

This is an edited version of a document that was shared with the Board. It has been redacted, in alignment with the guidelines on our [Approach to Transparency page](#). We do not indicate each redacted item. However, we may indicate specific places where redactions were made if they improve the readability of the document (for example, clarifying that a link has been made confidential, or explaining the jump from one topic to another) or may make minor clarifying edits.

Responses to board members' questions

This document lists all the attachments we shared with the board last week. It has questions asked by board members (plain text) and responses from GiveWell (blue text).

Added for publishing: Links to referenced documents are available on the webpage with materials from the Board meeting.

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Agenda (previous version, sent to board members last week)

Based on the questions below, we are proposing a new agenda.

New agenda is here.

Attachment A: Insurance Review and Sundry Items (attached—please review)

No questions or comments.

Attachment B: GiveWell's Recent Progress and Future Plans (please focus on the blue highlights)

Section: *Major areas of growth => A potential additional goal*

Holden says, "I believe that GW can increase its impact significantly by helping OP and other major funders time their spending effectively. I think this could be considered as a fourth route to increased impact, and even if it doesn't have quite the same absolute potential, I think it should be acknowledged as a priority that can rightfully compete with these in value-for-effort terms."

First, some context for Board members. Holden and I have been talking about this priority for a few months. Open Philanthropy has been working on a project to estimate when to give to maximize impact over time (i.e., how should it allocate its giving over the

next ~50 years). We've also had our biggest donor after Open Philanthropy ask us the same question.

Open Philanthropy shared analysis with us concluding that the potential humanitarian impact of Open Philanthropy timing its giving better is very large (as large as or larger than other major goals we're working on). We reviewed that analysis and it seemed sound to us.

Additional information on this analysis was provided by Holden per a request from Tim. It reads: "If you have \$X (say, \$1 billion) available to spend on GiveWell's top charities, you can spend it all now, or invest it such that you end up spending a larger amount later (due to investment returns), or do a mix (spend some now, invest the rest, spend some later).

When you invest, you get more \$ to spend later, but the giving opportunities might be worse (due to the world getting better and \$ flowing in from others)—or better (due to learning over time and new interventions available along the lines of bednets and deworming).

It seems very nonobvious how these considerations net out, and therefore what spending path (in terms of how much we spend vs. invest each year) will do as much good as possible. Our modeling suggests that having a better model could save a lot of net lives (I can get this shared if you'd like). I think GiveWell is best-positioned to handle at least some aspects of getting a good model of the situation, in particular how good we expect giving opportunities to be in the future.

Also noting that this question applies to all donors—if GiveWell had a view it really stood behind on how to optimally spread out donations vs. investing over time, it could encourage many donors to incorporate that model."

One way of thinking about this is that instead of just helping people decide how to allocate \$ between charities, it could be helping decide how to allocate \$ between years. Both choices can cause \$ to go further.

Since then, GiveWell has been contributing to this project by researching how the cost-effectiveness and room for more funding of giving opportunities in global health have changed over the past 20 years and estimating how they might change in the future. I expect that we will continue to engage with Open Philanthropy on this work. We've allocated about half of one full-time researcher to this over the past three months. It's possible we'd allocate more in the future.

Section: Major areas of growth => Finding more cost-effective giving opportunities

Buddy says, "Allocating sufficient talent and org resources against this goal is a critical predictor of success. Especially for new areas with potential for ~>30x cash, we should ensure that the people in the org who can explore 'open-ended' investigations are spending sufficient time on this, and/or have a plan for training others to be able to."

Tim says, "For clarity's sake, I think this word should be 'additional' or we should separate out the goals of finding opportunities at similar levels of cost-effectiveness versus ones with higher levels of cost-effectiveness (which may not have meaningful amounts of room for more funding in terms of our growth)."

Holden says, "FWIW, I think GW may want to prioritize finding additional less cost-effective giving opportunities, to accommodate potentially dramatically increased \$ moved. (Obviously, it's better if they can find all the RFMF they need at similar levels of cost-effectiveness to today's top charities, but this may not be possible)."

We estimate that we will identify approximately \$150 million worth of giving opportunities in 2020 that have a cost-effectiveness of 10x cash (i.e., 10 times as cost-effective as direct cash transfers) or higher. We also estimate that we'll identify \$11.5 million that is 5-10x cash.

Some context: we previously (in 2018 and 2019) believed that this amount of room for more funding would likely be sufficient to meet the amount donors were giving via GiveWell's recommendations. Three things have changed:

- **Money moved has continued to grow organically.** From 2015 to 2017, our money moved (excluding Open Philanthropy) stayed roughly flat, between \$40 and \$45 million/year. In 2018, we saw significant growth (to \$61 million), and our initial estimates of 2019 money moved are that we saw significant growth again in 2019 (to \$80 million¹). As far as we know, this is organic growth that isn't driven by any specific change. We don't know that it will continue, but over the past 10 years our money moved has consistently grown.
- **Our outreach team is beginning to move money.** In late 2017, we began the process of building our outreach team. As the team gears up, we expect they will move increasing amounts of money in the future.
- **Open Philanthropy may give more to GiveWell's recommendations.** Open Philanthropy has written that [GiveWell's top charities are increasingly hard to beat](#). Open Philanthropy wrote that it planned to allocate 10% of its capital to straightforward charity (most likely GiveWell's recommendations).

¹ This is an early estimate and may be due to an error. It is subject to revision.

Our goal in this area is to significantly increase the amount of very cost-effective room for more funding that we can recommend to donors. We're currently using 10x cash as our benchmark for "very cost-effective."

We have not yet assessed opportunities enough to have a good sense of what we might be able to find, but we're targeting finding \$100m of additional (i.e., beyond the approximately \$150 million room for more funding at 10x+ by the end of 2022).

Section: Major areas of growth => New areas of research

GW said: "a) direct at least \$25 million per year to opportunities that we believe are significantly more cost-effective than the top charity we would have otherwise directed funds to."

Norma says, "Are you sure that you want the timeline to be two years? Or for the metric to be spending \$25 million, versus simply having a clear view on whether new areas are worth significant additional investment? In my experience, change in some of the areas you're exploring can take several years. Additionally, funders who are new to that work may take time to learn and to develop relationships needed to unlock certain impact opportunities. Finally, I have observed many funders (including GiveWell) sometimes learn about new areas with smaller experimental grants. If it would be helpful, I'm happy to talk about related experiences I've had in my grantmaking."

Tims says, "This seems tautological and true now (e.g., we direct more money to our top charities than to charities that are not our top charities). Also would be helpful to have some definition of what it takes to be 'significantly more' rather than just 'more.'"

Norma says, "I agree with Tim that eventually, defining the standard for 'significantly more' would be useful. I also think it will be helpful to decide how you approach opportunities where even after the grant, it will be tough to assess the impact on lives and/or GiveWell's contribution. Happy to talk about my experience with this if that would be helpful."

Our goal is to move \$25 million per year to opportunities that we believe are at least 30 times as cost-effective as cash transfers.

Currently, we estimate that the most cost-effective country-programs run by our top charities are ~15-20x as cost-effective as cash transfers, and these programs (Deworm the World in India and Kenya and parts of Helen Keller International's vitamin A supplementation program) have ~\$20 million of room for funding.

We've been working on new areas of research since early 2018, and we have made some small/exploratory grants, so although our progress has been slow, I believe we're

on track to make good decisions about giving \$25 million in two years. (For context, we are currently evaluating two grants that total \$13.5 million, one in alcohol policy and one in pesticide regulation.)

Section: *What constitutes success => Influencing institutional funders*

GW said: "If we achieve one of these goals, we consider that to be in line with expectations and a significant improvement in GiveWell's overall impact."

Tim says, "It's hard to agree that achieving one of the three goals is 'success' when the third goal is so (understandably) ill-defined at this point."

Holden says, "FWIW, I'd call it a success if they accomplish the current draft-goal under #3. OTOH, I don't think 1(b) would qualify."²

I (Elie) agree that 1(b) doesn't qualify. If we achieve what's currently written under goal #3, I'd consider that success.

Other questions

Section: Increasing money moved

GW said: "We also believe [GiveWell's] work on a direct mail and email campaign led to approximately another ~\$1 million in donations; we haven't yet analyzed this to be confident." Julia asks, "Is there a plan to evaluate it?"

We have done analysis, but I wasn't able to collect this information in time for this document. We'll report out after the board meeting.

Section: How has COVID-19 affected our progress?

GW said: "We haven't yet published information on the remaining grants (~\$700,000 to IDinsight." Tim asks, "Have we created a statement or documented anything about conflicts of interest with IDinsight now that Buddy is on staff?"

We have a [relationship disclosures](#) page on our website which includes potential conflicts of interest for GiveWell staff and board with grantees. We are explicit about these relationships in grant write-ups and blog posts about grants (e.g., [this one](#) referencing a recent IDinsight grant).

² I.e., "conclude that the areas we're exploring are likely less cost-effective than our top charities (or not sufficiently more cost-effective to be worth the effort of exploring this new area)."

Attachment C: GiveWell Compensation Review Protocol (please read in full)

No questions or comments.

Attachment D: Compensation Review 2020 (please read in full)

Section: Senior staff compensation

Tim asks, "what accounts for the large differences between individuals in base/total?"

GiveWell covers the full cost of health insurance for staff, their partners, and dependents. Staff who choose to take GiveWell's health insurance and have partners and dependents on that insurance receive significant additional compensation relative to those who use alternative insurance (e.g., their partner's). Everyone receives a health reimbursement account for dental (\$450 per staff person, \$225 per dependent). They may or may not actually request reimbursement in any given year.

[A section here was redacted because it included individual compensation information.]

Section: Compensation overview => Top ten salaries

Tim writes: "Note for board members: I am particularly concerned about diversity of staff as GiveWell moves into possibly attempting to influence policy in other countries and/or influencing large institutional donors who effectively make or influence policy in other countries."

Norma adds, "Tim—Another factor to consider is how many staff have lived for extended periods in low and middle income countries. Of course staff who are from low and middle income countries is better."

Diversity has been a major topic of conversation internally. It has been a major priority over the past year (and a high priority in previous years), and we expect it to continue to be a priority for the foreseeable future.

- In 2015, we recognized that we had made a mistake by failing to prioritize staff diversity in hiring, which led our staff to lack diversity in terms of gender, racial and ethnic background, and country of origin.
- We aimed to improve our diversity by (a) working to build a larger pool of qualified applicants and (b) creating and utilizing work assignments that were graded blindly as opposed to interviews as the key inputs to our hiring decisions.

We did other things as well, including working with consultants, but A and B are the two actions that I believe had the biggest effects.

- Our diversity improved, but we still aren't where we would ideally be.
- In 2019, Whitney formed GiveWell's Diversity and Inclusion Group to support this work. This group has 9 members from all departments and across levels of seniority at GiveWell.
- This year, we have continued to prioritize increasing diversity on staff, especially senior staff. For example, we retained a recruiting firm to explicitly search for senior researchers from underrepresented backgrounds.

Attachment E: GiveWell Foreign Registration Proposal (please read in full)

Regarding the UK entity, Holden comments: "I'm interested in some commentary on whether there is any reason to worry that the UK board will have powers traditionally in the domain of the current board—for example, whether it will control a significant % of GiveWell's assets or will be able to put out its own content using GiveWell's brand."

We don't expect this to be an area for concern. The trustees of the UK entity will have control over those funds that are donated specifically via the UK entity but not over any assets held by GiveWell US.

Regarding content, I believe the UK trustees would formally have the ability to develop content, but the likelihood of that happening would be pretty slim, in part because the CEO will be a "super trustee" with the ability to appoint and dismiss the other trustees. The way we have envisioned this with our legal counsel is that there would essentially be no operations (other than, likely, bookkeeping) conducted specifically within/by the UK entity. The trustees of the UK entity would be expected to outsource operational issues to the GiveWell US entity. This minimizes requirements on the trustees and optimizes/streamlines decisionmaking, brand consistency, etc. It is possible that we may want to develop tailored content for a UK audience, but as currently envisioned, this would be a decision made by and then executed by the US-employed team.

Attachment F: GiveWell Financial Summary and Slides (attached—please read in full)

Holden asked, "Question about Attachment F, Slide 16: Is it intentional that the last five rows of donor categories share a single projection for the next three years?"

Yes, this was intentional and follows our practice from prior years. Because we engage less intensively with them, we don't have a meaningful way of assessing why a particular sub-\$100k tier would grow at a different rate from donors in another tier, so those

projections take into account the actuals in those tiers from the past several years and considerations of the expected economic conditions.

The further we project out, the more challenging the economic forecasting becomes for these categories in particular. Generally, we felt that taking a very granular approach was not likely to be more accurate or useful than a high-level one due to the current uncertainty in the economy and the newness of our marketing activities.

Attachment H: Executive Compensation Review

Section: Fair Pay for Northern California Nonprofits

Tim commented on the table showing compensation data from Fair Pay, a salary survey from Northern California nonprofits: "The difference between this number and the other comparables is really large, more than 2x. It does make me wonder how we are thinking about comparables."

I don't think that this salary survey represents a group of organizations that are comparable to GiveWell in terms of their size or approach to compensation.

- The category of the largest organization in the Fair Pay survey is organizations with budgets of \$15 million+. More than \$50 million was donated to GiveWell directly in 2019 (including both unrestricted and restricted donations), and we moved significantly more than \$100 million.
- We compete for staff with other organizations that pay well for the non-profit sector (e.g., foundations, the World Bank), and we believe we should pay competitively to attract talent. My impression is that many nonprofits must or choose to pay significantly lower salaries, which significantly limits the staff they can potentially recruit.

We included this survey in service of transparency since it represents how nonprofits in our region pay staff.

Attachment I: Resolutions for Board Vote (please read in full)

No questions or comments.

Attachment J: Minutes of the May 2020 Board meeting (attached—please review)

No questions or comments.

New questions

Julia asks and Tim seconds: Possible topic: the research on giving now vs. later might conflict with existing goals, which are basically “move money now.” If it turns out that it’s more impactful to advise at least some donors to give later, would overall goals need to be adjusted to reflect this?

[GiveWell to follow up.](#)

Building on Buddy’s comment about staffing: To clarify, do you feel you currently have the human capacity you need for policy work and other new areas?

[GiveWell to follow up.](#)

The estimates on more opportunities to be found seem to be backwards—it seems odd that we would find 10x more 10x opportunities than 5x opportunities. Are we so confident in the inputs to that process?

[GiveWell to follow up.](#)