder to top charities. The goal was to limit dependence on a single donor where we didn't have a strong expectation of future giving. We now believe that there is a high likelihood that the donor will support GiveWell at a similar level in future years. We are now proposing to retain 20% of the operating budget and grant out the remainder to top charities. Total: **\$0.75 million**.
3. We are projecting that **donors giving less than \$10,000** will in aggregate give **\$1.09 million**, up from \$0.8 million in 2016. The projection for 2017 is considerably higher than 2016 actual because \$0.36 million was received from this group of donors in the first quarter of 2017.¹

¹ The 2017 projected total includes actuals for Q1 and, for the remainder of the year, projects 10% growth over the total from donors giving less than \$10,000 in 2016. Growth in this category was about 10% in 2016 over 2015; in the two years prior to that it was ~40% growth per year. 10% growth in 2017 is likely conservative given strong growth in Q1.

4. We are projecting **\$1.46 million** from **donors giving over \$10,000**, compared with \$1.55 million in 2016.²

The conservative projection excludes:

1. Donors who have given \$10,000 before but have not given consistently or who we have reason to believe may not give again. (In the main projection, these donor's past giving is discounted for expected value based on past experience.)
2. Revenue from new major donors (those giving over \$10,000 who have not given at this level before).
3. Half of projection of funding from donors giving less than \$10,000.

Assets

Balance of unrestricted funds, end of 2016: \$4.66 million

Estimated balance of unrestricted funds, end of April 2017: \$5.31 million (of which, we are proposing to restrict \$0.96 million—see above). This estimate has not been confirmed by our accountants.

Projected revenue excluded from this document

The above does not include:

1. Funding from Good Ventures for 2017 GiveWell budget. We plan to submit a request for \$0.53 million after the board has approved the budget.
2. Funding from Good Ventures to cover Open Philanthropy Project expenses between when the last grant ended at the end September 2016 and the Open Phil spin-off on June 1, 2017. Good Ventures has not committed to making such a grant, but we believe it will do so. We will have a precise figure after we close our books for May; we currently anticipate that this request will be between \$2 and \$3 million.
3. Proceeds from the sale of assets to Open Philanthropy Project LLC (\$2.65 million). Funds were received on May 31.

Excess assets policy

With current projections, [our excess assets policy](#) is not triggered. The policy may be triggered after accounting for the sale of assets to Open Philanthropy Project LLC and if GiveWell

² The projection includes both (a) analysis of individual donors' past giving and an expected value of future given based on past patterns of donor attrition (as well as actual giving in Q1), and (b) a projection of giving from new donors (or, more specifically, donors who have not given a major unrestricted gift to GiveWell before). Part (b) incorporates actual giving in Q1 and, for the remainder of the year, an average of new major giving in 2014-2016. As with smaller gifts, the model assumes that 50% of the total will be given in December and the remaining 50% evenly spread out throughout the year.

receives a grant from Good Ventures to cover Open Philanthropy expenses between October 2016 and May 2017 (see above). We intend to revisit the projections and excess assets policy and make a proposal to the board before the end of 2017.