



**Giving USA 2021
With Insight and Clarity**



Scott R. Lange
President/Founder
Board Member, Fundraising Effectiveness Project

Giving USA
Wednesday June 30, 2021

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Philanthropic Consulting, LLC

What 'Giving USA' Really Told Us:

Individual giving as a percentage of disposable income has been remarkably consistent; over the past 40 years; it has rarely strayed from a narrow range of 1.8 to 2.2 percent.

But according to the numbers in "Giving USA," **it fell to just 1.85 percent** in 2020. This is the **lowest it has been in nine years**; the last time it was lower was in 2011, when the charitable sector was just beginning to recover from the Great Recession of 2007-09.

Chuck Collins
Director
Program on Inequality and the Common Good
Institute for Policy Studies

Helen Flannery
Associate Fellow
Institute for Policy Studies

[What 'Giving USA' Really Told Us: Average Americans Are Giving a Smaller Share of Their Incomes to Charities \(philanthropy.com\)](https://www.philanthropy.com/article/what-giving-usa-really-told-us-average-americans-are-giving-a-smaller-share-of-their-incomes-to-charities)

Average Americans Are Giving a Smaller Share of Their Incomes to Charities

A few tenths of a percent would seem to make a minor difference — but the dollar amount lost to charity is enormous. **With disposable income in the United States currently at \$17.5 trillion, each tenth of a percentage point is equal to \$1.75 billion.**

If individuals had given in 2020 at the same rate they did last year, at 1.94 percent, charities would have received \$339.22 billion — \$15 billion more than they actually did.

[What 'Giving USA' Really Told Us: Average Americans Are Giving a Smaller Share of Their Incomes to Charities \(philanthropy.com\)](https://philanthropy.com)

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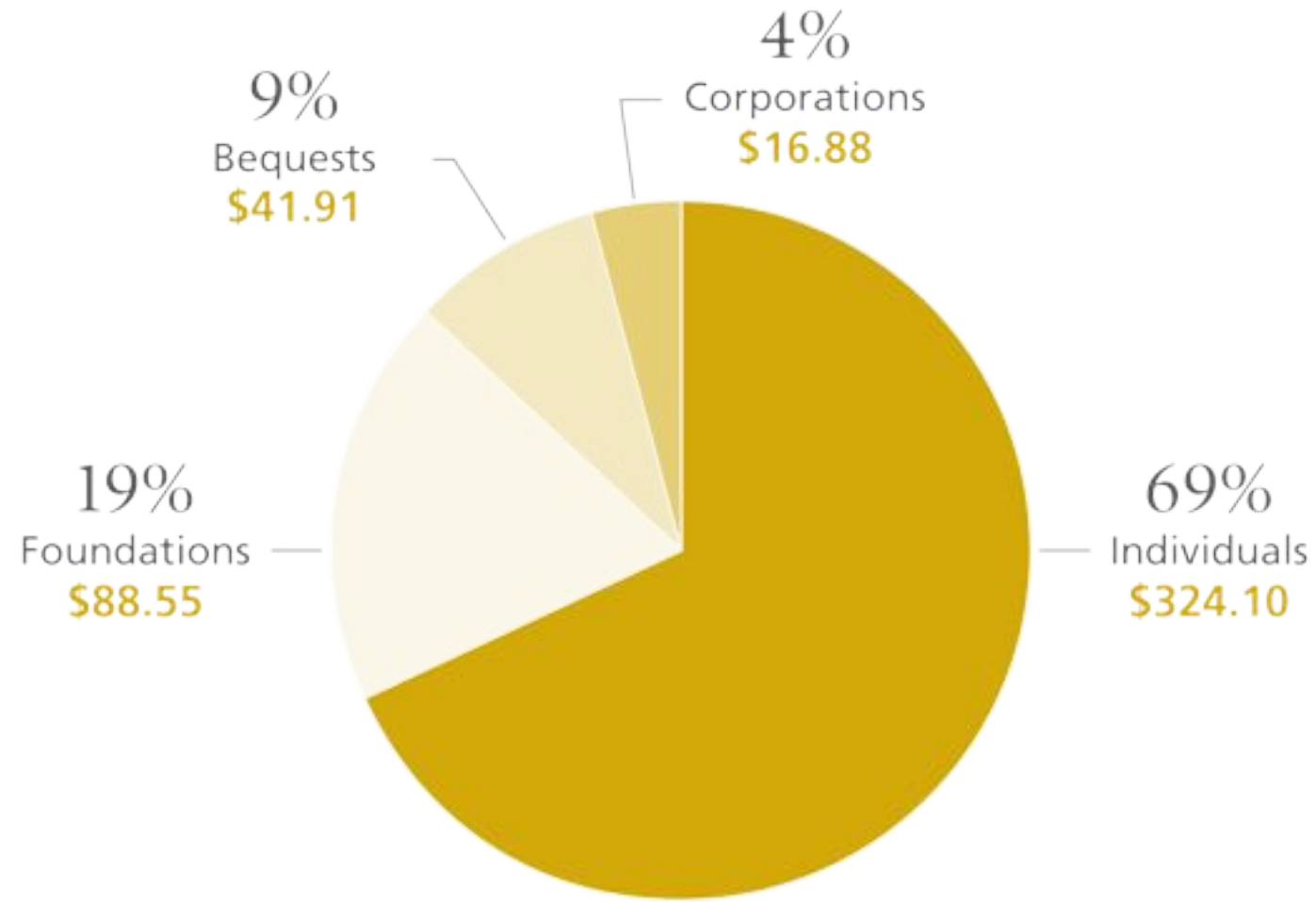


Researched and written by  IUPUI LILLY FAMILY SCHOOL OF PHILANTHROPY



2020 contributions: \$471.44 billion by source of contributions

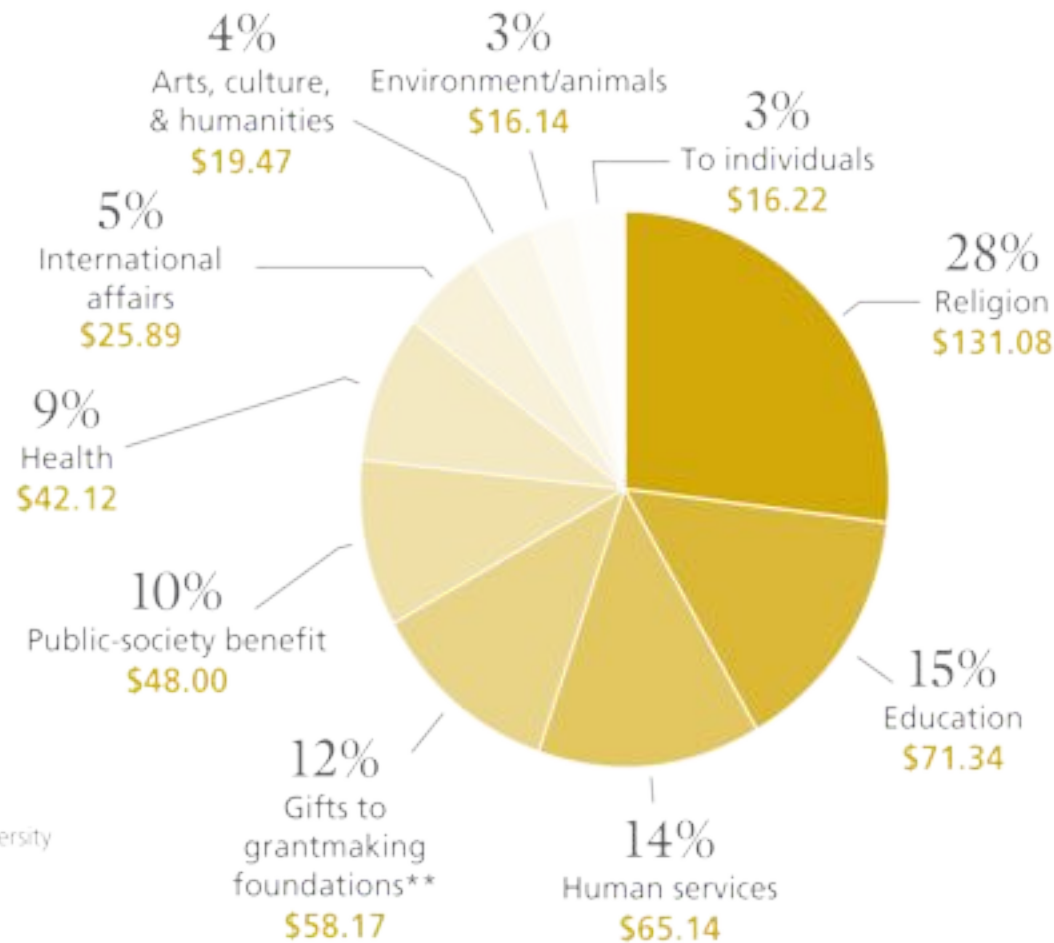
(in billions of dollars - all figures are rounded)





2020 contributions: \$471.44 billion by type of recipient organization*

(in billions of dollars - all figures are rounded)



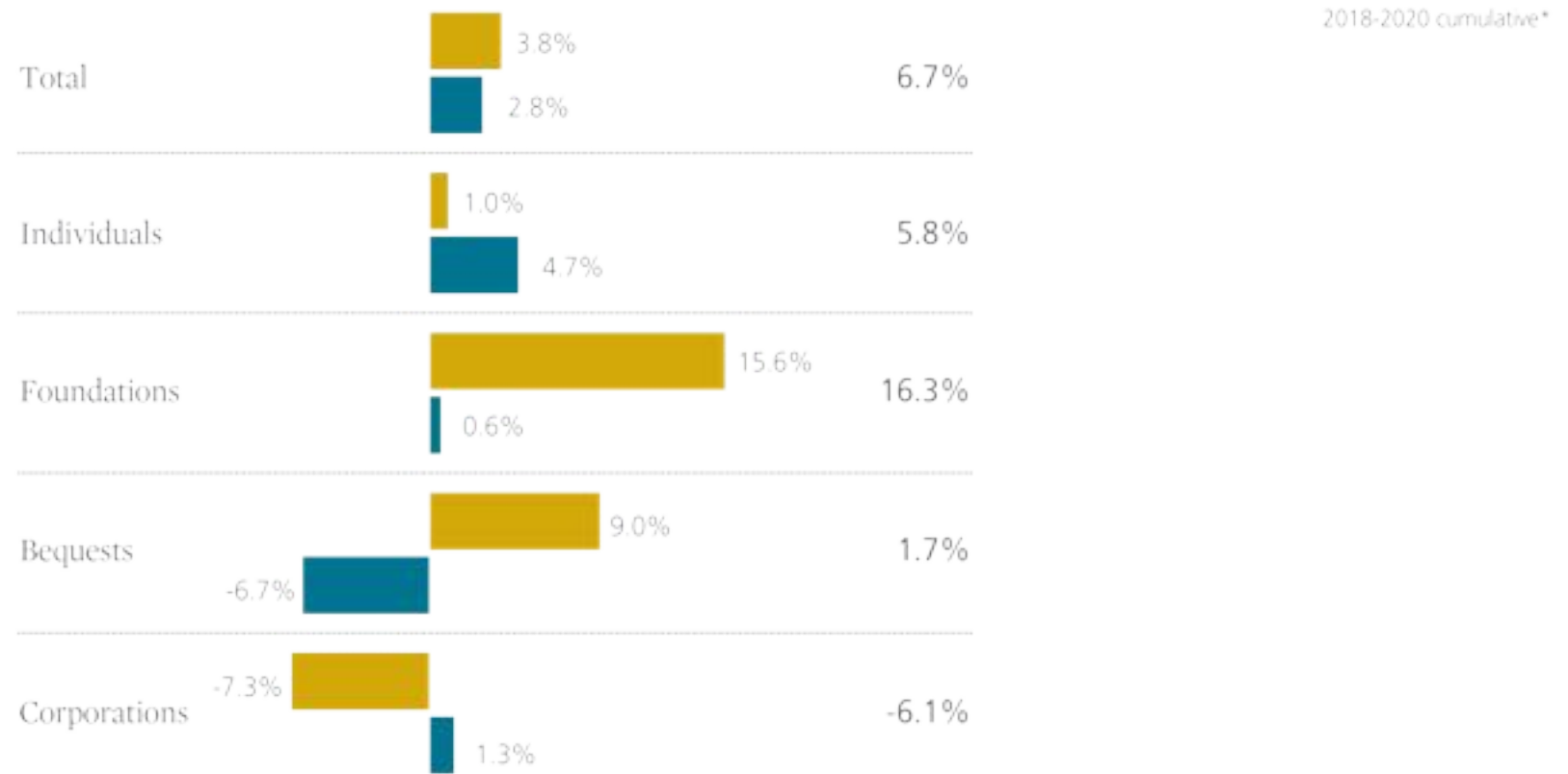
* Total includes unallocated giving, which totaled -\$22.13 billion in 2020.
** Estimates developed by the Indiana University Lilly Family School of Philanthropy using data provided by Candid.



Changes in giving by source: 2018-2019 and 2019-2020, 2018-2020 cumulative

(in inflation-adjusted dollars, 2020 = \$100)

■ 2019-2020
■ 2018-2019



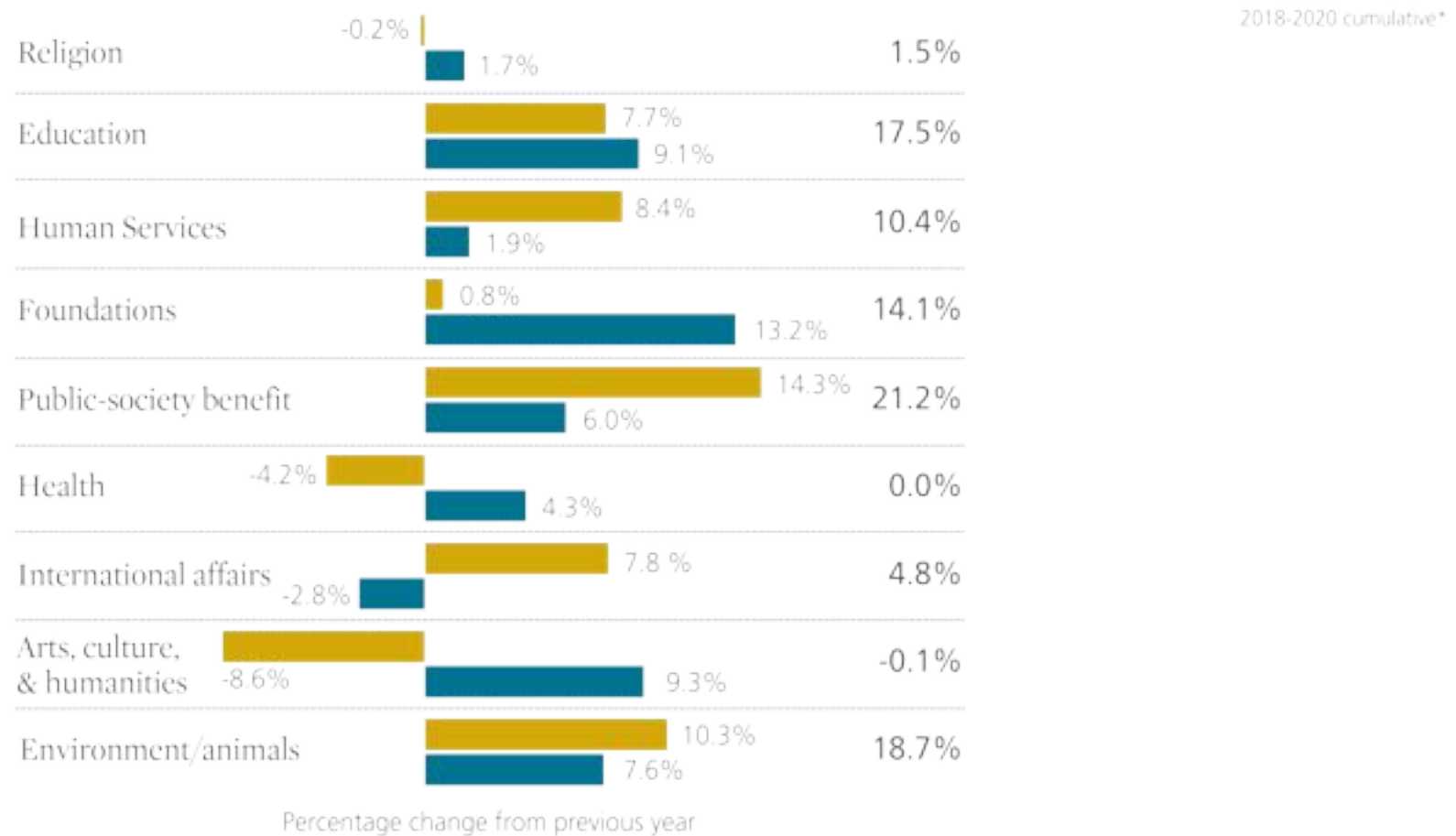
*The two-year change is calculated separately and is not the sum of the changes in the two years.

Percentage change from previous year



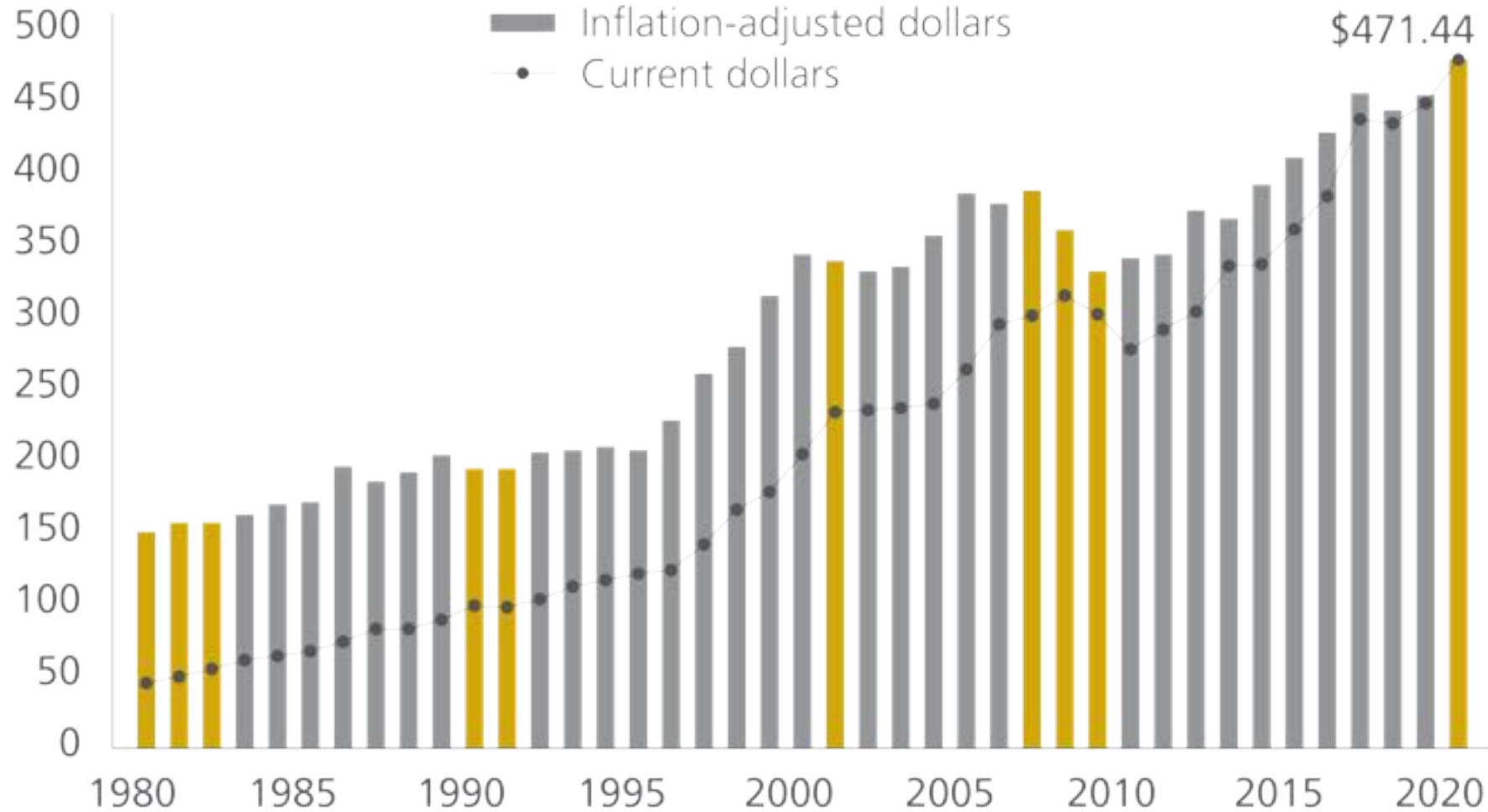
Changes in giving by type of recipient organization: 2018-2019 and 2019-2020, 2018-2020 cumulative (in inflation-adjusted dollars, 2020 = \$100)

■ 2019-2020
■ 2018-2019



Total giving, 1980-2020

(in billions of dollars)

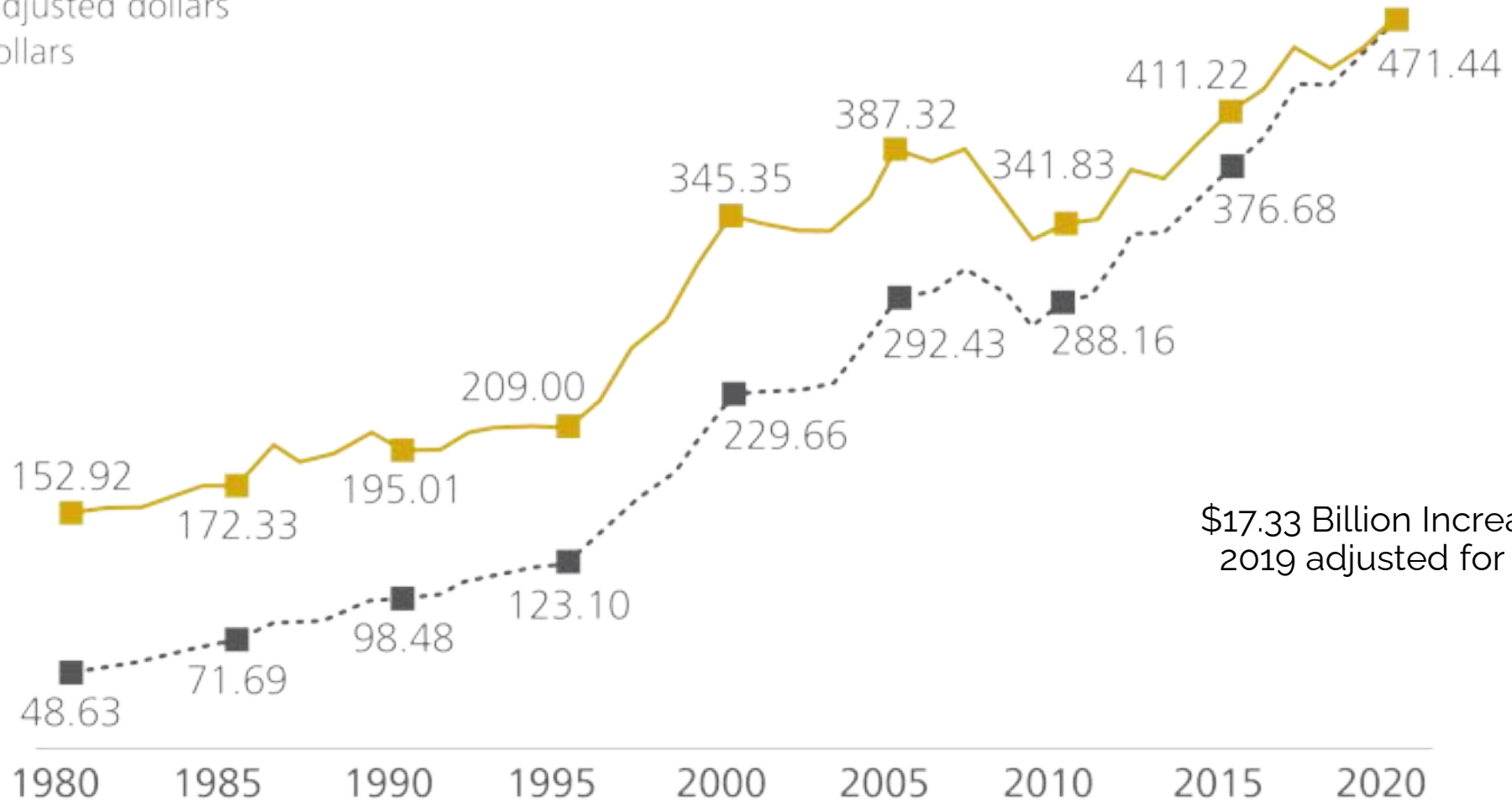


Trends for total giving, 1980-2020

(in billions of dollars)



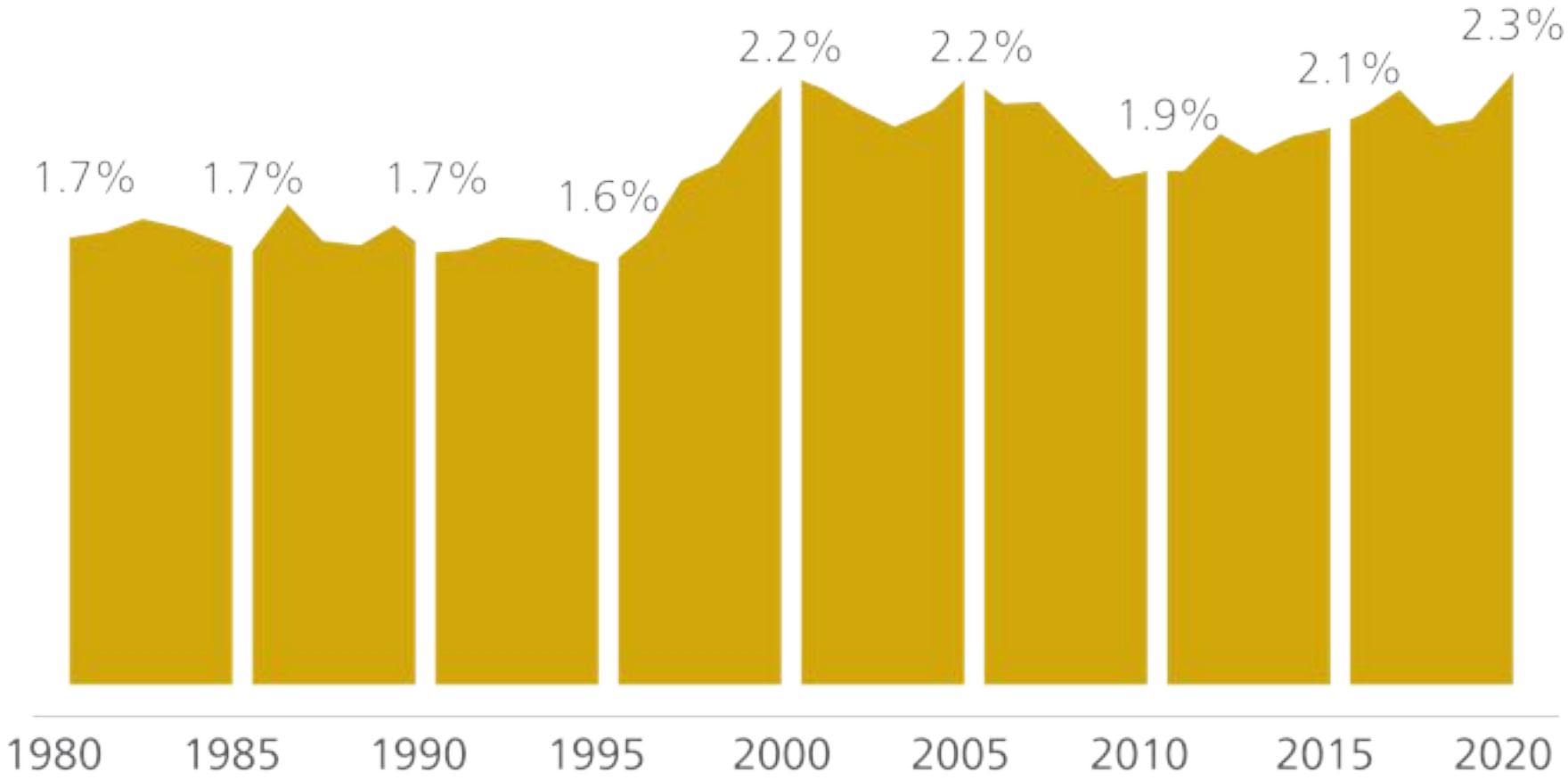
— Inflation-adjusted dollars
- - - Current dollars



\$17.33 Billion Increase over 2019 adjusted for inflation



Total giving as a percentage of gross domestic product (GDP), 1980-2020 (in current dollars)



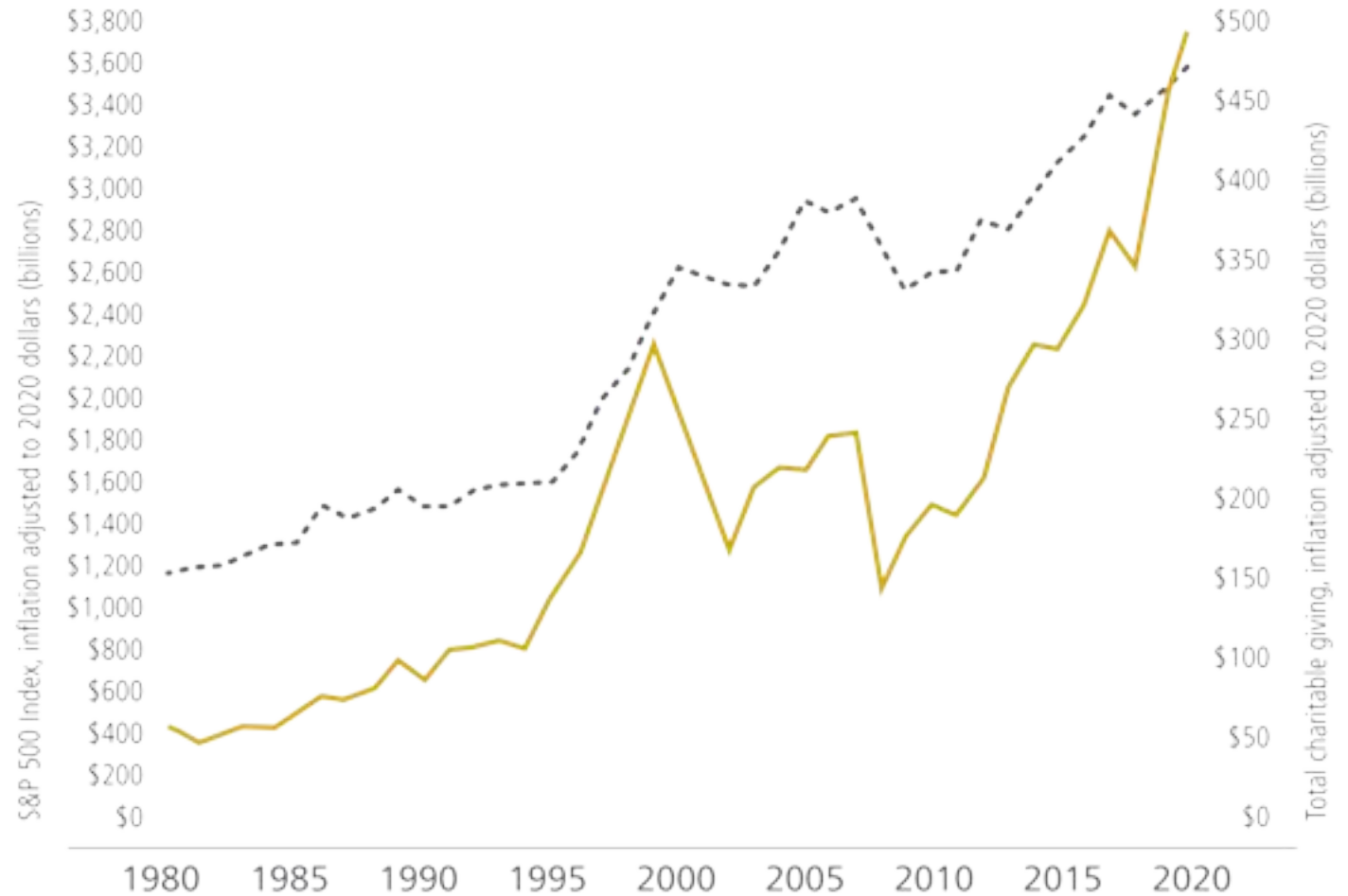
Total charitable giving graphed with the Standard & Poor's 500 Index, 1980-2020

(in billions of inflation-adjusted dollars, 2020 = \$100)



- S&P 500, inflation-adjusted dollars
- - - Total giving, inflation-adjusted dollars

Giving Tracks with S&P 500 – the Market went up!



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A Deeper Dive



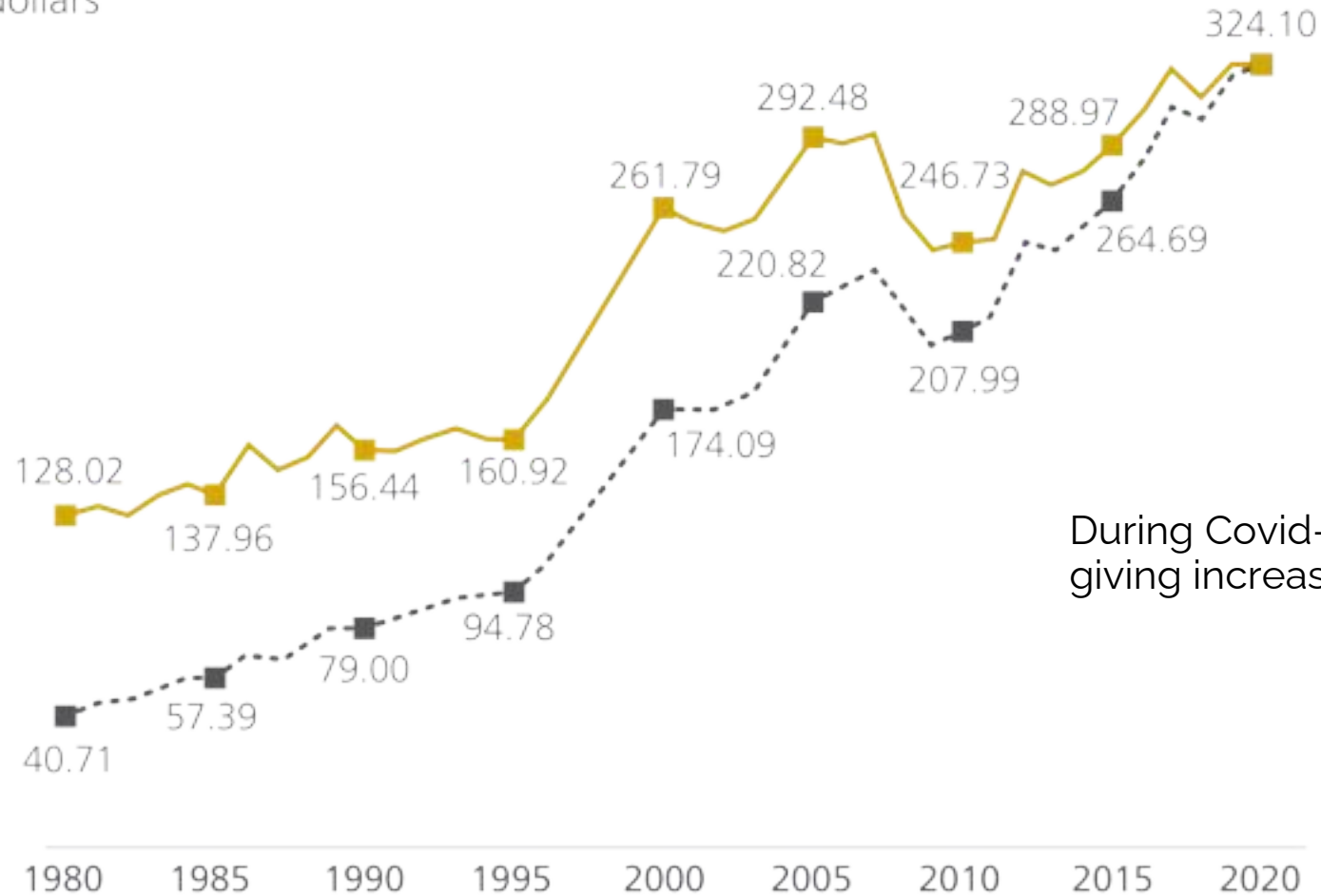
Michael Shippam
Principal



Giving by individuals, 1980-2020

(in billions of dollars)

— Inflation-adjusted dollars
- - - Current dollars



During Covid-19, adjusted for inflation, giving increased 1%



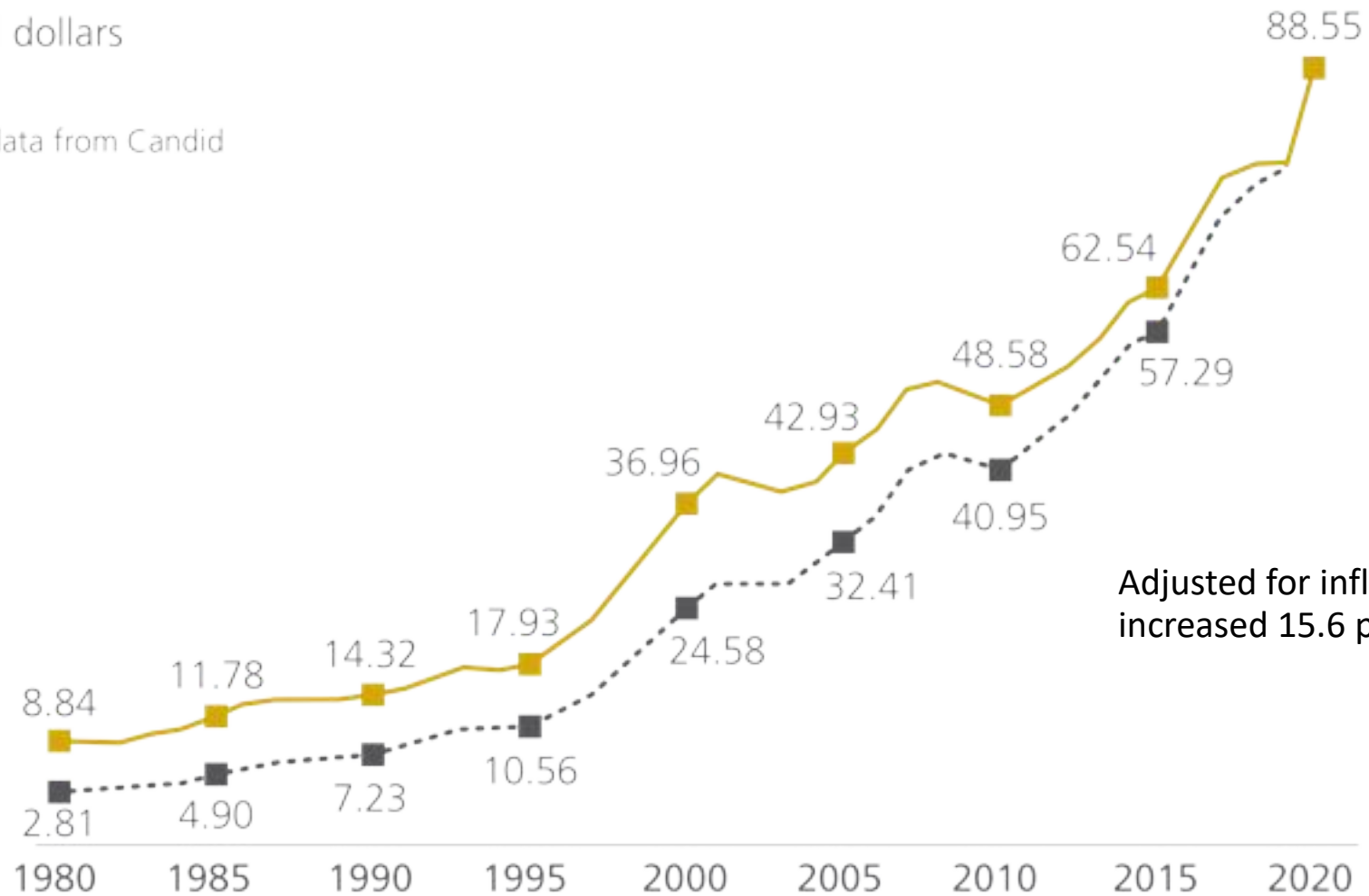
Giving by foundations, 1980-2020

(in billions of dollars)

— Inflation-adjusted dollars

- - - Current dollars

*Estimates developed with data from Candid



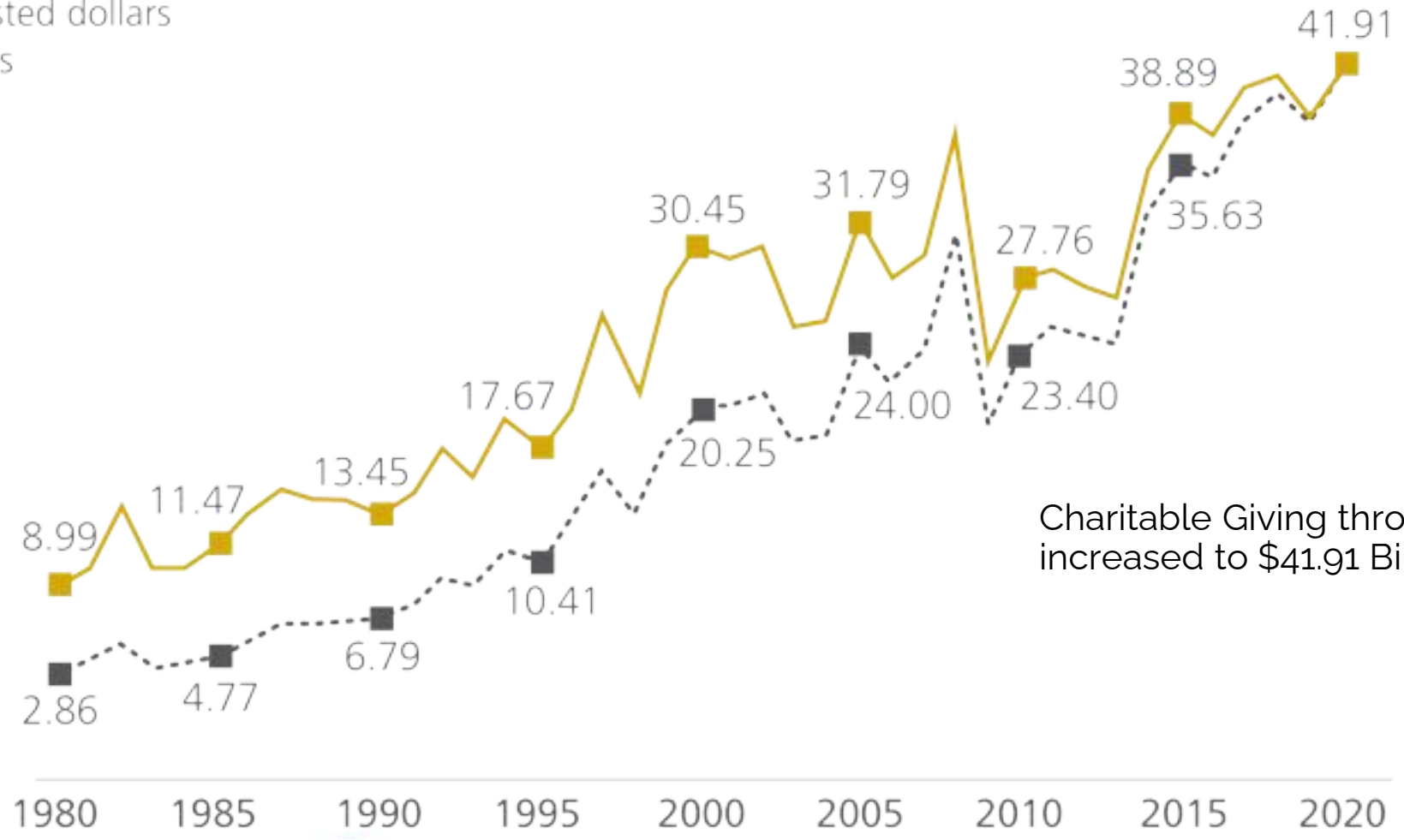
Adjusted for inflation, giving by foundations increased 15.6 percent in 2020.



Giving by bequests, 1980-2020

(in billions of dollars)

— Inflation-adjusted dollars
- - - Current dollars



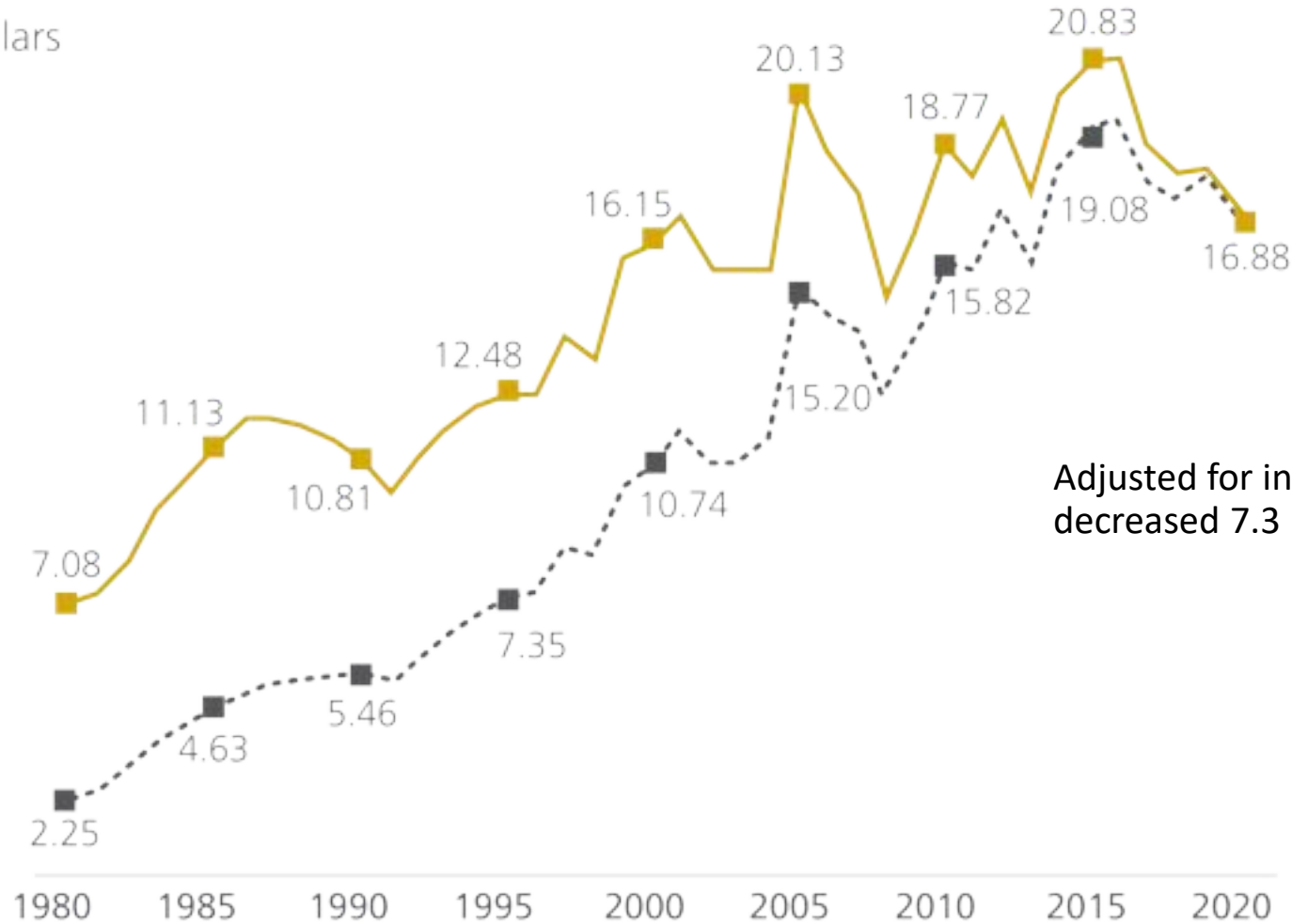
Charitable Giving through Bequests increased to \$41.91 Billion in 2020



Giving by corporations, 1980-2020

(in billions of dollars)

— Inflation-adjusted dollars
- - - Current dollars

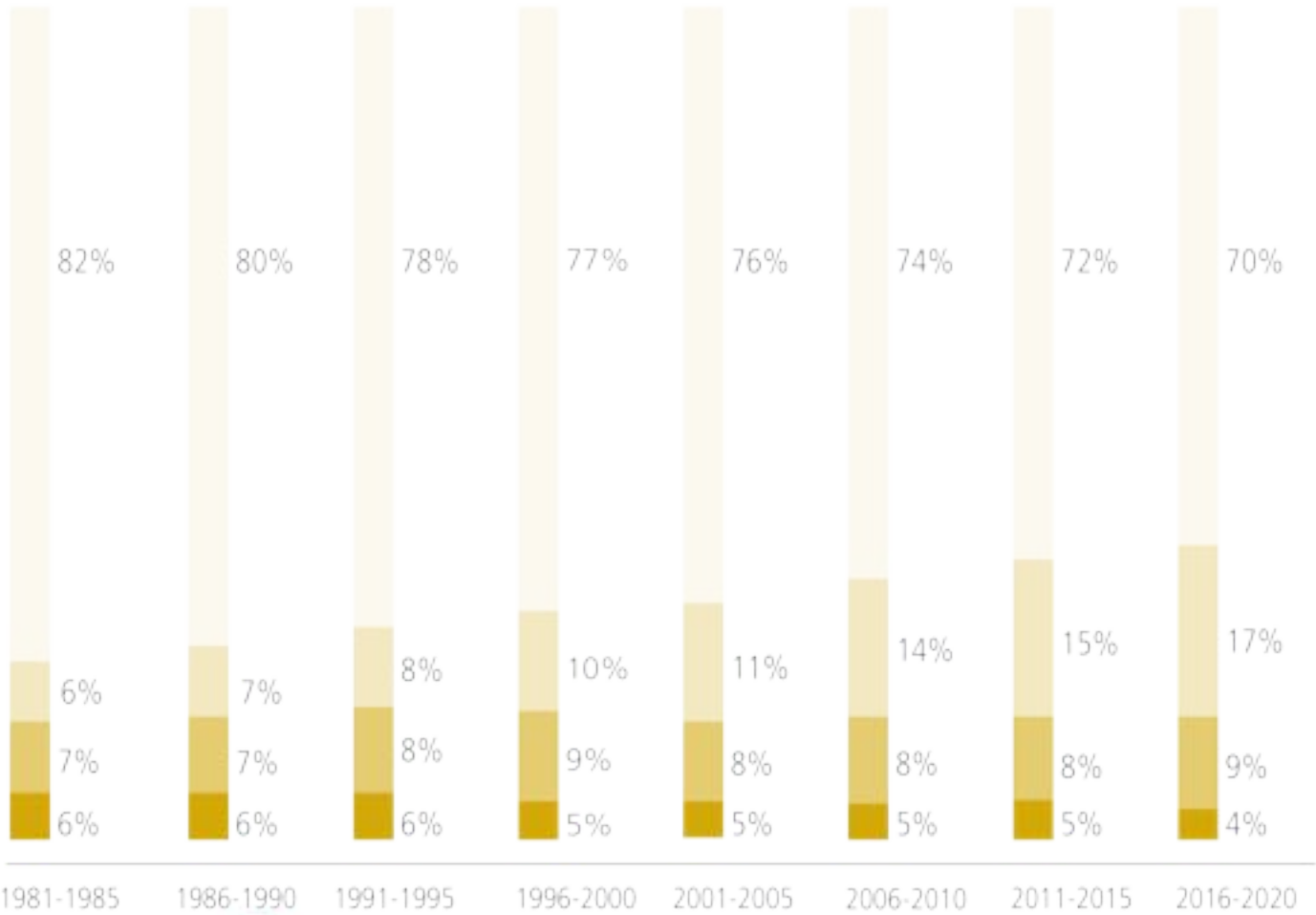


Adjusted for inflation, giving by corporations decreased 7.3 percent



Giving by source: percentage of the total in five-year spans, 1981-2020

- Individuals
- Foundations
- Bequests
- Corporations



Giving by individuals is shifting to family foundations

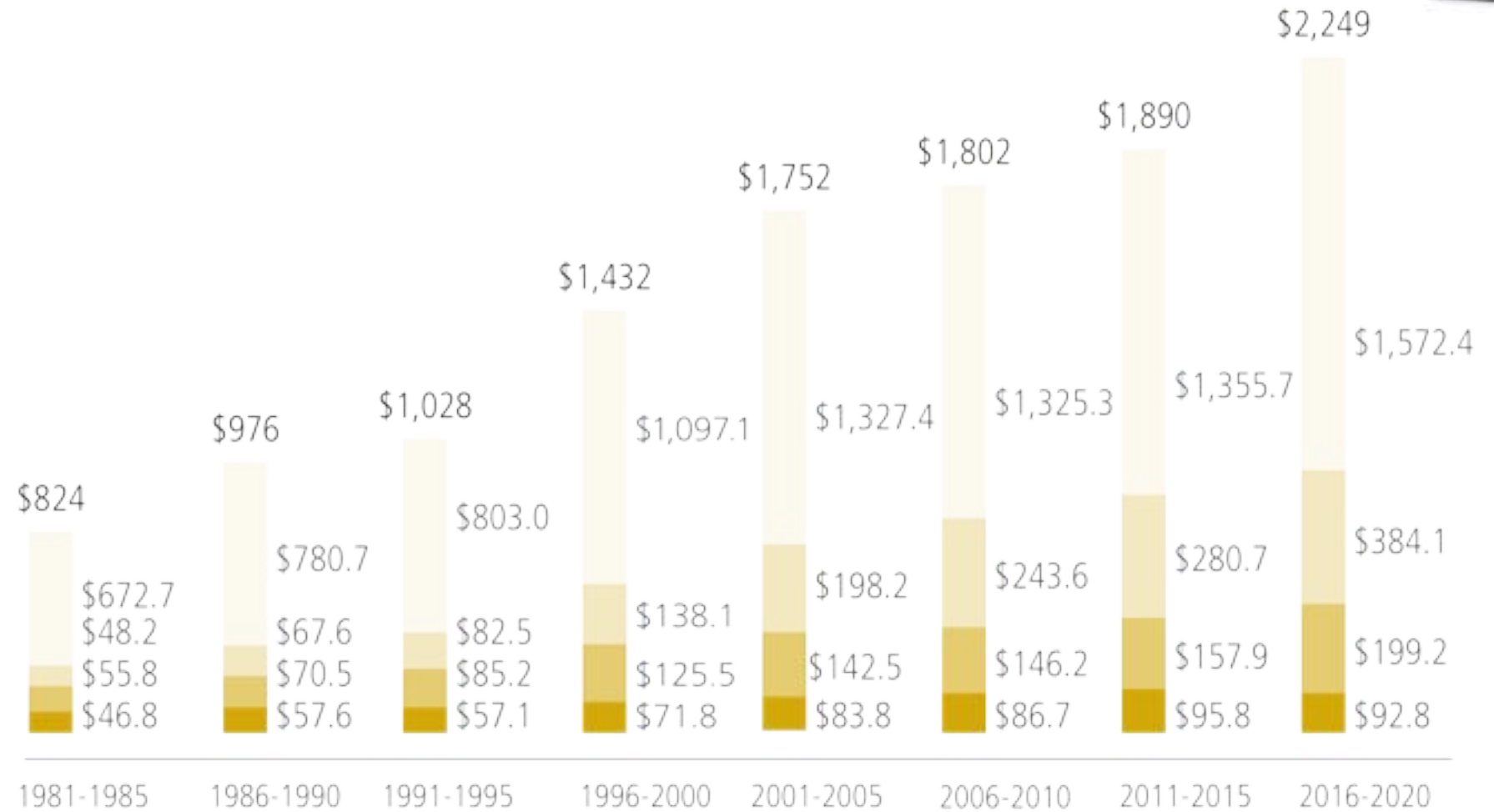
Total giving by source in five-year spans, 1981-2020

(in billions of inflation-adjusted dollars, 2020 = \$100)



- Individuals
- Foundations
- Bequests
- Corporations

Giving USA uses the CPI to adjust for inflation.

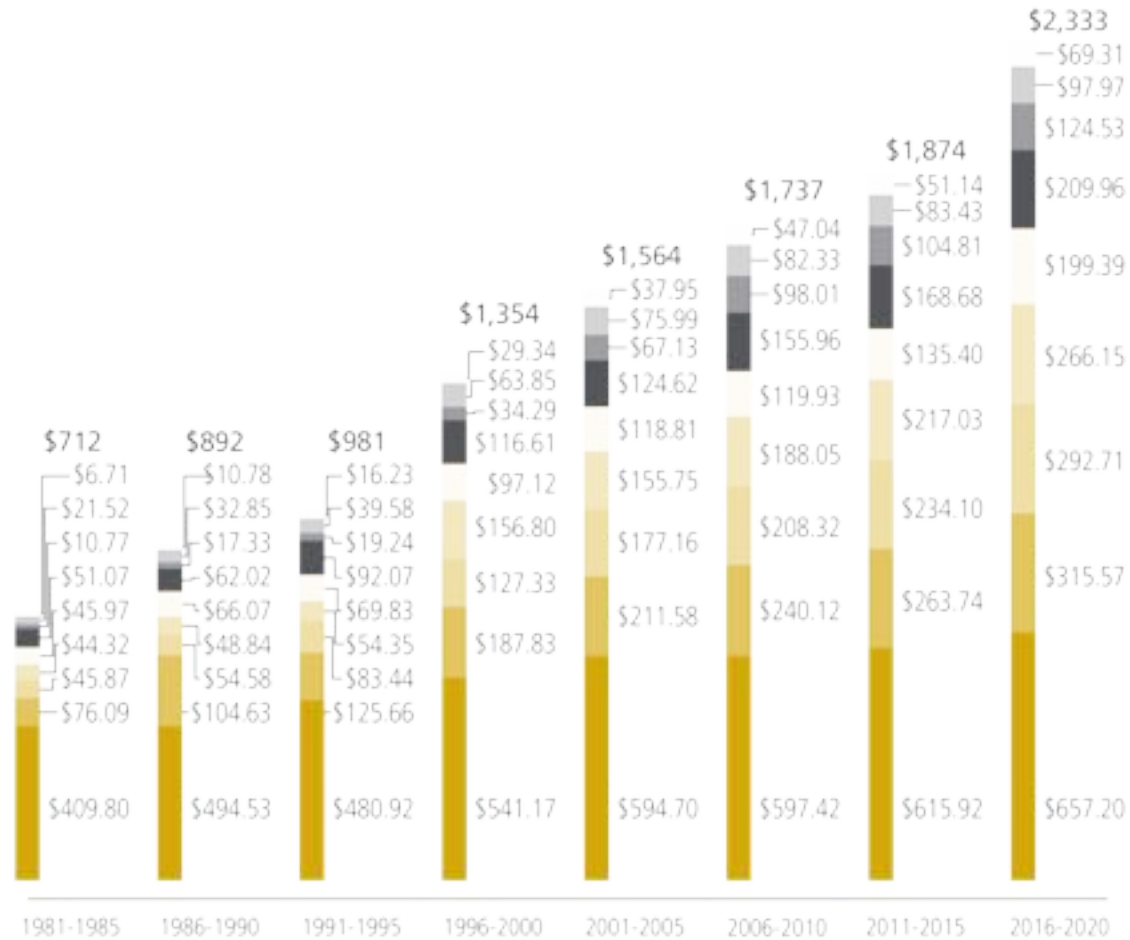




Total giving by type of recipient organization in five-year spans, 1981-2020

(in billions of inflation-adjusted dollars, 2020 = \$100, does not include "unallocated")

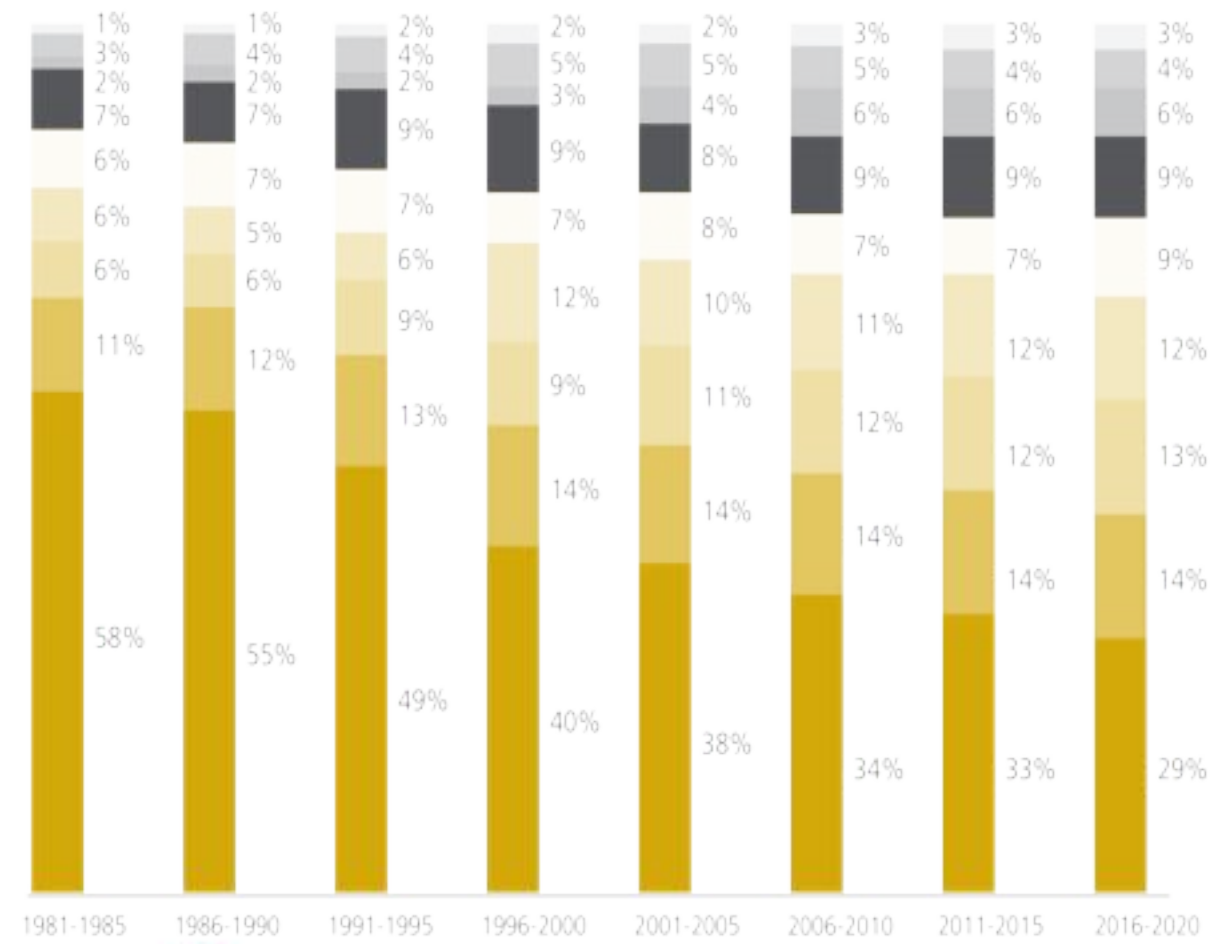
- Environment & animals
- Arts, culture, & humanities
- International affairs
- Health
- Public-society benefit
- Foundations
- Human services
- Education
- Religion





Giving by type of recipient: percentage of the total in five-year spans, 1981-2020 (does not include "unallocated")

- Environment & animals
- Arts, culture, & humanities
- International affairs
- Health
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- Foundations
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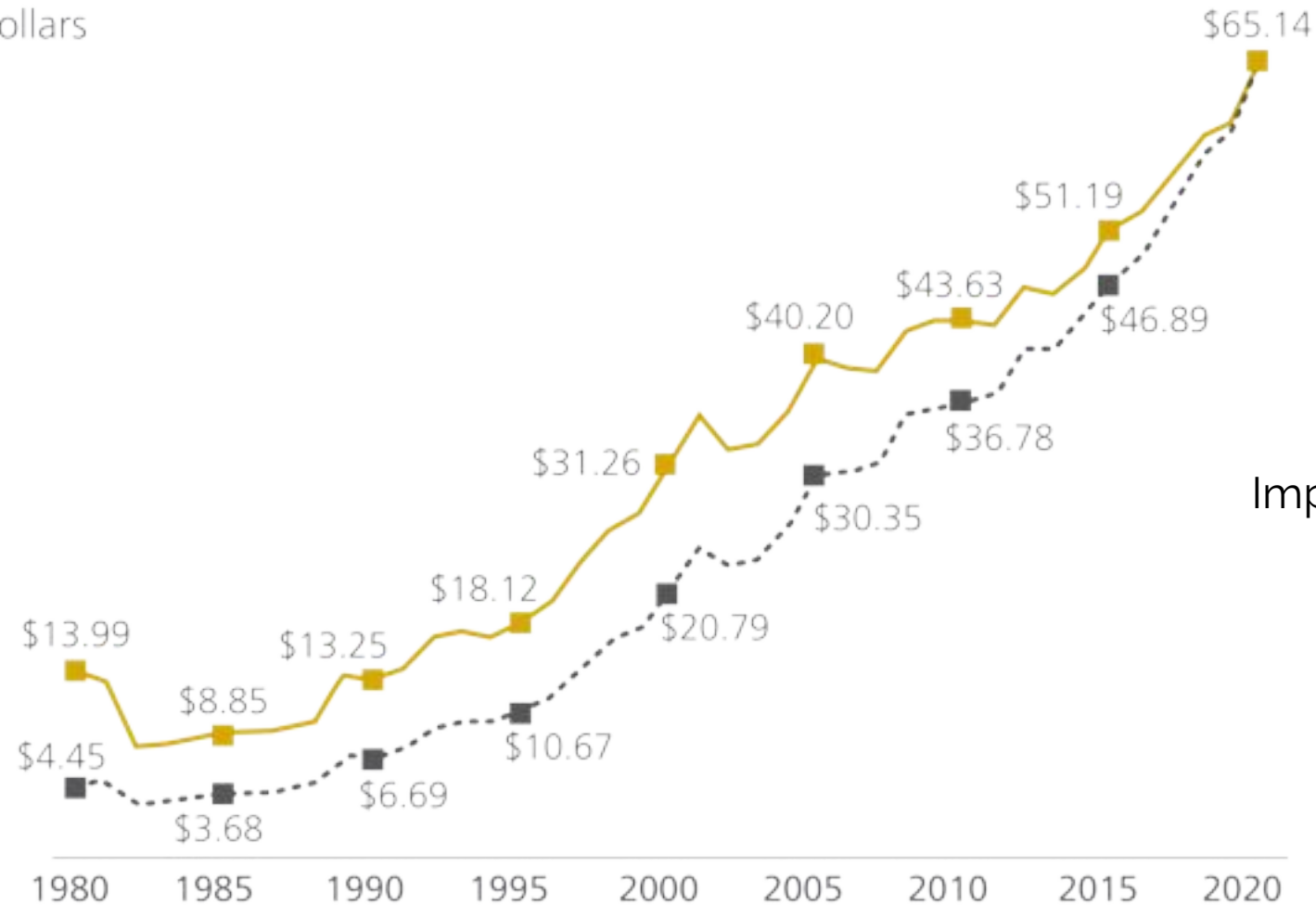
Most significant decline over time is giving to religion

Giving to human services, 1980-2020

(in billions of dollars)



— Inflation-adjusted dollars
- - - Current dollars

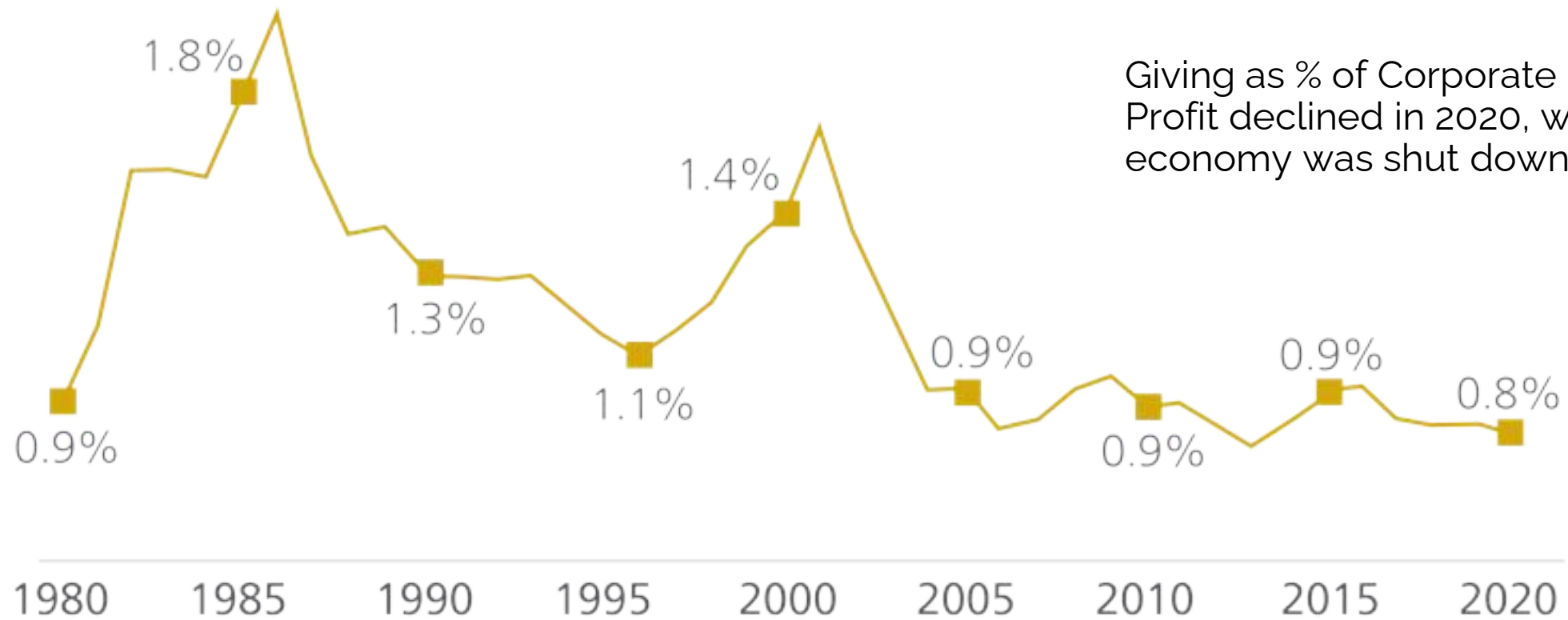


Impact of Covid-19



Corporate giving as a percentage of corporate pre-tax profits, 1980-2020

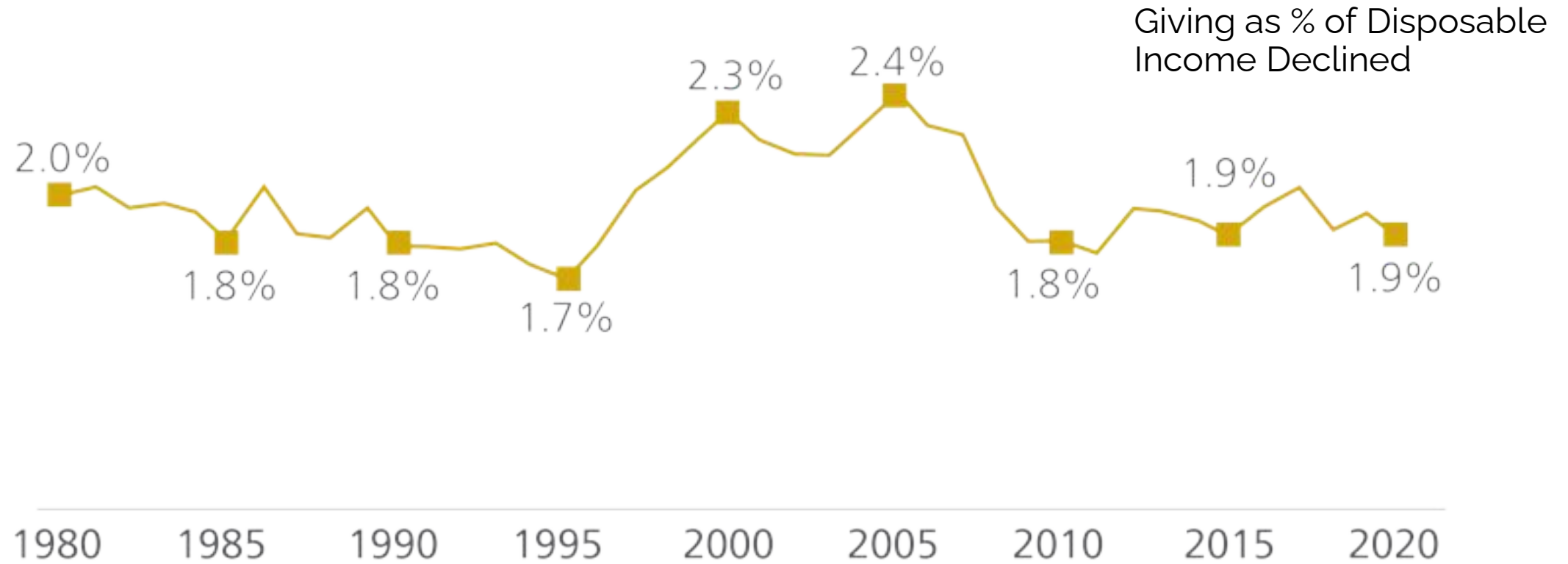
(in current dollars)





Individual giving as a share of disposable income, 1980-2020

(in current dollars)



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Fundraising Effectiveness Project



Scott R. Lange

Quarterly Fundraising Report™

Year-to-Date Nonprofit Sector Trends 01/01/2020–12/31/2020



Highlights

Overall giving increased by 10.6% in 2020 as compared to 2019, spurred by an increase in new and reactivated donors. However, donor retention continued to decline in 2020, dropping 4.1%.

- Donations remain the highest in 5 years.
- Annual sum given by each donor increased during 2020.
- The number of new donors has increased, but retention is still an issue across the sector.



Donors

(Year-to-date) **107.3%**

↑ **+7.3%**
YTD Change



Donations

(Year-to-date) **110.6%**

↑ **+10.6%**
YTD Change



Donor Retention¹

(Year-to-date) **43.6%**

↓ **-4.1%**
YTD Change

Revenue and retention metrics report on year-to-date (YTD) performance compared against the prior year total based on a panel* of organizations selected from the Growth in Giving Database of 176 million transactions from more than 20,000 organizations and **\$80 billion in donations** since 2005.

Year-to-date Fundraising Performance. All Rights Reserved.

Donors

Year-to-Date Nonprofit Sector Trends 01/01/2020–12/31/2020



Highlights

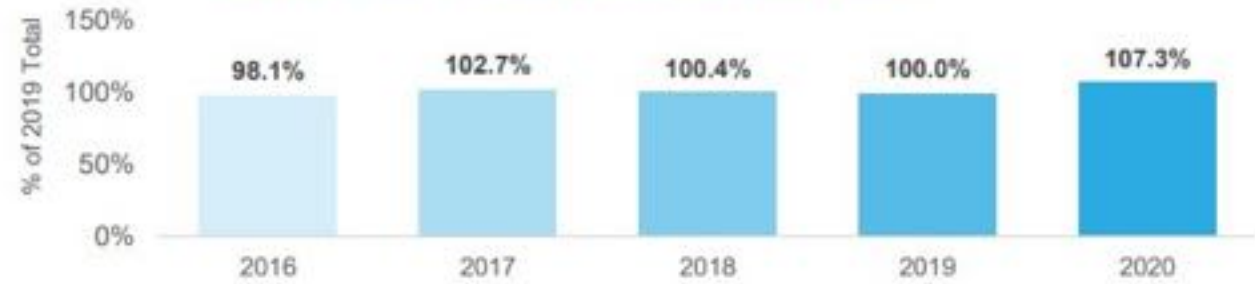
New and recaptured donors represent additions to the total pool of supporters and both categories saw huge upswings in 2020.

New and repeat retained donors illustrate how many donors continue to give to the same organization. The decline in new retained donors was much larger than repeat retained.



Year-to-date response and retention metrics indicate how new single gift, existing, and elapsed donors are responding.

Fourth Quarter Donors YTD (As % 2019 Total)



Year-to-date Fundraising Performance. All Rights Reserved.

Retention

Year-to-Date Nonprofit Sector Trends 01/01/2020–12/31/2020



Highlights

Compared to the metrics on the prior page, these retention metrics are reporting on the changes in the percentages and not the number of donors in each category.

With fluctuations in the numbers of donors these retention metrics are illustrative of how effective we are at engaging our donors.

Year-to-date retention metrics indicate what percentage of existing and lapsed donors from previous years are giving again.

Year-to-date Fundraising Performance. All Rights Reserved.



Repeat Donor Retention Rate (YTD) **59.6%**

↓ **-3.9%**
YTD Change



New Donors Retention Rate (YTD) **19.3%**

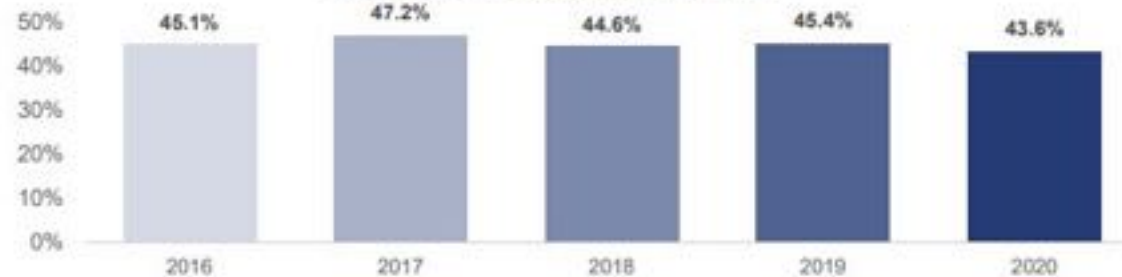
↓ **-9.2%**
YTD Change



Recapture Rate (YTD) **4.3%**

↑ **+1.8%**
YTD Change

Overall Donor Retention YTD



Donations

Year-to-Date Nonprofit Sector Trends 01/01/2020–12/31/2020



Highlights

In the surge of giving sparked by the pandemic, donors at all levels were taking action and giving more in 2020.

While donors giving gifts of less than \$250 have seen the biggest increase over 2019, this growth had not been the largest driver of the overall lift in total dollars donated.



General Donor
(Under \$250)
(YTD) **8.0%**

↑ **+15.3%**
YTD Change



Mid-Level Donor
(\$250–\$999)
(YTD) **6.8%**

↑ **+8.0%**
YTD Change

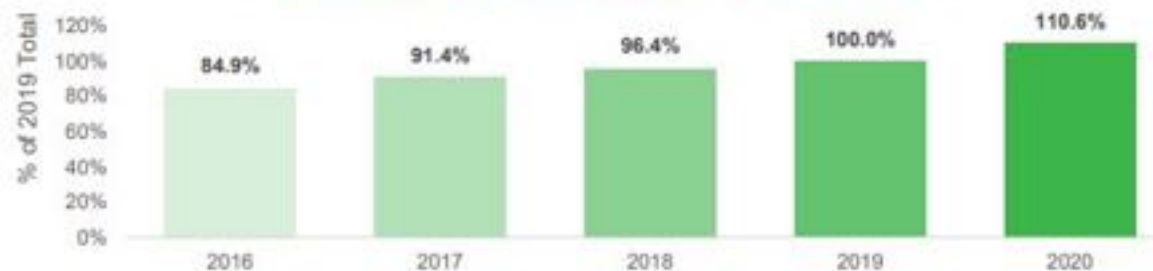


Major Donor
(\$1,000+)
(YTD) **85.1%**

↑ **+10.4%**
YTD Change

Year-to-date donor level metrics indicate how the number of gifts from all donor levels has changed from the previous year.

Fourth Quarter Revenue (As % 2019 Total)



Year-to-date Fundraising Performance. All Rights Reserved.

Footnote

¹All prior year donors retained YTD

Fundraising Effectiveness Project

The Fundraising Effectiveness Project publishes quarterly and annual reports that examine key fundraising metrics, serving as a benchmark for nonprofit executives, development staff and researchers. The Fundraising Effectiveness Project and the Growth in Giving database are both administered by the Association of Fundraising Professionals in collaboration with GivingTuesday. The Growth in Giving database is the world's largest public record of donation activity, with more than 204 million donation transactions, and is continuously updated by leading fundraising software thought leaders (in alphabetical order) Bloomerang, DonorPerfect, and NeonCRM. Additional partners include the 7th Day Adventists, The Biedermann Group, DataLake Nonprofit Research, and DonorTrends (a division of EveryAction). For more information and how you or your fundraising software provider can participate, please visit www.afpfep.org.

Methodology

We removed organizations that did not have a minimum of 25 donors and \$5,000 in revenue in each of the previous five years. We removed the fringe organizations at either tail of the growth curve for donors and dollars. If 2019 revenue growth was more than 300% or less than -75% or 2019 donor growth was more than 275% and less than -70% organizations were removed. From this now available universe of organizations we randomly sampled organizations from each of the four organization sizes based on 2019 annual revenue. A) \$100,001 - \$250,000; B) \$250,001 - \$1,000,000; C) \$1,000,001 - \$5,000,000; and D) \$5,000,001 - \$10,000,000 so that we achieved a balanced stratification that was reflective of the IRS filers. We left a minimum of 10% of organizations within these ranges to be used for replacements in the event that any organizations leave the data pool. The final number of organizations this report is now based on is 2,496 and that represents 1.65% of the organizations at large in this size range.



Year-to-date Fundraising Performance. All Rights Reserved.

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Mega Gifts: \$1 Million Plus



Jason Blumenthal
Senior Consultant

Mega Gifts 2020

Gift Range	2020	
	Dollars	Gifts
\$100,000,000 +	\$ 13,328,667,500	15
\$50,000,000 - \$99,999,999	\$ 948,500,000	18
\$20,000,000 - \$49,999,999	\$ 2,321,450,000	87
\$5,000,000 - \$19,999,999	\$ 2,454,030,000	273
\$1,000,000 - \$4,999,999	\$ 443,840,000	244
Total	\$ 19,496,487,500	637

- \$19.4 Billion from 637 Gifts represents 4.1% of the total contributed in 2020
- And 5.9% of the Total from Individuals

Mega Gift Type 2020

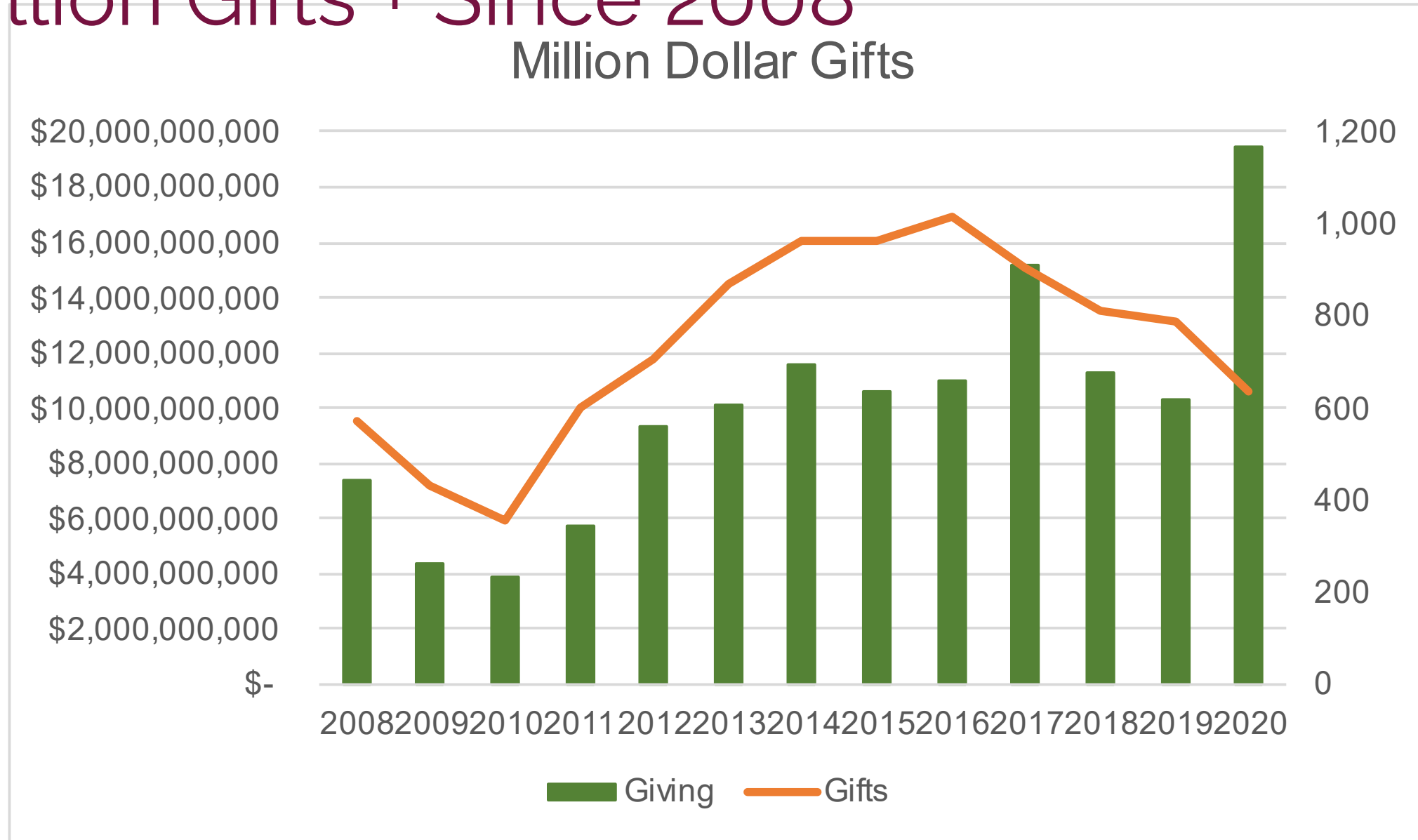
GIFT TYPE:	GIFT VALUE
Gift	17,605,967,500
Pledge	1,416,350,000
Bequest	310,170,000

Mega Gift Change: Year over Year

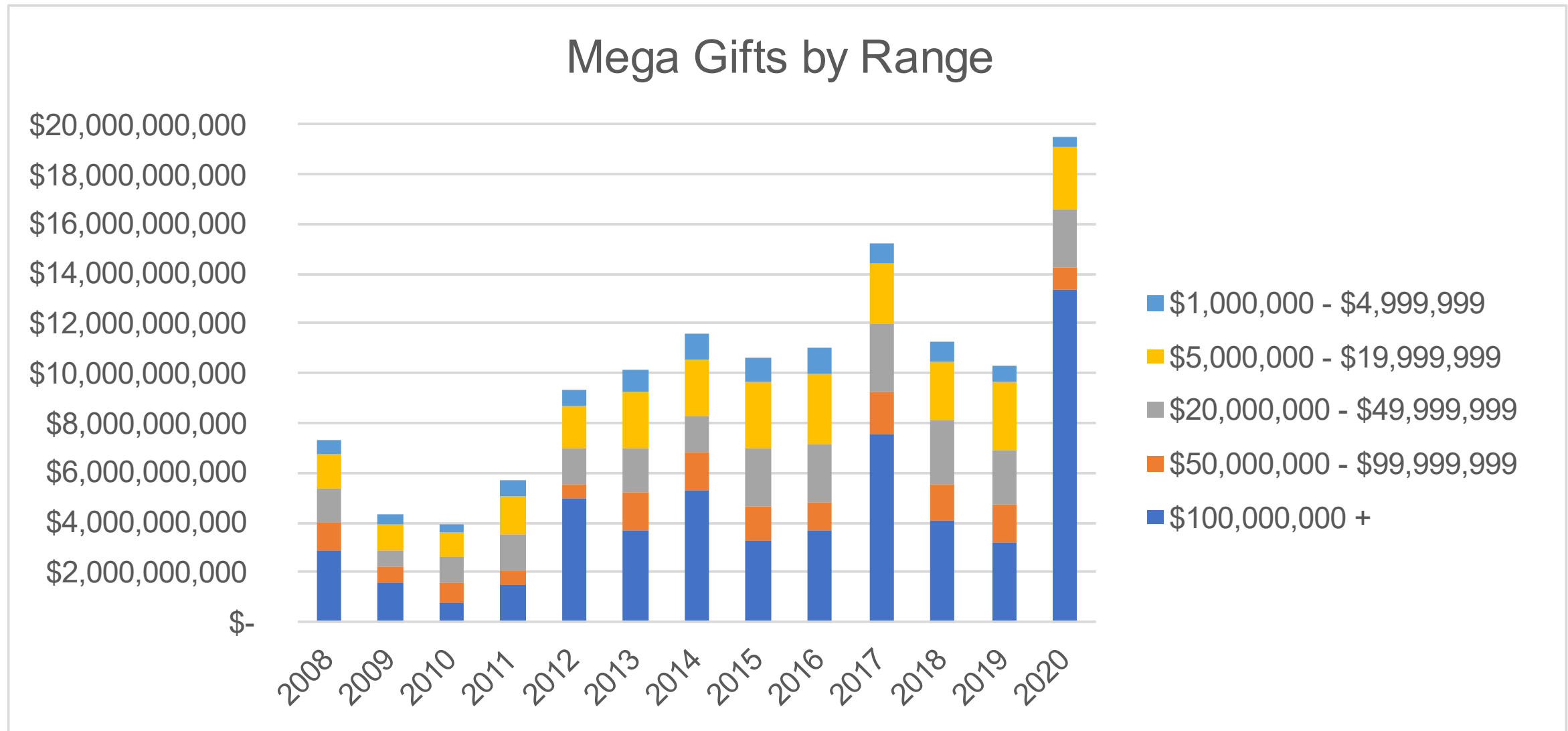
Gift Range	2019		2020		Delta	
	Dollars	Gifts	Dollars	Gifts	Dollars	Donors
\$100,000,000 +	\$ 3,192,000,000	19	\$ 13,328,667,500	15	76.1%	-26.7%
\$50,000,000 - \$99,999,999	\$ 1,522,200,000	25	\$ 948,500,000	18	-60.5%	-38.9%
\$20,000,000 - \$49,999,999	\$ 2,171,980,000	88	\$ 2,321,450,000	87	6.4%	-1.1%
\$5,000,000 - \$19,999,999	\$ 2,749,665,000	316	\$ 2,454,030,000	273	-12.0%	-15.8%
\$1,000,000 - \$4,999,999	\$ 639,610,110	338	\$ 443,840,000	244	-44.1%	-38.5%
Total	\$ 10,275,455,110	786	\$ 19,496,487,500	637	47.3%	-23.4%

Million Gifts + Since 2008

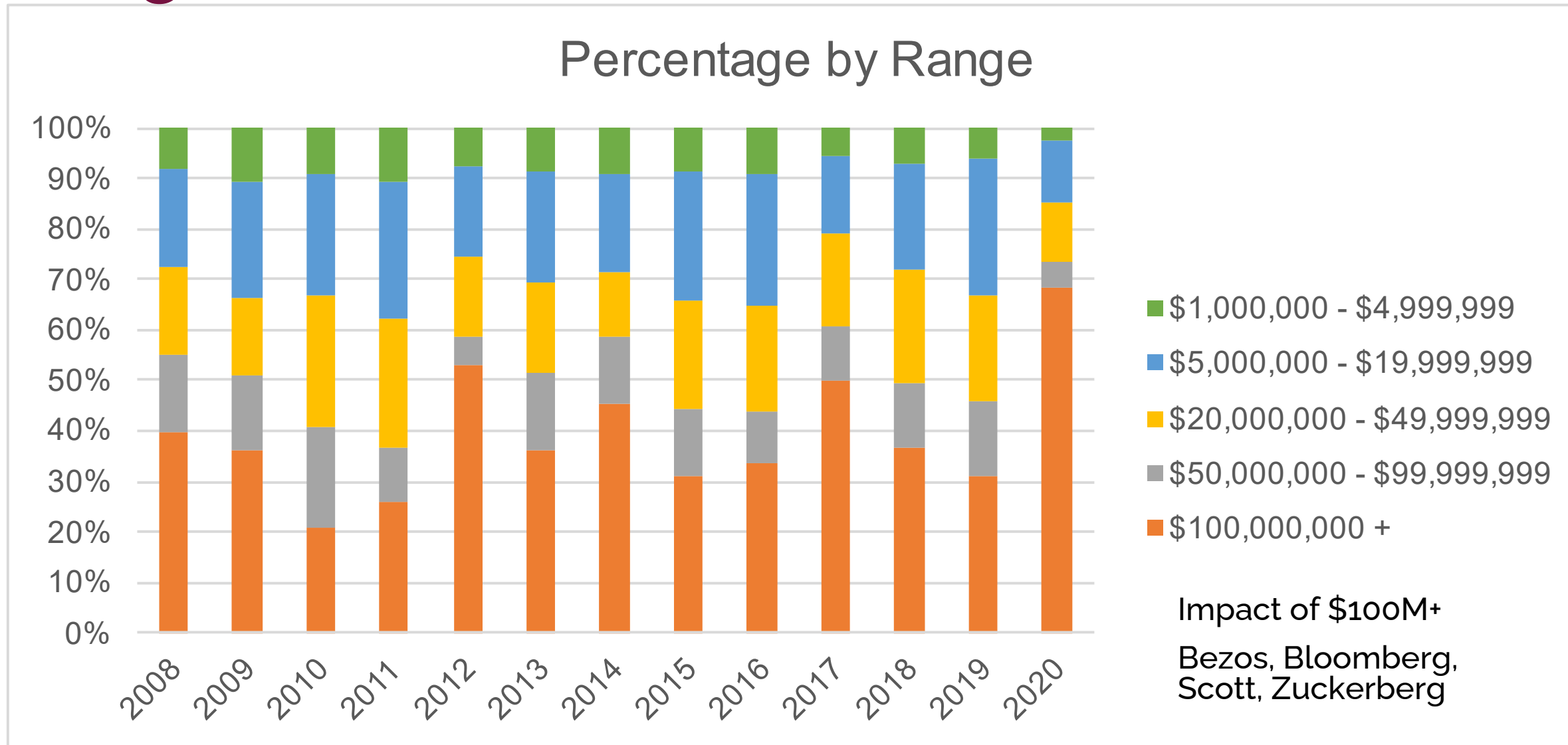
Million Dollar Gifts



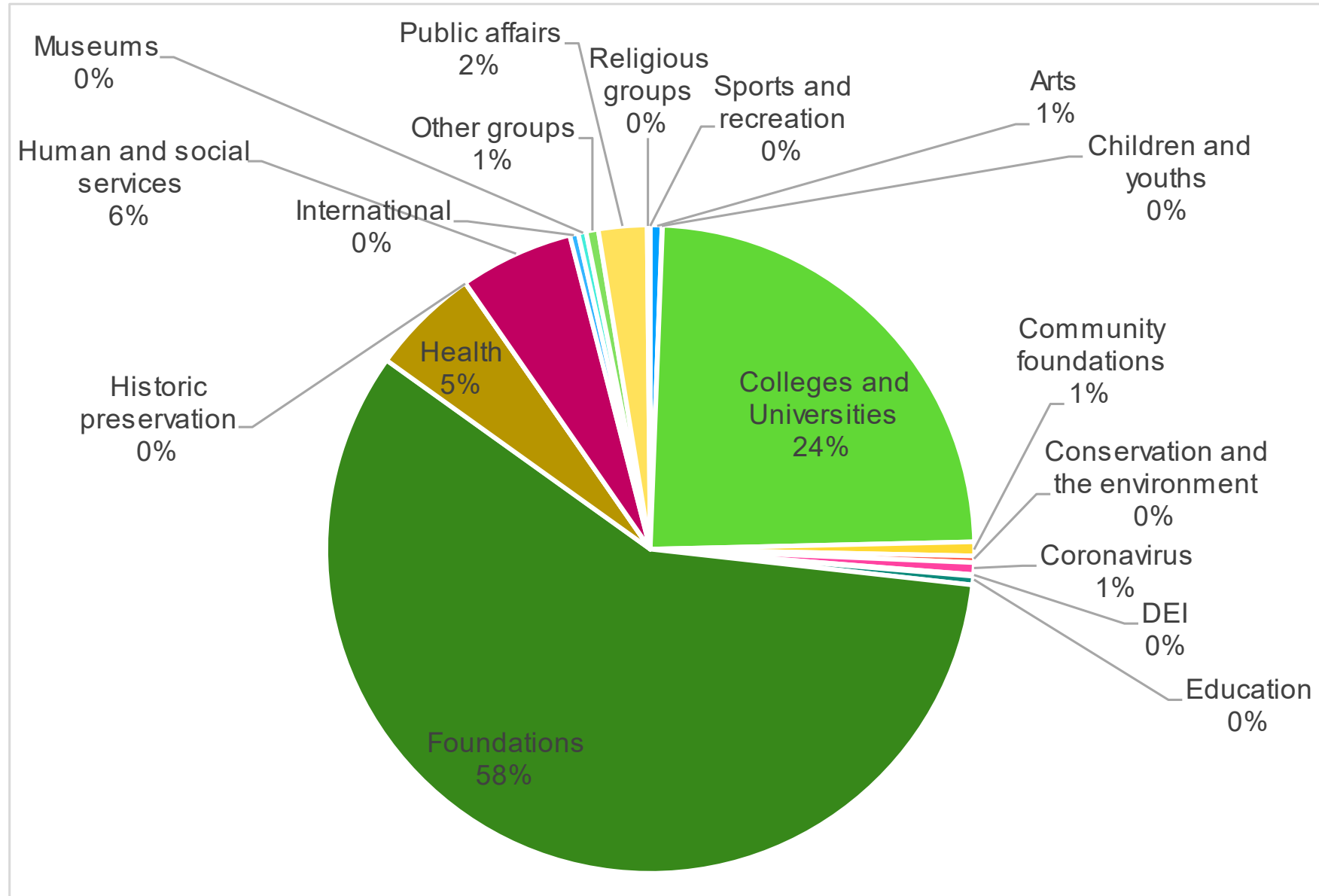
Trends Mega Gifts by Dollar Range



Range as % of the Total



2020 Mega Gifts by Recipient Category



Mega Gifts by Recipient

Class	Value	Percentage
Arts	\$112,500,000	0.582%
Children and youths	\$5,000,000	0.026%
Colleges and Universities	\$4,645,800,000	24.031%
Community foundations	\$134,200,000	0.694%
Conservation and the environment	\$63,500,000	0.328%
Coronavirus	\$114,300,000	0.591%
DEI	\$15,000,000	0.078%
Education	\$83,700,000	0.433%
Foundations	\$11,239,067,500	58.136%
Health	\$1,051,050,000	5.437%
Historic preservation	\$1,000,000	0.005%
Human and social services	\$1,095,000,000	5.664%
International	\$82,000,000	0.424%
Museums	\$76,500,000	0.396%
Other groups	\$117,200,000	0.606%
Public affairs	\$467,400,000	2.418%
Religious groups	\$21,270,000	0.110%
Sports and recreation	\$8,000,000	0.041%

Significance of Mega Gifts

Giving in Billions	2018	2019	2020	Year over Year
Total Giving	\$ 427.71	\$ 449.64	\$ 471.44	4.62%
Individual Giving	\$ 292.09	\$ 309.66	\$ 324.10	4.46%
Mega Gifts	\$ 11.21	\$ 10.27	\$ 19.49	47.31%

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Observations

2020 Highlights:

1. Charitable Giving went **UP**
 - a) \$17.33 Billion Increase in Giving during the Pandemic
2. Increase in Giving is due to
 - a) 15 Gifts of \$100 Million+ totaling \$13.3 Billion
 - b) Gifts of \$1 Million + totaling \$19.4 Billion
3. The number of Donors is **DOWN**
4. Donor Advised Funds and Family Foundations are **Key** Sources
5. We need better **Stewardship** to Retain and Engage Donors
6. The robust Stock Market continues to drive major gifts

Philanthropic Challenges to Keep in Mind

- The average (non-megagift) individual donor is not participating at the rate as he/she has previously done, nor are these donors being retained as they once were.
- This results in a larger dependance on megagifts to drive overall philanthropy.
- While the rise in giving to family foundations and donor advised funds is welcome it comes with its own issues as gifts to those entities are not being directly transferred to nonprofit organizations.
- Family Foundations act as endowments, when a donor contributes \$10M to a family foundation the full \$10M is added to the Giving USA philanthropic total. However, on average only \$500,000 (5%) of the \$10,000,000 will be allocated to nonprofit organizations on an annual basis.
- Over the last five years this giving to Family Foundations and DAF's has resulted in \$300B not being allocated directly to nonprofit organizations.

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Jason Blumenthal



Michael Shippam



Scott Lange

Thank you!

For more information contact
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Visit the web site: www.visionaryphilanthropy.com/resources