



Pursuant Summary of the 2009 Giving USA Report

At First Glance

American individuals, corporations, and foundations were very generous in 2008, contributing more than \$307 billion to nonprofit organizations. As in the past, more than 80 percent of these dollars were given by individuals. While 2008 was only the second year that giving surpassed the \$300 billion mark, there are many clear indicators in the report that the economic recession had a serious impact on philanthropy. For the first time since 1987 and only the second time since Giving USA began publishing annual reports in 1956, total giving decreased in current dollars.

Our Philanthropic Lineage

Our fundraising forefathers have navigated similar recession eras when the economy was challenged and fundraising significantly affected. The historical perspective provided by the Giving USA Report shows that people continue to give faithfully even during tough times. The chart below shows the impact that historical economic recessions have had on giving in the United States.

Economic indicators, Great Depression and selected recessions						
Years of Depression or Recession	Highest Rate of Unemployment in Period	Highest Dow Jones Industrial Average to Lowest DJIA	Cumulative change in			
			Personal Income	Dow Jones Industrials Average	GDP	Corporate profits
1929-33	37.6% (1933)	-85% (Feb 29; Jul 32)	-24% (29-33)	-55%	-25%	-101%
1973-75	9.0% (May 75)	-50% (Jan 73; Dec 74)	0.6% (73-75)	-15%	-1%	-10%
1980/1981-1982	10.8% (Dec 82)	-29% (Dec 80; Aug 82)	4.6% (80-82)	+8%	+1.5%	-9%
1990-1991	7.3% (Dec 91)	-11% (Jan 90; Nov 90)	-0.1% (90-91)	+2%	-0.20%	-0.50%
2001	5.7% (Dec 01)	-22% (Jan 01; Oct 01)	1.4% (00 to 01)	-9%	0.80%	-8%
2007-early 2009	8.8% (Feb 09)	-56% (Jul-07; Feb-09)	0.4% (07-08)	-37% (to end of 08)	1.10%	-12 (est)

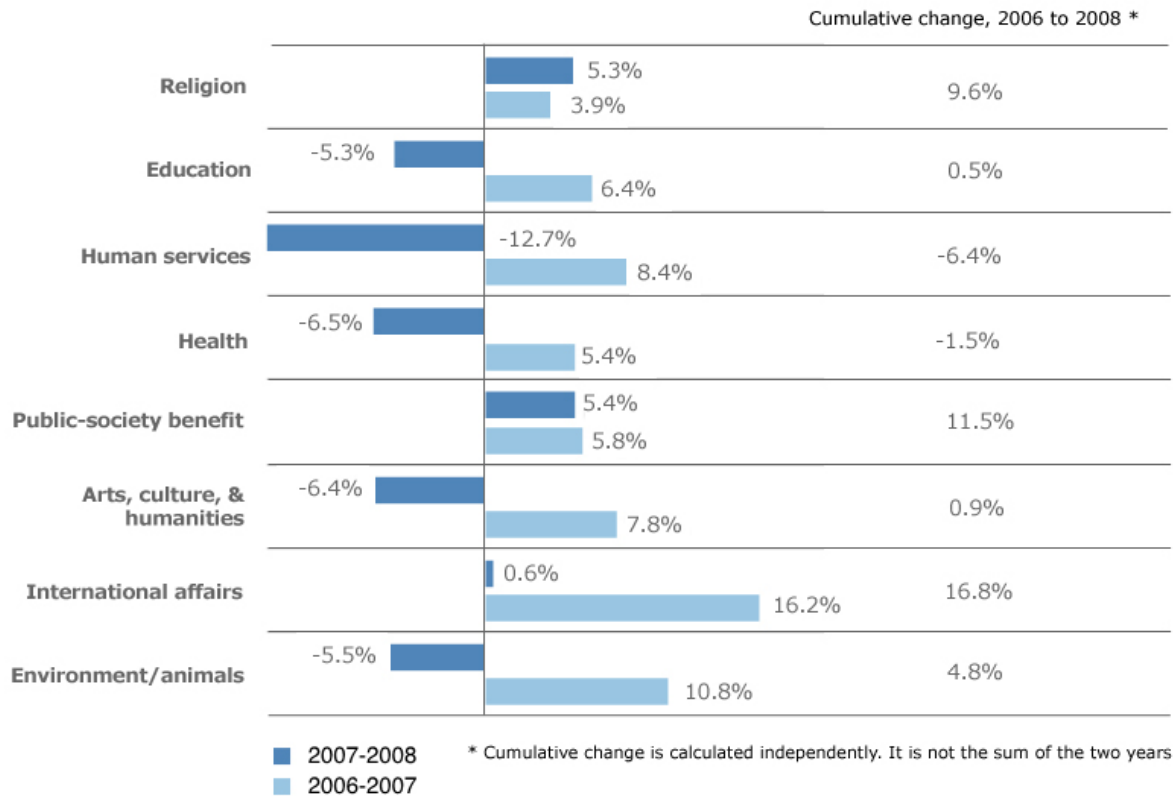
Impact on Unique Nonprofit Groups

The impact the economy had on philanthropy last year did not affect all nonprofit giving sectors in the same way. Education and the arts saw a significant change in giving, and human services nonprofits experienced the largest decline ever reported. However some groups, like society benefit-based nonprofits and faith-based initiatives, actually saw increases in giving. It is important for universities and arts groups to continue to make a strong case to keep their donors and future donors engaged and seeing their work as worthy of charitable support. The graph below shows the percentage increase or decrease in giving by segment in 2008.



PURSUANT

Changes in giving by type of recipient organization, 2006-2007 and 2007-2008



Impact on Unique Nonprofit Sectors

According to Guidestar and AFP, many nonprofits are still seeing their total dollar giving go up in this economy. How are these groups differentiating themselves in fundraising right now?

When asking if there was a change in contributions from 2007 to 2008, Guidestar received the following response:

- 35 percent reported an increase in charitable revenue
- 25 percent reported that contributions had remained about the same
- 35 percent reported a decrease
- 2 percent did not know

The Guidestar study reaches any charity that wants to complete it (a convenience sample). At least 2,730 separate organizations participated in the 2008 poll.

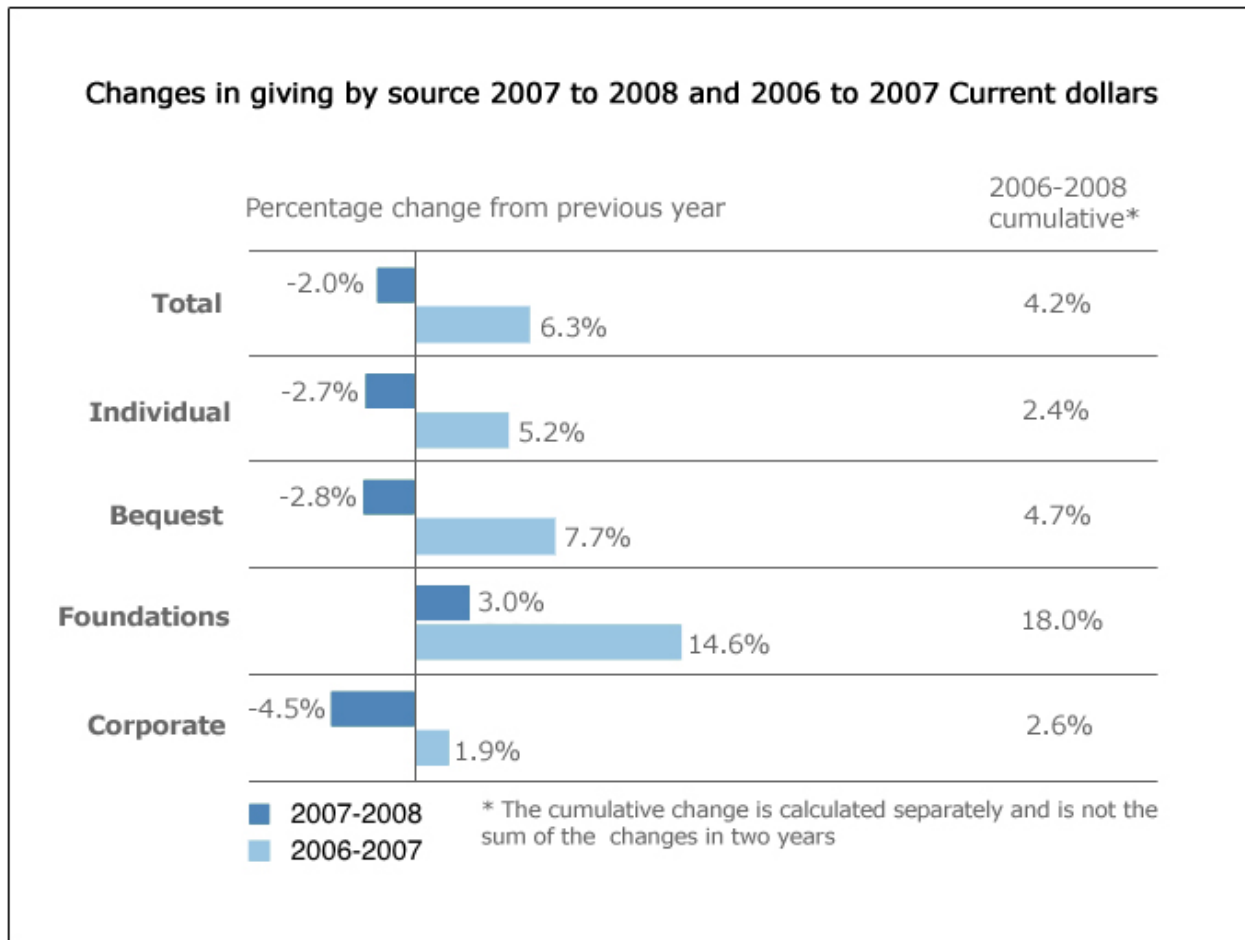
The Association of Fundraising Professionals surveyed its membership. With several hundred respondents, this study found the following:

- 46 percent of organizations raised more funds in 2008 than in 2007
- 14 percent raised about the same amount of money in both years
- 40 percent raised less in 2008



Where to Find Opportunity in this Economy

Individual donors continue to provide over 80 percent of all charitable giving though, according to the chart below, individual giving did show a drop in 2008. Most Americans still only give an average of 2 percent of their income to charitable causes. While foundations showed a slowing increase over 2007 in giving, corporate giving, which comprises only 5 percent of all giving, fell for the second year in a row.



Pursuant Response

The Giving USA Report is a valuable tool for understanding the sources of charitable contributions and overall philanthropic trends. While the statistics and data are important to understand, the report can also be a very strategic tool for your fundraising program. During the coming weeks, Ketchum will be holding webinars to discuss how you can use this report to strengthen your current fundraising program. To register, [click here](#).

References

Giving USA, a publication of Giving USA Foundation™, is researched and written by the Center on Philanthropy at Indiana University. The complete 2009 Giving USA Report, with data covering giving in



2008, will be available in early July 2009. Giving USA Foundation™ also publishes a quarterly newsletter, *Spotlight*. Both may be ordered by calling 847.375.4709 or online at www.givingusa.org. Ketchum is a proud sponsor of the Giving USA Foundation™.