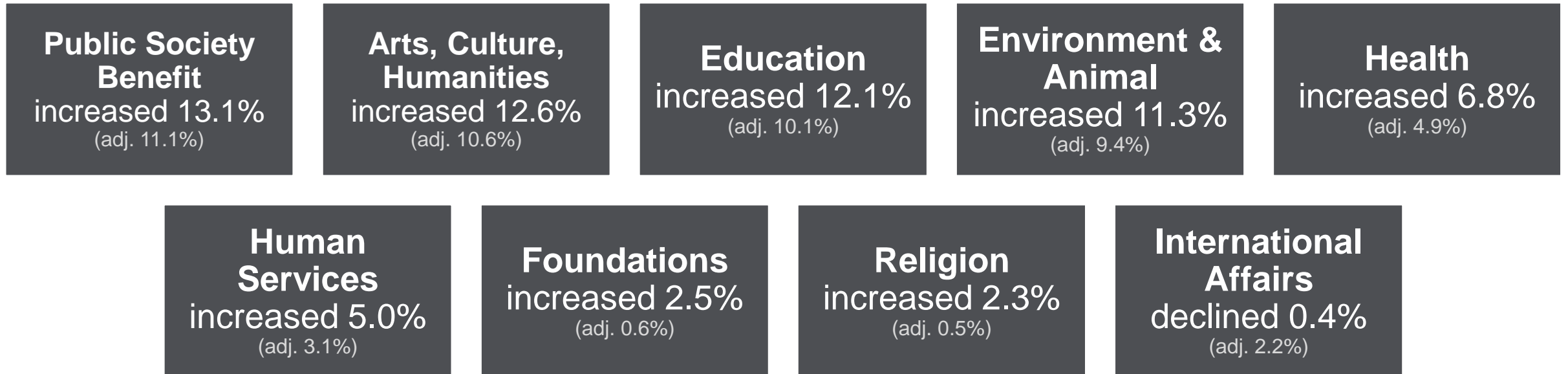


The Charitable Giving Landscape

The Charitable Giving Landscape 2020

- 2019 Charitable contributions totaled 449.64 billion, an increase of 4.2%, (2.4% when adjusted for inflation). Giving to religion is by far the largest overall recipient of charitable dollars.
- Six of nine charitable subsectors reached their highest ever totals in 2019 when adjusted for inflation:



The Charitable Giving Landscape 2020

- Giving by individuals totaled \$309.66 billion, an increase of 4.7% in 2019 (2.8% when adjusted for inflation) However, individual giving was less than 70% of total giving for only the second time ever.
- Percent of households making charitable donations decreased from 66% in 2000 to 55.5% in 2014

The Congregational Giving Landscape: Diverse & Complex

- Most congregations did not lose ground in size and revenue from 2014-2017. 48% of congregations reported budget growth in the past three years. Two-thirds of these congregations reported growth of 10%. 35% reported a decline in revenue and 17% reported no change.
- Congregations received 81% of their income from individual contributions.
- Congregations receive 22% of their income digitally.

COVID-19 and Congregational Issues

- Most congregations report a decline in donations. In a *Barna* Survey, 80% reported a decline in giving. In a *Givelify* survey 45% reported a decline, 30% reported an increase and 25% remained the same.
- Giving grew for congregations with a digital infrastructure already in place. (online & mobile giving, live streaming, Twitter, Youtube etc.)
- A *Lake Institute* survey found religious leaders “overwhelmed and tired by generally optimistic and resilient.”
- In the *Lake Institute* survey, 50% percent of clergy noted that the most significant challenges they faced related to stewardship issues (fundraising and financial management). Another 20% focused on organizational vision, mission, and purpose.

The Altered Landscape of Religious Giving

- **Charitable giving is uneven:** 80% of Americans give to a charitable organization, but 60% give every other year or less often.
- **Religious giving is being redefined:** 73% of individual giving goes to organizations that the donor perceives as religious or spiritual. Nearly 3 out of every 4 dollars Americans give to charity supports congregations or religious organizations.

The Paradigm Shift in Fundraising

- Fundraising is a professional art.
- Donors have more giving choices than ever in human history.
- Technology is a primary giving vehicle.
- Giving to religious nonprofits is growing, giving to congregations and denominations is declining.
- Fundraising is more donor-centered than institution-centered.
- Donors are inclined to earmark their gifts for specific programs.
- Strong donor relationships are necessary.

The Uncharted Challenge of COVID-19

- For the last 64 years, total giving has grown at an annual rate of 3.3%
- During the Great Recession (2008-2009) household giving fell 17%.
- During the Great Recession giving to nonprofits—foodbanks, homeless shelters, and social service missions—grew 10%.
- Giving to their congregations is a priority for many people of faith as it reflects their relationship to God. Religious affiliation is a historic predictor of giving.

BUT

- With COVID-19, we are treading uncharted waters. For the first time in our experience, religious giving communities cannot meet together. Most congregations receive the vast majority of their revenue in person during worship services.

Congregational-Based Fundraising is More About Ministry Than Money!

Keys to effective congregational-based fundraising:

Relationships

Vision

Trust

Discipleship

“Religious people pay to be in relation with God through the institutions they support”

-James Hudnut-Buemler

Fundraising as a Joyful Practice

- Celebrate what God is about in your faith community and neighborhood!
- Make giving easy, respect the different ways people choose to give.
- Be transparent and personal when talking about money.
- Be creative and sow extravagantly, cast a wide net.
- Christian fundraising is a celebration of faith; don't downplay Jesus.
- Remember to say "Thank You!"

“Fundraising is proclaiming what we believe in such a way as to offer other people the opportunity to participate in our vision and mission.”

-Henri Nouwen

“Fundraising is the gentle art of teaching people the joy of giving.”

-Hank Rosso

Take-a-Ways For the Future

Don't be afraid to preach and teach about money.

- Only 9% of congregations regularly teach and preach about giving. Of that 9%, 90% reported an increase in giving. The attitude of clergy toward money is pivotal to creating a church culture of generous giving. In the NSCEP survey, 53% of clergy had access to the contribution records of members. Only 54% looked at individual giving records. 70% of those who looked giving records had growth in revenue.

Be sensitive to generational differences.

- Most congregations serve five generations. One message will no longer speak to one audience. Be creative and adapt your stories to speak to the aspirations of each generation. Millennial giving favors technology platforms, monthly giving, and loyalty to causes over organizations.

Embrace digital giving.

- On average, 24% of attendees gave digitally at least once last year.

Take-a-Ways For the Future

Pay Attention To:

Congregational
giving patterns

Streams of
revenue

Degree of debt

Fundraising in Times of Crisis

- Focus less on the needs of the institution and more on the needs of people you serve.
- Focus on stories that tell how you are addressing the crisis.
- Don't mix money with mission in this most intense period of crisis. This is a time to engage your givers without the ask.
- Do not make asks without considering the four VUCA antidotes describing this moment in time: Volatility, Uncertainty, Complexity, Ambiguity.

Demont Associates: Words of Wisdom, 3/31/20

The CARES Act

- **Donors can deduct a larger percentage of income.** If they itemize they can deduct up to 100% of their AGI for qualifying charitable gifts made in 2020. Donors who do not itemize can make a \$300 deduction on cash gifts.
- **Businesses can deduct more too.** In 2020 corporate entities can deduct up to 25% of their taxable income (up from 10%).

Sources:

