FUNdraising and the Donor Experience!

Lynne M. Wester
For the first time ever, charitable giving exceeded the $400 billion mark in 2017, spurred by growth from all four sources of giving.

$410.02 billion

Where did the generosity come from?*

<table>
<thead>
<tr>
<th>Contributions by source</th>
<th>(by percentage of the total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Giving by Individuals</td>
<td>70%</td>
</tr>
<tr>
<td>$286.65 billion</td>
<td>increased 5.2 percent (3.0 percent when inflation-adjusted) over 2016</td>
</tr>
<tr>
<td>Giving by Foundations</td>
<td>16%</td>
</tr>
<tr>
<td>$66.90 billion</td>
<td>increased 6.0 percent (3.8 percent when inflation-adjusted) over 2016</td>
</tr>
<tr>
<td>Giving by Bequest</td>
<td>9%</td>
</tr>
<tr>
<td>$35.70 billion</td>
<td>increased 2.3 percent (0.2 percent when inflation-adjusted) over 2016</td>
</tr>
<tr>
<td>Giving by Corporations</td>
<td>5%</td>
</tr>
<tr>
<td>$20.77 billion</td>
<td>increased 8.0 percent (5.7 percent when inflation-adjusted) over 2016</td>
</tr>
</tbody>
</table>


Where are all of the charitable dollars going? (as a percentage of the total)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percentage</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>31% Religion</td>
<td>31%</td>
<td>$127.37 billion</td>
</tr>
<tr>
<td>14% Education</td>
<td>14%</td>
<td>$58.90 billion</td>
</tr>
<tr>
<td>12% Human Services</td>
<td>12%</td>
<td>$50.06 billion</td>
</tr>
<tr>
<td>11% To Foundations</td>
<td>11%</td>
<td>$45.89 billion</td>
</tr>
<tr>
<td>9% Health</td>
<td>9%</td>
<td>$38.27 billion</td>
</tr>
<tr>
<td>7% Public-Society Benefit</td>
<td>7%</td>
<td>$29.59 billion</td>
</tr>
<tr>
<td>5% Arts, Culture, and Humanities</td>
<td>5%</td>
<td>$19.51 billion</td>
</tr>
<tr>
<td>6% International Affairs</td>
<td>6%</td>
<td>$22.97 billion</td>
</tr>
<tr>
<td>3% Environment/Animals</td>
<td>3%</td>
<td>$11.83 billion</td>
</tr>
<tr>
<td>2% To Individuals</td>
<td>2%</td>
<td>$7.87 billion</td>
</tr>
</tbody>
</table>

Giving USA Foundation™, The Giving Institute, and the Indiana University Lilly Family School of Philanthropy are pleased to continue their partnership in providing the most comprehensive, longest-running, and most rigorously researched resource on U.S. charitable giving. Giving USA: The Annual Report on Philanthropy. It is a privilege to report on Americans’ generosity and related historical trends on U.S. charitable giving.
Nonprofit Organizations
In the United States

2,201,946
Total Nonprofit Universe*

1,800,000+
Active Nonprofit Organizations

Top 5 Over 100K
#1: California
#2: Texas
#3: New York
#4: Florida
#5: Pennsylvania

KEY:
0 10K 25K 50K 75K 100K+
REALITY: BIG CAMPAIGNS

Brown launches *BrownTogether*, a $3-billion comprehensive campaign

In quest to raise $6 billion, USC runs a massive fundraising machine

Harvard launches $6.5 billion capital campaign

Campus launches *The Centennial Campaign for UCLA*

Boosting support for students and faculty, increasing endowment are key objectives of $4.2 billion fundraising drive
REALITY: WE HAVE ALWAYS DONE IT THAT WAY
**Repayer**

“I give to my alma mater”

“I support organizations that have had an impact on me or a loved one”

**Casual Giver**

“I primarily give to well known nonprofits through a payroll deduction at work”

“I donated $1,000 so I could host a table at the event”

**High Impact**

“I give to the nonprofits that I feel are generating the greatest social good”

“I support causes that seem overlooked by others”

**Faith Based**

“We give to our church”

“We only give to organizations that fit with our religious beliefs”

**See the Difference**

“I think it’s important to support local charities”

“I only give to small organizations where I feel I can make a difference”

**Personal Ties**

“I only give when I am familiar with the people who run an organization”

“A lot of my giving is in response to friends who ask me to support their causes”
I gave you $10.
He gave you $20.
You felt that he was better just because he gave you more. But he had $200 dollars, and all I had was $10.
**Donor Pulls $100,000 Gift Over Westfield State President's 'Lavish Spending'**

August 29, 2013

A donor has withdrawn a planned $100,000 contribution to Westfield State College due to a university official's offshore accounts and lavish spending.

**Donor Rescinds $2.5 Million Gift to Stanford Over ExxonMobil Ads**

March 14, 2007

Movie producer and environmental activist Steve Bing has rescinded a $2.5 million pledge to Stanford University over its ties to ExxonMobil's climate change advertising.
The Rise of the 'Rage-Donation'
More Dollars from Fewer Donors

- Top 1% contribute 50% of total dollars
- Top 5% contribute 90-95%
- $1 million+ gifts give 50%
- $100K+ gifts, give 85%
More Nonprofits Ramp Up Their Donor Stewardship

By Timothy Sandoval

The Dana Farber Cancer Institute had 11 full-time staff members in donor relations in 2007. It now has 28.

The Children’s Hospital Colorado Foundation had no donor-relations or stewardship staff about eight years ago. It now has a team of four full-time...
**AVERAGE**
46%

**FIRST-TIME**
23%

**REPEAT**
60%

**MONTHLY**
90%
STRUGGLES AND OPPORTUNITIES
Modern Campaign Paradigm Shifts

Increasing complexity

Faculty <-> Donor

Gift Officer <-> Philanthropic Advisor / Foundation Representative

SDR
Voluntary Support of Higher Education by Source, 2017

- Total Support: $43.60 Billion
- Alumni: $11.37 billion (26.1%)
- Corporations: $6.60 billion (15.1%)
- Foundations: $13.13 billion (30.1%)
- Nonalumni Individuals: $7.86 billion (18.0%)
- Other Organizations: $4.64 billion (10.6%)

Percentages may not add to 100 due to rounding.
Source: Council for Aid to Education, 2018
The chart shows the percentage of total college and university spending on capital outlay from FY2003 to FY2013. The data is categorized into four groups:

- **All Private Higher Education**
- **All Public Higher Education**
- **All Higher Education**

The percentages for each category show a decreasing trend over the years:

- **All Private Higher Education**:
  - FY2003: 20.7%
  - FY2013: 14.7%

- **All Public Higher Education**:
  - FY2003: 7.9%
  - FY2013: 4.9%

- **All Higher Education**:
  - FY2003: 15.2%
  - FY2013: 9.6%
Mega-gifts Are Rising and Alumni Giving Is Shrinking. Which Means What, Exactly?

Mike Scutari
Engaging the Next Generation of Wealth

It is estimated that in the next 50 years between $20T\textsuperscript{1} and $40T\textsuperscript{2} will pass from parents to their children.

How are we positioning ourselves with this next generation?

\textsuperscript{1}http://morristrust.com/2012/04/largest-transfer-of-wealth-in-us-history/  
\textsuperscript{2}http://www.kansascfs.org/transfer-wealth.cfm
THANK YOU LYNNNE!

YOU’VE JUST CHANGED LIVES.

This is Helen Apio. She used to walk a mile and a half to a neighboring village to get water. The walk was long, and the wait was even longer once she got there. Helen’s village didn’t have a well.

When she brought the water home, she’d say to herself, “How should I use this water today? Should I water my garden so we can grow food? Should I wash my kids’ uniforms? Should I use it to cook? Should we drink this water?” With two children, one husband and 10 gallons, Helen never had enough water.

We saw the shame in her eyes when she described how her two kids were often sent home from school because their uniforms were dirty.

But a few years ago, people did exactly what you did today — they donated. And because of those donations, Helen’s village got a well. Now, Helen has all the water she needs.
will the beautiful women of the world please stand up.

This is when I met Helen Apio. Placing both hands on my shoulders and smiling, she said, “Now, I am beautiful.” That really hit me. My job is to focus on sustainable development, health, hygiene and sanitation; to make sure charity: water’s projects are working in 20 years. But nowhere on any of my surveys or evaluations was a place to write, “Today we made someone feel beautiful.”

READ THE STORY ›
AYDER AWLIAT ELEMENTARY SCHOOL
Completed: July 2011

COUNTRY: ETHIOPIA
PEOPLE SERVED: 185
PROJECT TYPE: DRILLED WELL

- Region: Tigray
- GPS: 12.717489, 39.526386
- Project Cost: $7,326.00
Helen Apio. Seven years later.
She told us that clean water made her feel beautiful then. Her story is even more beautiful today.
In 2009, we met Helen Apio in Uganda right after her community had received clean water for the first time. Helen proudly told us that she had enough water at home to truly take care of herself. "Now, I am beautiful", she said.
Helen Apio is feeling more beautiful than ever.
Unappreciated Incentives

73%
Of donors who received plaques or certificates threw them out

83%
Of gift society donors said it had no influence on their giving

+12%
Change in number of donors since 2003 who said gift clubs have no influence on their giving
Missed Opportunities

85%
Of donors don’t receive information on gift outcomes

84%
Of donors would give more to charities that showed them results

77%
Of Millennial donors would stop donating if they don’t see gift impact
ONE SIZE DOES NOT FIT ALL
Thank YOU-
Reach out to Me:

- Lynne M. Wester
- @donorguru
- www.donorrelationsguru.com
- lynne@donorrelationsguru.com