



# Philanthropic Service for Institutions

Committed to Seventh-day Adventist Philanthropy

***THE FUTURE OF PHILANTHROPY***  
**BEYOND THE BOTTOM LINE CONFERENCE**  
**MARCH 30, 2015**  
**PRESENTED BY**  
**DR. LILYA WAGNER, CFRE**  
**DIRECTOR, PSI**

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# Agenda Topics

- Who gives and for what?
- Donor motivations—how does Church giving fit?
- Balancing tithe and offerings with fundraising.
- Measuring results—balancing quantitative and qualitative measures.
- Fundraising for churches and their organizations—what's happening, with what results, and what are the issues involved.
- The benefits of generosity.
- Where to receive information and assistance, especially for treasurers.



**Giving  
USA™**

Shared intelligence.  
For the greater good.

A public service initiative of The Giving Institute

# ***Giving USA 2014***

**The Annual Report on Philanthropy for the Year 2013**

**Researched and written by**



**LILLY FAMILY  
SCHOOL OF PHILANTHROPY**

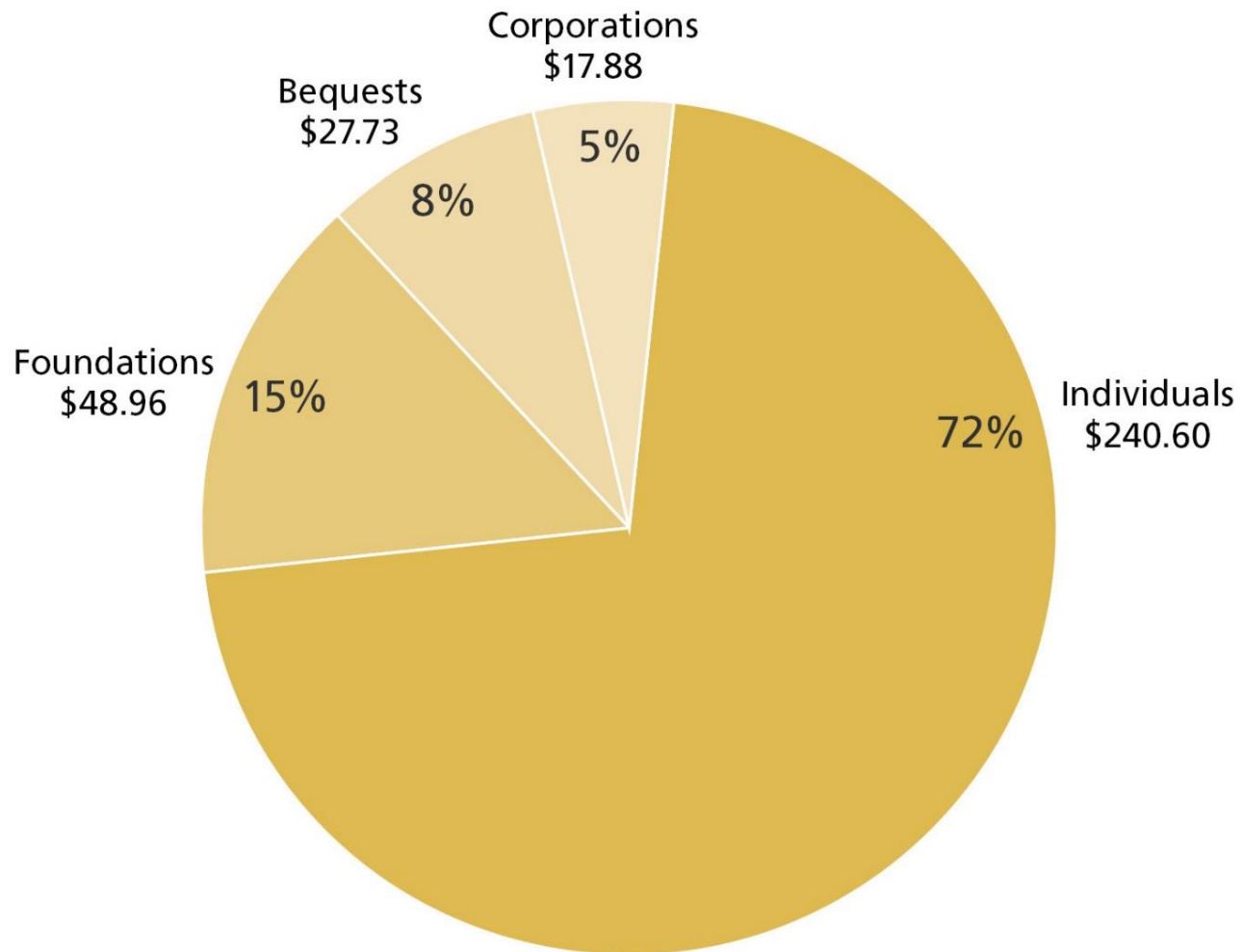
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**INDIANA UNIVERSITY**  
Indianapolis

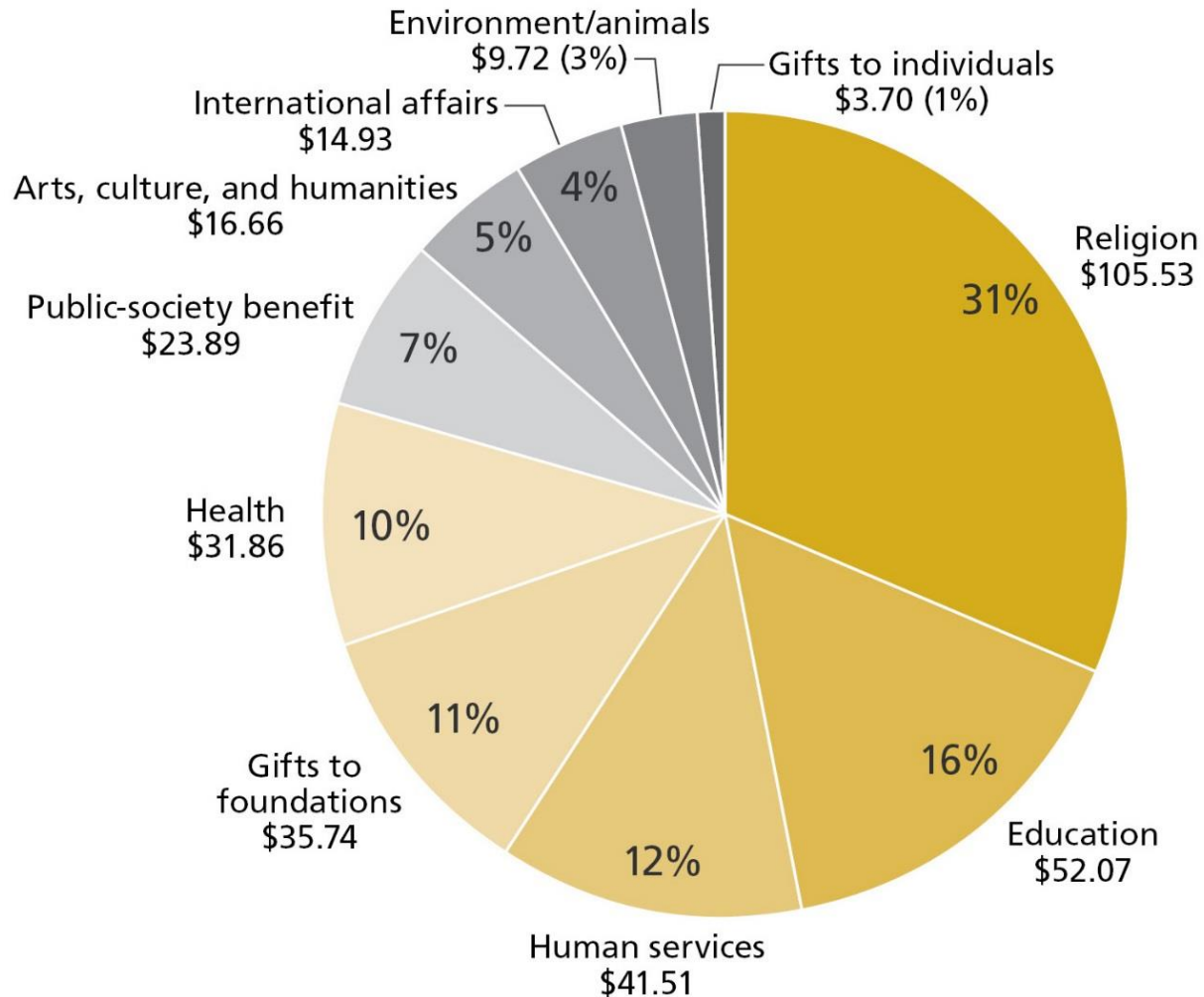
# What is *Giving USA*?

- The longest running, annual report on U.S. charitable giving
- Estimates for:
  - Sources of giving
  - Amounts received by type of organization
- Published by the Giving USA Foundation™
- Begun in 1956 by the American Association of Fundraising Counsel, now The Giving Institute™
- Made possible by contributions from The Giving Institute™ member firms, foundations, and other donors
- Researched and written by the Indiana University Lilly Family School of Philanthropy

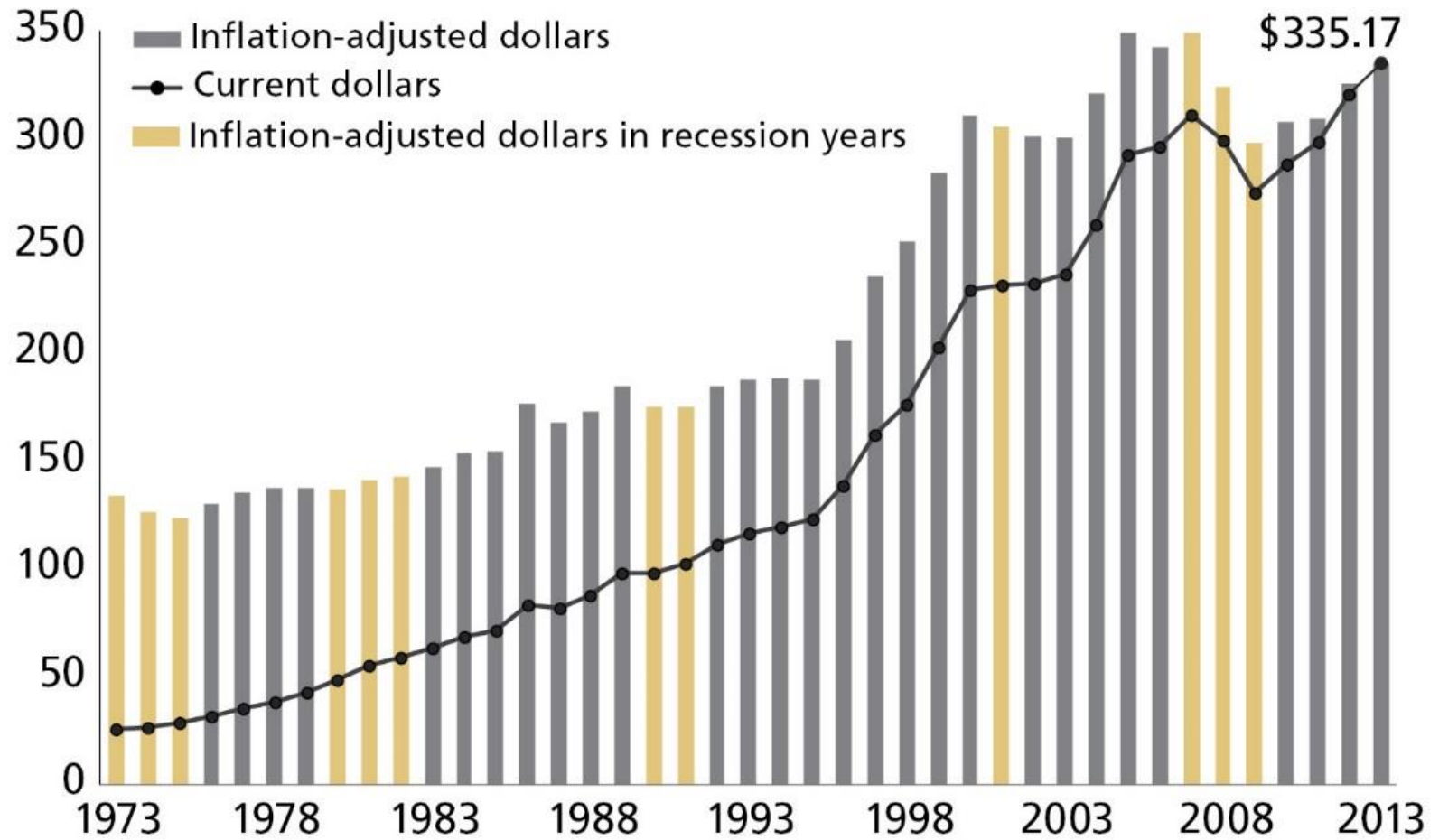
2013 contributions: \$335.17 billion by source of contributions  
(in billions of dollars – all figures are rounded)



# 2013 contributions: \$335.17 billion by type of recipient organization (in billions of dollars – all figures are rounded)

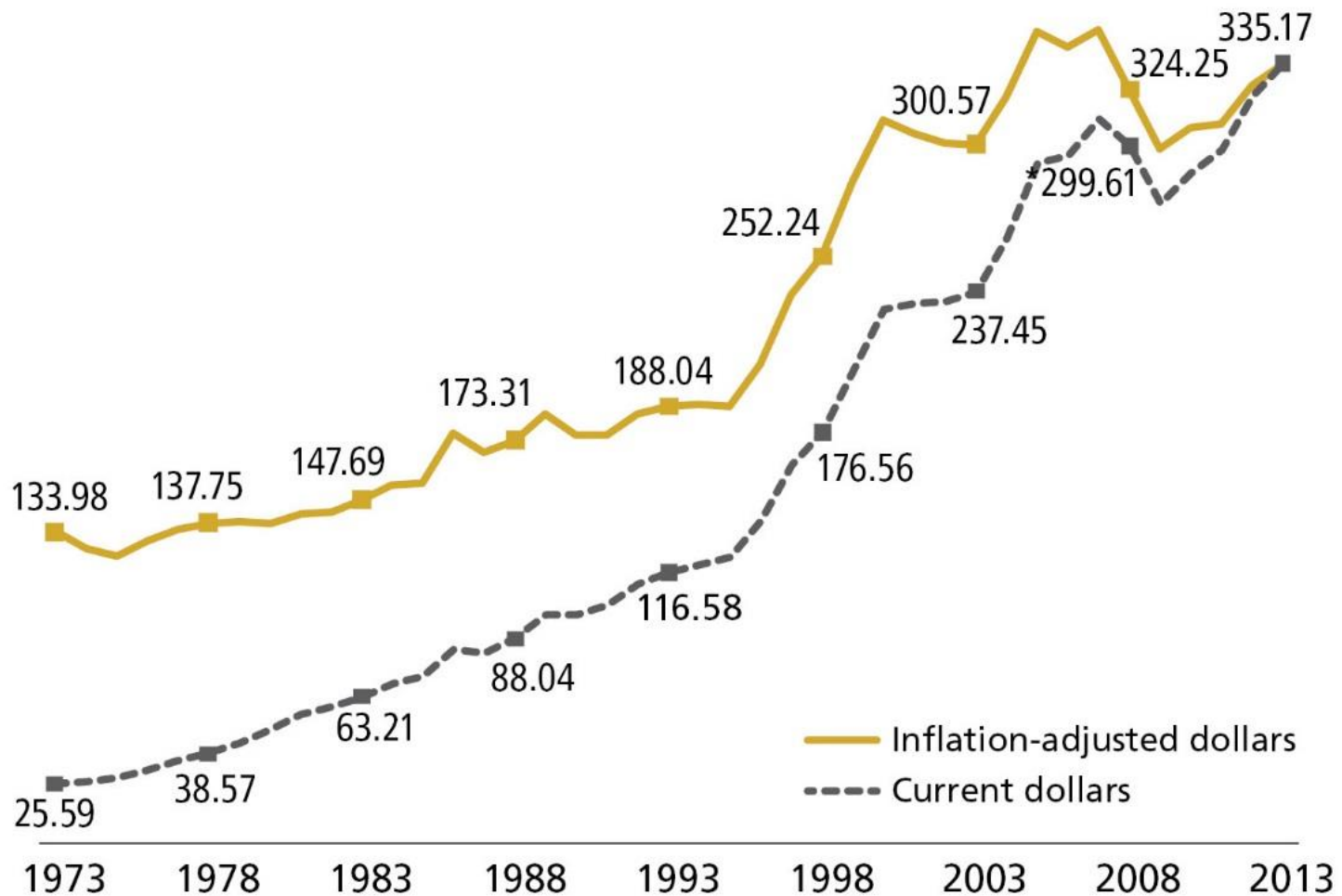


# Total giving: 1973-2013 (in billions of dollars)

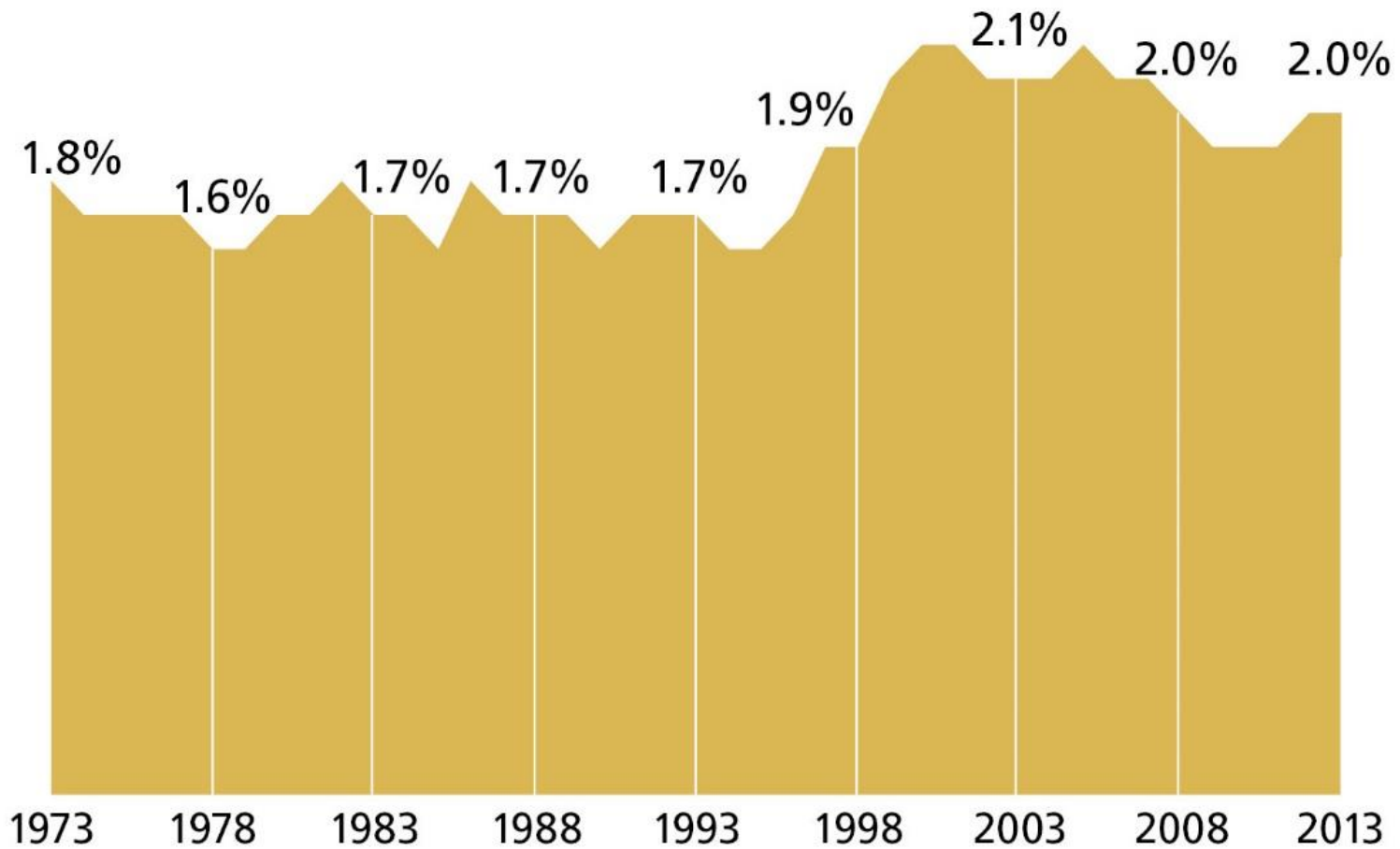




# Trends in total giving, 1973-2013 (in billions of dollars)

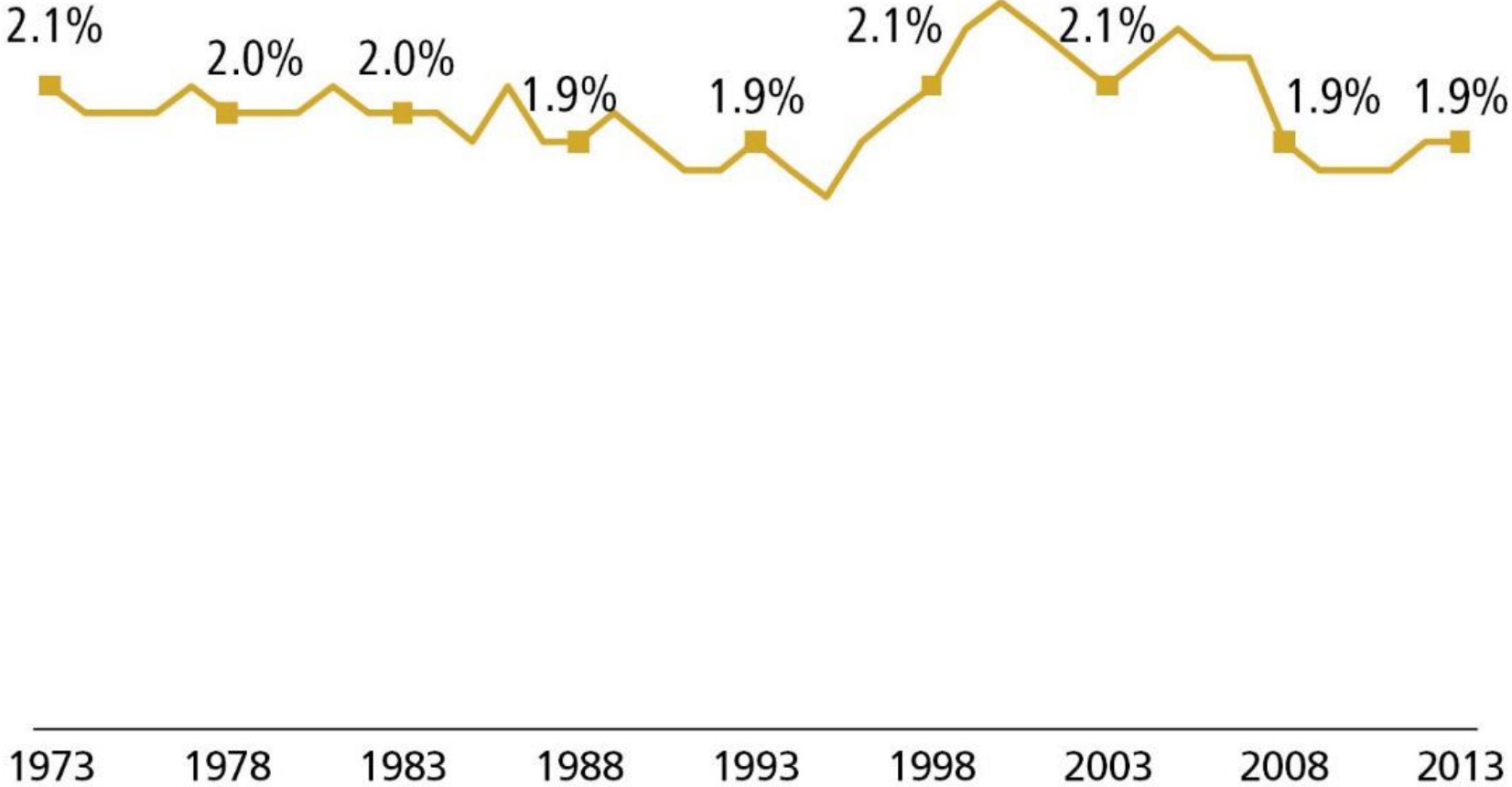


# Total giving as a percentage of Gross Domestic Product, 1973-2013 (in inflation-adjusted dollars, 2013 = \$100)



*Giving USA uses the CPI to adjust for inflation.*

# Individual giving as a percentage of disposable personal income, 1973-2013 (in current dollars)



# Some Determinants of Charitable Giving

- *Communities of participation*
- *Desire to make a difference*
- *Identifying with the cause*
- *Asked to give*
- *Understanding what their donation accomplishes*
- *Positive examples, from peers, during youth, by role models*
- *Transparency of the organization and its finances*
- *Positive outcomes promised*
- *Urgency and effectiveness*
- *To give back*
- *Feels good*
- See also “How America Gives to Charity” (handout)

Further information can be found at [www.bc.edu/research/cwp/](http://www.bc.edu/research/cwp/)

Schervish and Havens research

# The Religion and Giving

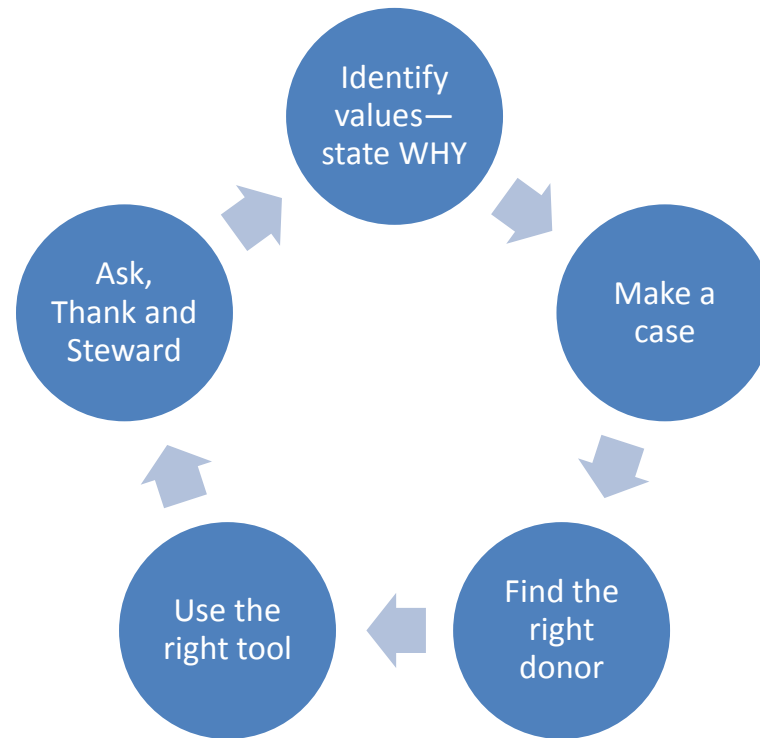
## *Handouts and Discussion*

- Religious Americans Give More
- Religious Giving and New Metrics
- Giving in 3-D
- Fundraising *Doesn't* Cause People to Stop Giving Their Tithe and Offerings

# Measuring Results

- Introduction to the PSI Fundraising Fitness Test. See [www.philanthropicservice.com](http://www.philanthropicservice.com), <http://www.philanthropicservice.com/resources/fundraising-fitness-test/>
- Balancing quantitative and qualitative results—not every result of fundraising is measurable in numeric terms. We can't forget the human element.

# The Fundraising Process— in a nutshell



# Issues, Challenges, Trends

- Demand for accountability and transparency.
- Demand for reporting on use of money.
- Giving for outcomes, not needs.
- Changes in church member giving.
- Ethics and money—at times a volatile situation.
- Alternatives to philanthropic fundraising.
- Reality for today—no looking back.



# Mutual benefits of philanthropy

- People in need still give for what one researcher calls “the warm glow of giving.” People think, “there are so many who have less than I do.”
- Secular research proves the biblical injunction, “it’s more blessed to give than to receive.”





IT'S NOT  
ABOUT THE MONEY  
IT'S ABOUT  
GOOD CAUSES  
THAT HAVE A PRICE TAG

# SUCCESSFUL FUNDRAISING

A GUIDE FOR LOCAL CHURCHES



Lilya Wagner & Nikolaus Satelmajer

# For additional assistance . . .

- Please purchase Successful Fundraising specifically designed for you and your organizations. Expanded issue coming by summer 2015.
- Available through [www.adventsource.org](http://www.adventsource.org), \$19.95 plus shipping.
- Contact PSI at
  - Info@philanthropicservice.com
  - 301.680.6133
- Our website has many additional resources:  
[www.philanthropicservice.com](http://www.philanthropicservice.com)
- Check out the podcasts and webinars for quick learning.
- Check on special programs and resources—for academies, pastors and churches, careers in fundraising, materials on all topics.
- [See “philanthropy” section at http://moneywise.adventist.org/](http://moneywise.adventist.org/)

Chronicle of Philanthropy November 25, 2013

## Religious Americans Give More, New Study Finds



Getty Images

[Enlarge Image](#)

*By Alex Daniels*

The more important religion is to a person, the more likely that person is to give to a charity of any kind, according to [new research](#) released today.

Among Americans who claim a religious affiliation, the study said, 65 percent give to charity. Among those who do not identify a religious creed, 56 percent make charitable gifts.

About 75 percent of people who frequently attend religious services gave to congregations, and 60 percent gave to religious charities or nonreligious ones. By comparison, fewer than half of people who said they didn't attend faith services regularly supported any charity, even a even secular one.

“If your goal is to connect with donors, it's clear that one of the things that matters to them is their religious orientation,” says Shawn Landres, Jumpstart's chief executive and a co-author of the report.

The study of more than 4,800 American households, which covers members of five major religious denominations and people who are unaffiliated with any faith, was derived from two national surveys on giving compiled this year and analyzed by Jumpstart, a nonprofit research group, and researchers at the Indiana University Lilly Family School of Philanthropy. The report used data from two surveys: the National Study of American Religious Giving and the National Study of American Jewish Giving.

Among the findings:

- Giving rates among black Protestants, evangelical Protestants, Jews, mainline Protestants—which include Episcopalians, members of the United Methodist Church, Presbyterians, and some Lutherans—and Roman Catholics were about the same. However, while roughly half of all members of the other faith groups contribute to religious congregations, only 37 percent of Jews did the same.
- American households donated a median \$375 to congregations, \$150 to religiously identified nonprofits, and \$250 to secular charities in 2012.
- Black Protestants, followed by Roman Catholics and Jews, were the most likely to give out of the desire to help the needy.
- The three most popular charitable causes for all households regardless of religious affiliation were, in descending order: basic social services, “combined purpose” organizations (like United Way), and health care.

The study also looked at how much money went not only to congregations but also to charities with religious identities but secular missions. It shows that religious giving is sweeping: Forty-one percent of all charitable gifts from households last year went to congregations, while 32 percent went to other nonprofits with a religious identity and 27 percent went to secular charities. The results of that piece of the study have an 8 percent margin of error.

## Giving in 3-D



When recipients of charitable giving in the U.S. are delineated, there are religious congregations – and everybody else. Right? Not so fast, leaders of a recent study by the Lilly Family School of Philanthropy and Jumpstart, a Los Angeles-based philanthropic research and design laboratory, say. The groundbreaking report offers an important new perspective that highlights the multidimensional nature of religion and giving and provides valuable insights for all nonprofits.

*Connected to Give: Faith Communities* differentiated between religiously identified organizations and not religiously identified organizations and found that 73 percent of all giving in America goes to organizations with religious ties. That total percent is made up of the 41 percent that goes to congregations and ministries which exist to advance spiritual development and the 32 percent that goes to organizations with religious identities that pursue other purposes, from basic needs and health care to the environment and international aid. Organizations without religious identities received the other 27 percent of contributions.

In other words, when gifts to congregations are set aside, charitable giving is divided almost evenly between organizations with religious ties and those without a religious identity.

“To me, that’s the takeaway and it’s surprising,” says Mark Ottoni-Wilhelm, the co-author and a professor of economics and philanthropic studies at the Lilly Family School of Philanthropy and IUPUI.

“Much of what has previously been thought of one-dimensionally as giving to ‘secular’ purposes actually goes to religiously identified organizations,” Ottoni-Wilhelm says, adding that innovative research methods allowed for a clearer picture of the way religious ties shape the giving landscape.

### **Adding dimensions**

“It’s like putting on 3-D glasses,” Shawn Landres, chief executive officer and director of research at Jumpstart and the report’s co-author, says. “In addition to looking at congregations, when we also look at the religious identity of the organization and the religious or spiritual orientation of the donor, it turns out that a majority contribute to organizations with religious ties and a majority of Americans cite religious commitments as key motivations for their giving.”

“I was surprised by the strong appeal of religiously identified nonprofits, even to younger Americans not affiliated with a religion,” Landres adds.

Other findings included:

- For most charitable purposes, donors make contributions to both religiously identified and not religiously identified organizations rather than only to one type or the other.
- Americans affiliated with different religious traditions give at similar rates, regardless of their particular affiliation.
- Among Americans who give, more than half (55 percent) say their commitment to religion is an important or very important motivation for charitable giving.

The study also found that 65 percent of people with a religious affiliation make charitable contributions while 56 percent of those without a religious affiliation make contributions. Ottoni-Wilhelm cautions that this doesn't mean that those not affiliated with a religion are less generous.

The difference, he says, is largely driven by contributions to congregations, something people with a religious affiliation are understandably much more likely to do.

### **Connecting with Donors**

The study suggests ways charities may attract new donors and deepen existing relationships, Ottoni-Wilhelm says. For example:

- Organizations with religious identities must ensure that prospective donors can relate to their mission, if not their religious affiliation, and recognize their success in achieving it. These charities already benefit from the generosity of both religiously affiliated donors and non-affiliated donors (a third of the latter give to charities with religious ties). By benchmarking their outcomes with other charities in their field, these charities can demonstrate their viability.
- "It's clear that religiously identified nonprofits are important to donors, and play an important role in the nonprofit sector," Landres says. "But that also means operating on a level playing field and communicating effectively with existing and prospective donors outside their communities and comfort zones."
- Organizations without religious ties can appeal to givers motivated by religious convictions. "Typically, such groups explain they are non-sectarian or not affiliated with any particular religion or belief system," Ottoni-Wilhelm says. He suggests adding, "However, the compassionate quest for social justice that motivates our efforts also motivates deeply religious people to support our work."

Giving to religiously identified organizations plays a larger role in some subsectors than in others, the study found. For example, among people who give to meet basic human needs, 66 percent do at least some of their giving to religiously identified basic needs organizations, but among people who give to environmental organizations, 42 percent do at least some of their giving to religiously identified environmental organizations.

Nevertheless, says Ottoni-Wilhelm, "the implications are clear for all types of charitable organizations, whether or not they have religious ties: they should pay attention to the religious orientations of their donors."



The report is one of a series based on the National Studies of American Religious Giving and American Jewish Giving, spearheaded by Jumpstart in collaboration with a national group of private, family, community, and federated funders.

## **MORE INFO**

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# How America Gives to Charity

## A Statistical Look at What Motivates Individuals to Open Up Their Wallets

By  
**CRISTINA LOUROSА-RICARDO**  
Dec. 14, 2014 11:50 p.m. ET

Americans continue to open their wallets to those less fortunate and to causes they want to advance.

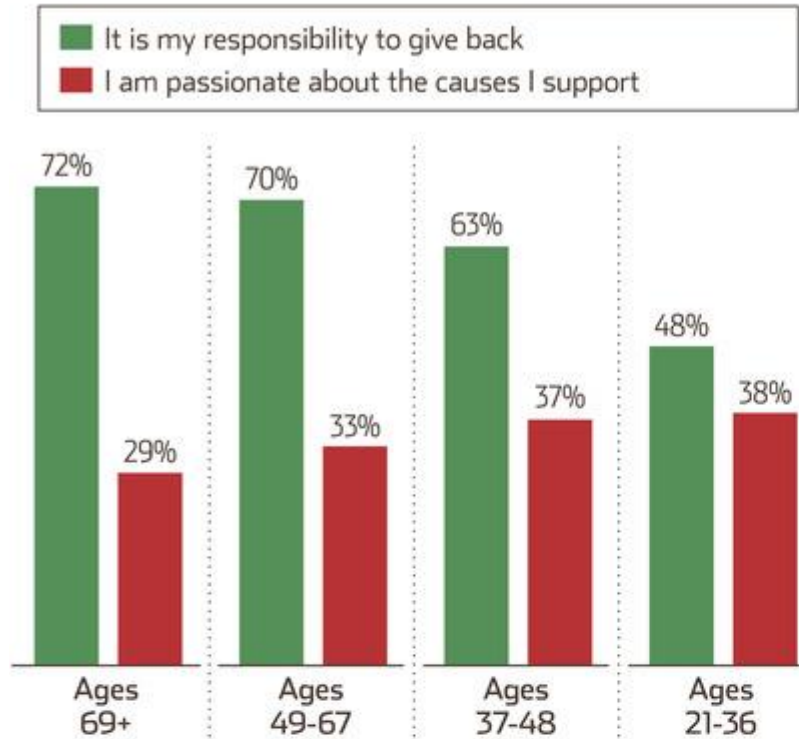
Charitable giving from individuals, corporations, foundations and bequests totaled \$335.17 billion in 2013, the latest data available, up 4.4% from 2012, according to the Giving USA Foundation and Indiana University's Lilly Family School of Philanthropy. Total giving for the year was up 22% since the official end of the recession in 2009.

And, as this year's Ice Bucket Challenge proved, the Internet and social media are playing an increasingly important role in how people dole out their charitable dollars. According to a recent Red Cross survey, 60% of respondents said they donated to a charity online in the past 12 months. On this year's Giving Tuesday held Dec. 2, \$45.7 million was raised, \$34.9 million of it online, according to early estimates from the Lilly Family School of Philanthropy.

Here's a closer look at how Americans give and what motivates them.

## Generational Divide

### The reasons for donating



Source: UBS Investor Watch Doing Well at Doing Good, fourth quarter 2014

### The causes that matter

#### Swing/WWII (68+)

1. Help the less fortunate
2. Religious organizations
3. Alma mater
4. Fight diseases
5. Education/kids' programs

#### Baby Boomers (49-67)

1. Help the less fortunate
2. Religious organizations
3. Fight diseases
4. Alma mater
5. Education/kids' programs

#### Generation X (37-48)

1. Help the less fortunate
2. Fight diseases
3. Religious organizations
4. Alma mater
5. Education/kids' programs

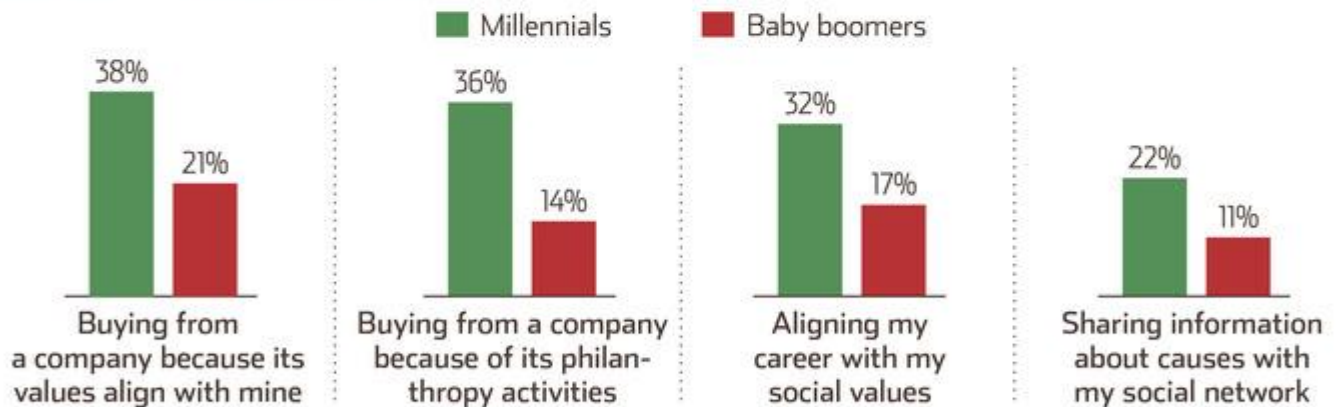
#### Millennials (21-36)

1. Help the less fortunate
2. Fight diseases
3. Education/Kids' programs
4. Religious organizations
5. Alma mater

### Who's a Philanthropist

About 26% of millennials view themselves as philanthropists compared with 18% of their boomer parents.

### Values that are extremely or very important



## Social Pressure

Personal relationships influence the giving of social-media users both online and offline, according to a recent Red Cross survey.

60% : 70% : 3%

## A Day of Giving

Donations made on the third annual Giving Tuesday topped \$45 million, up from about \$28 million in 2013.

Total amount donated, in millions