

Resiliency and Sustainability

EXPLORING BEST PRACTICES IN DEVELOPMENT AND FUNDRAISING



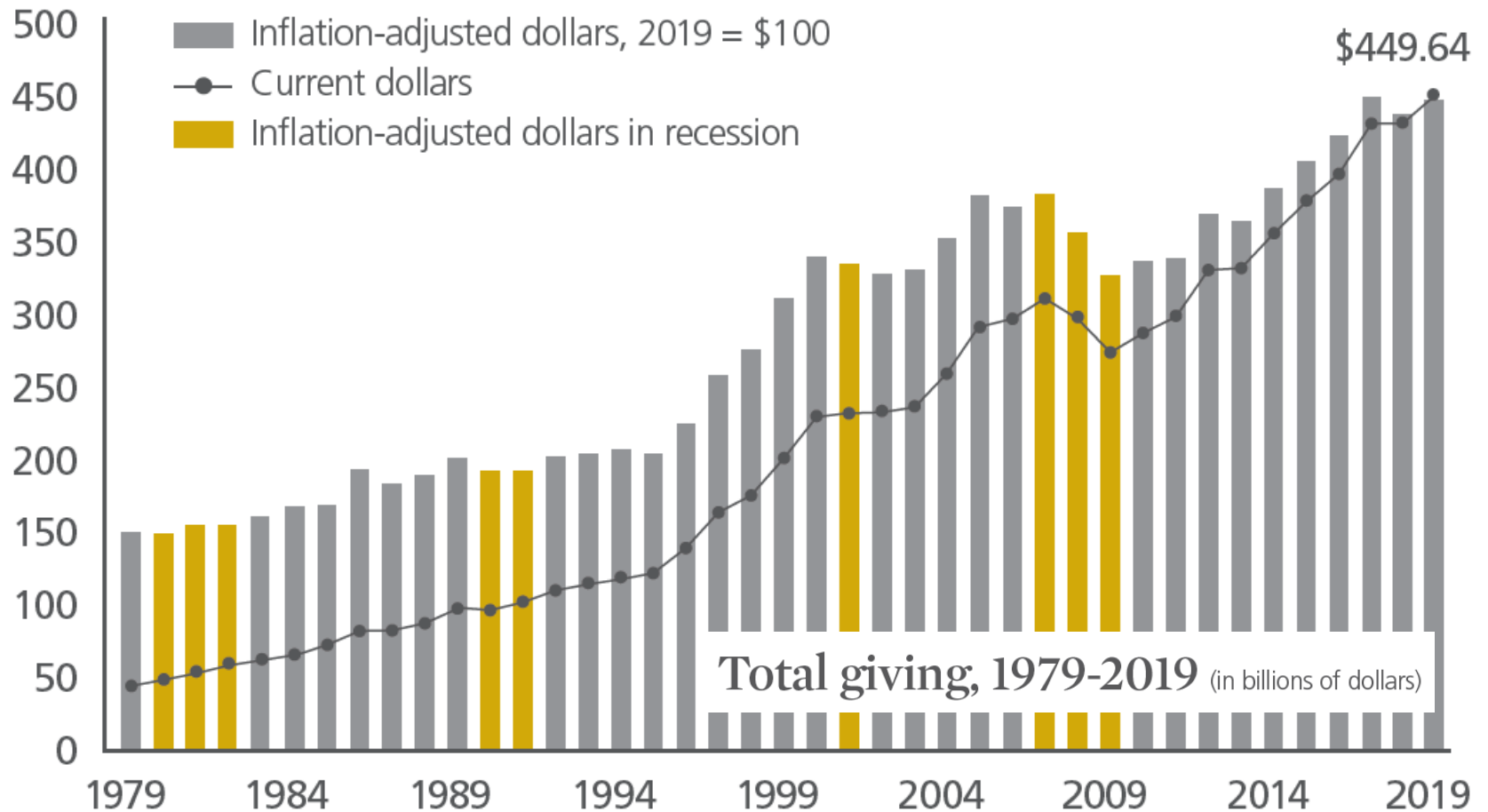
September 24, 2020

Raymond P. Happy
Partner
CCS Fundraising

State of Philanthropy



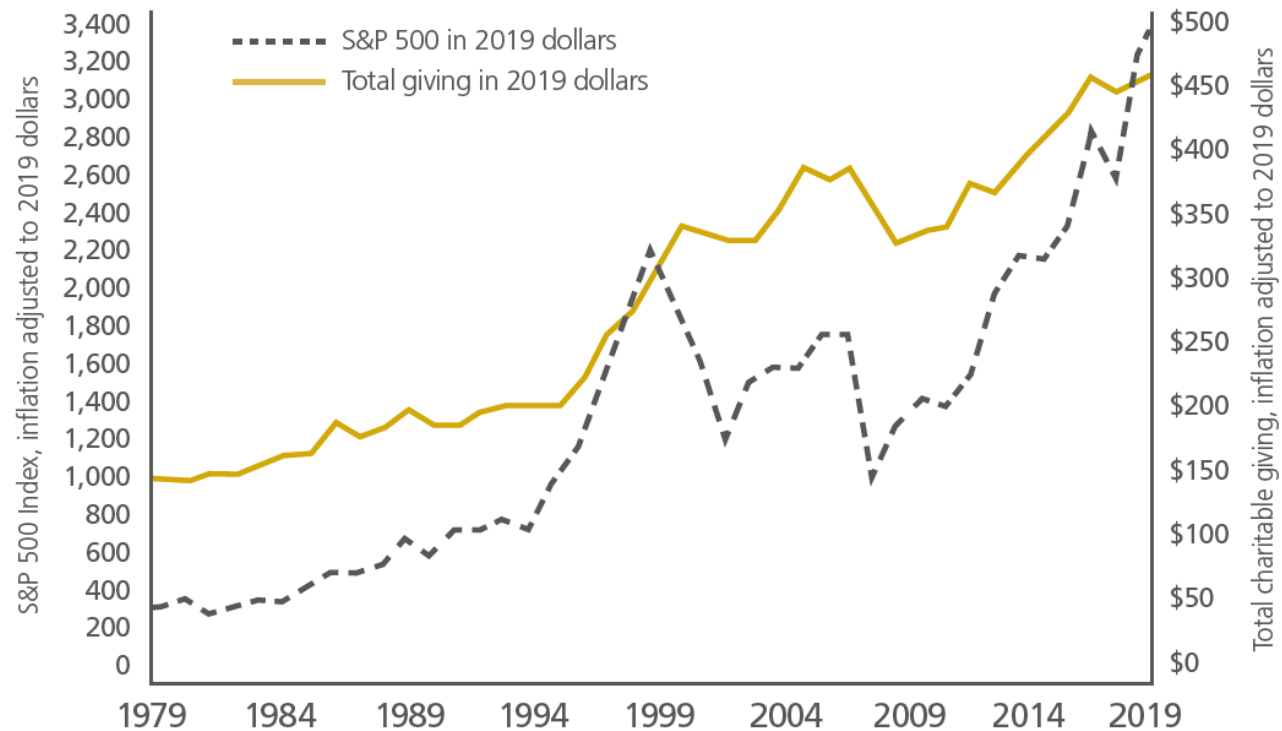
Philanthropy Remains Resilient



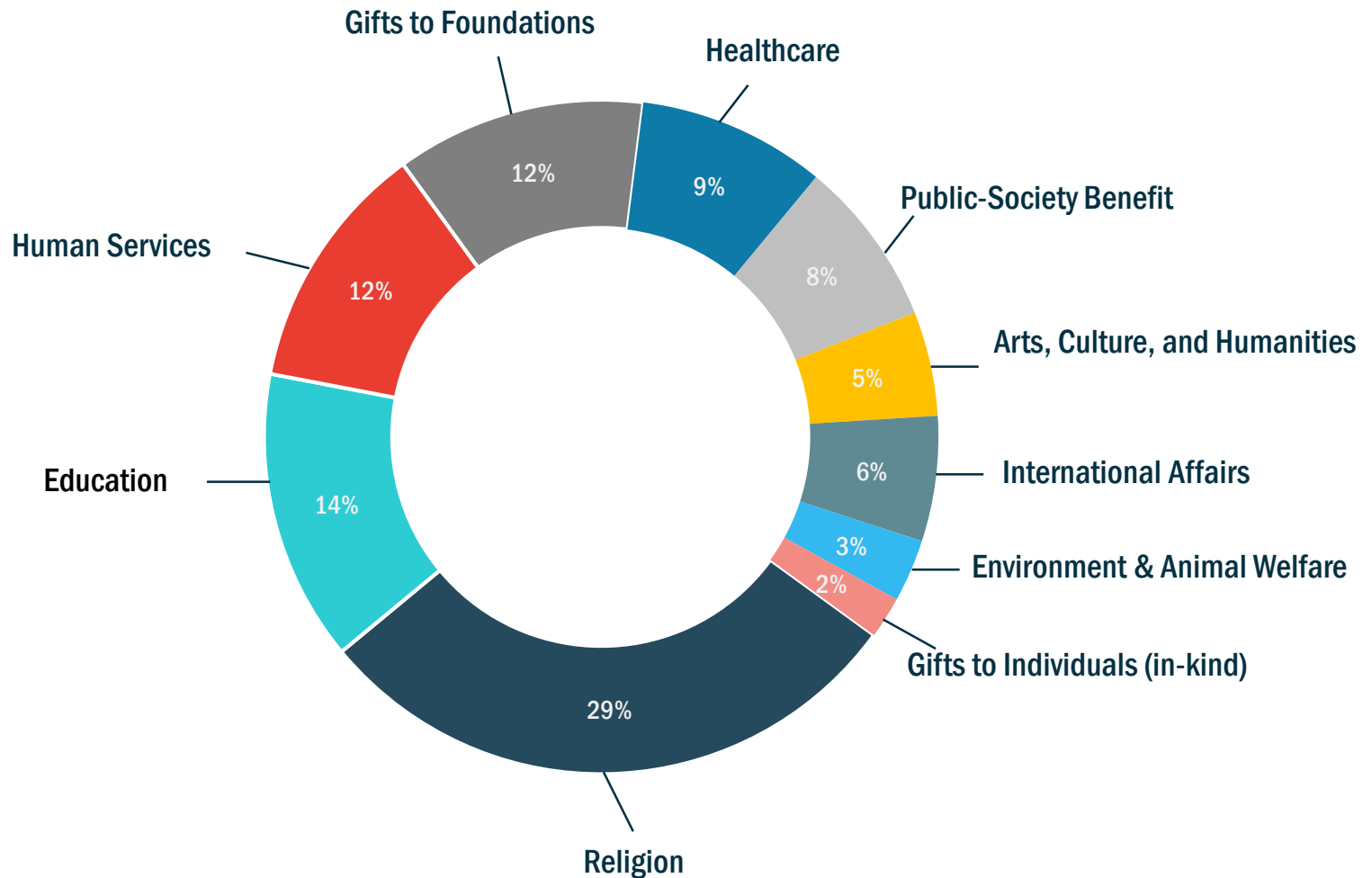
Philanthropy Tracks the Stock Market

Total charitable giving graphed with the Standard & Poor's 500 Index, 1979-2019

(in billions of inflation-adjusted dollars, 2019 = \$100)

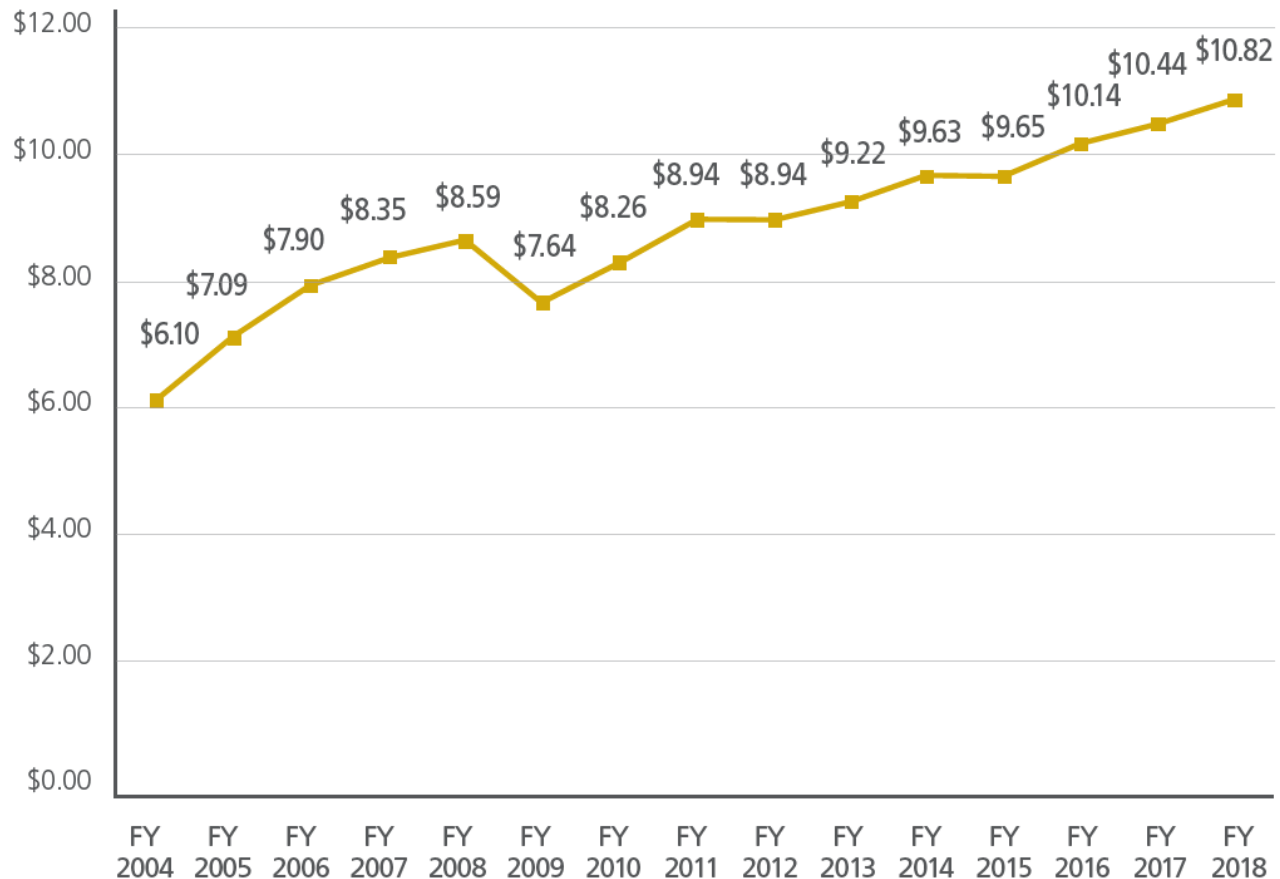


2019 Philanthropic Giving by Sector



Giving to Health Continues to Increase Steadily

Annual trend in giving to healthcare organizations, fiscal years (FY)
2004–2018 (median value for all institutions, in billions of dollars)



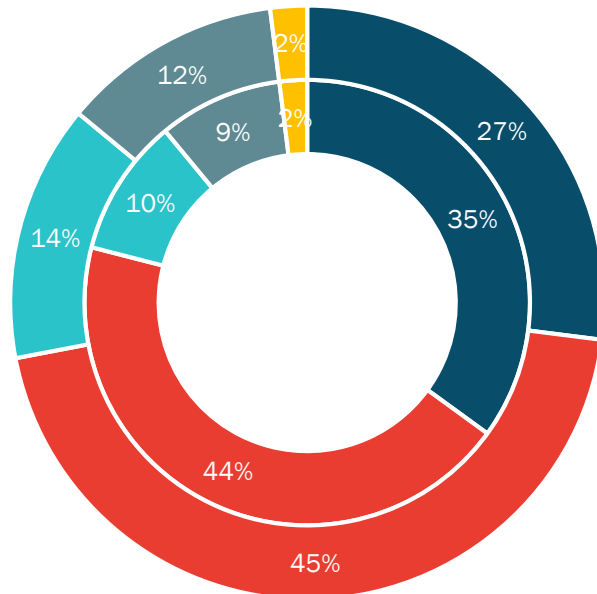
Giving USA 2020: The Annual Report on Philanthropy for the Year 2019
Data: AHP 2019 Report on Giving for FY 2018: USA, Association for Healthcare Philanthropy, 2019.

Current Trends



Observed and Projected Impact of COVID-19 Moving Forward

ANTICIPATED IMPACT ON FUNDRAISING THROUGH 2020*



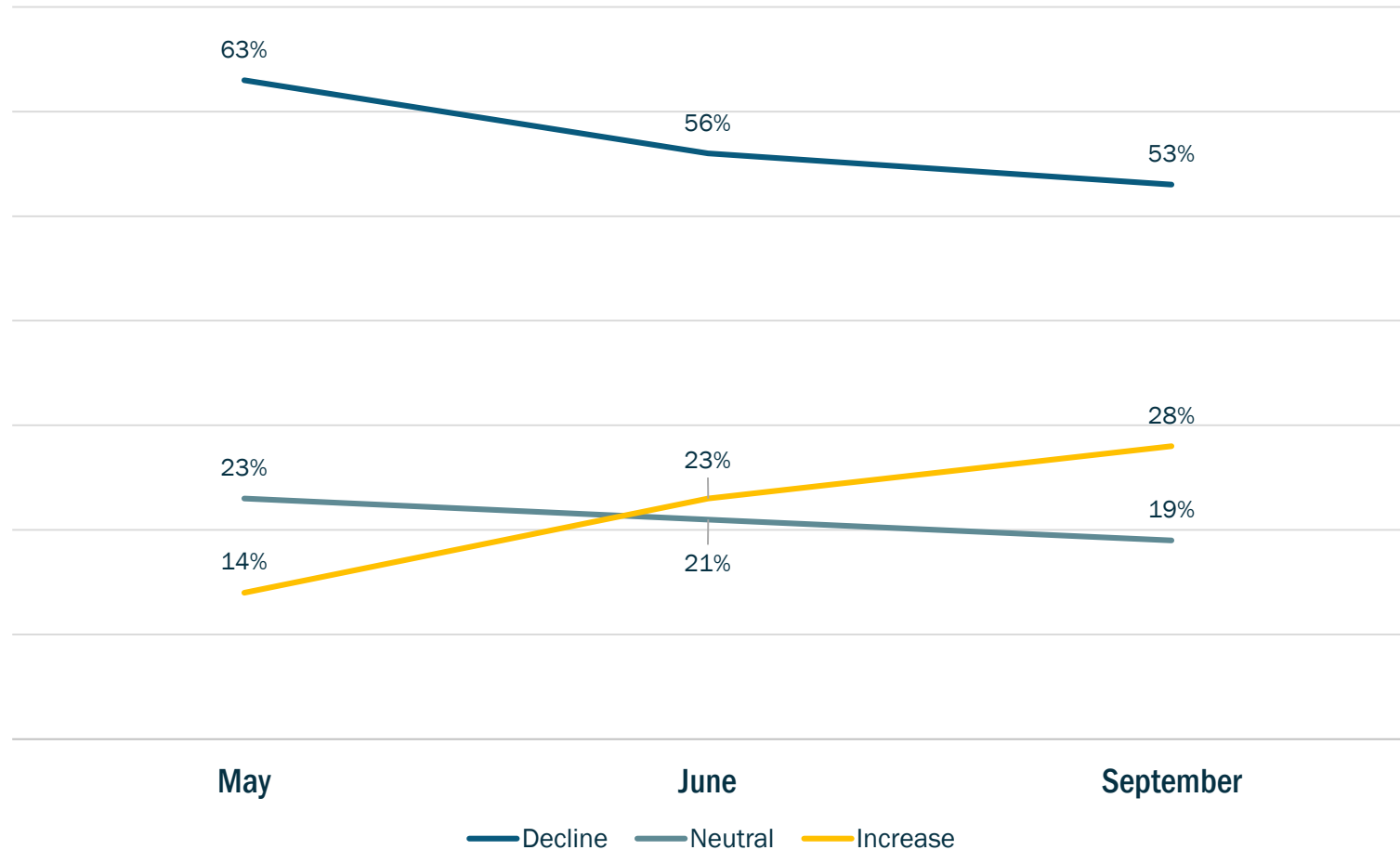
- Significant Decline
- Modest Decline
- Neutral
- Modest Increase
- Significant Increase

- Reported decline in giving during the early months of the COVID-19 pandemic response
- Observed changes mirror recession patterns more closely than those associated with disaster relief
- Ability to make gifts at the top levels largely unaffected
- Lessons learned from the past: institutions that push forward emerge stronger

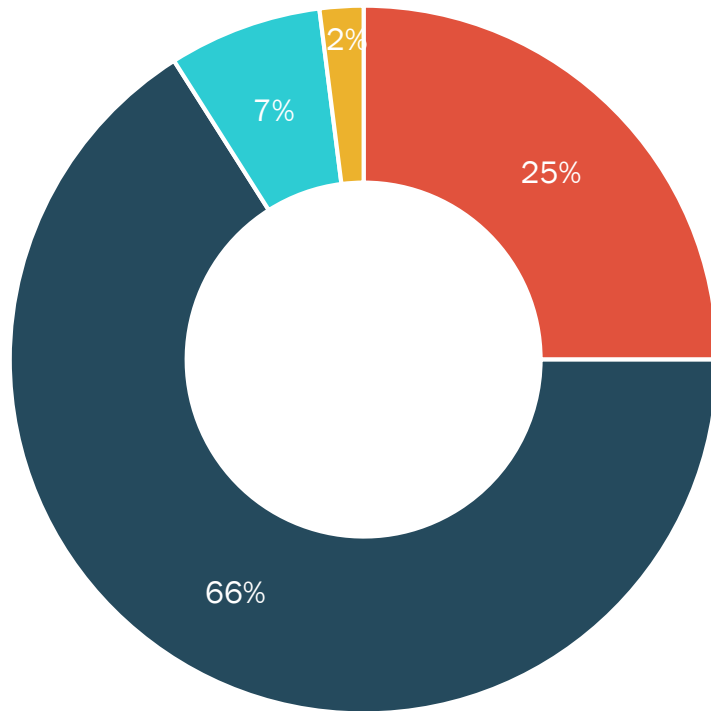
*1000+ Nonprofit Respondents, collected in two CCS Philanthropic Climate Surveys, May 2020 & June 2020
AFP Fundraising Effectiveness Project Q1 Report; IUPUI Women's Philanthropy Institute, Lilly School of Philanthropy COVID-19, Generosity and Gender

Negative Impacts on Fundraising Have Reduced Over Time

IMPACT ON FUNDRAISING YTD



9 Out of 10 Donors Plan to Maintain or Increase Giving During COVID-19



66%
of donors plan to maintain
their giving levels.

25%
of donors plan to
increase their donations.

7%
of donors plan
to give less.

2%
do not know.

Planned Giving Commitments Have Increased During COVID-19

The COVID-19 pandemic and economic volatility are presenting unique circumstances that have led donors to revisit estate plans and consider the role of philanthropy in their legacies.

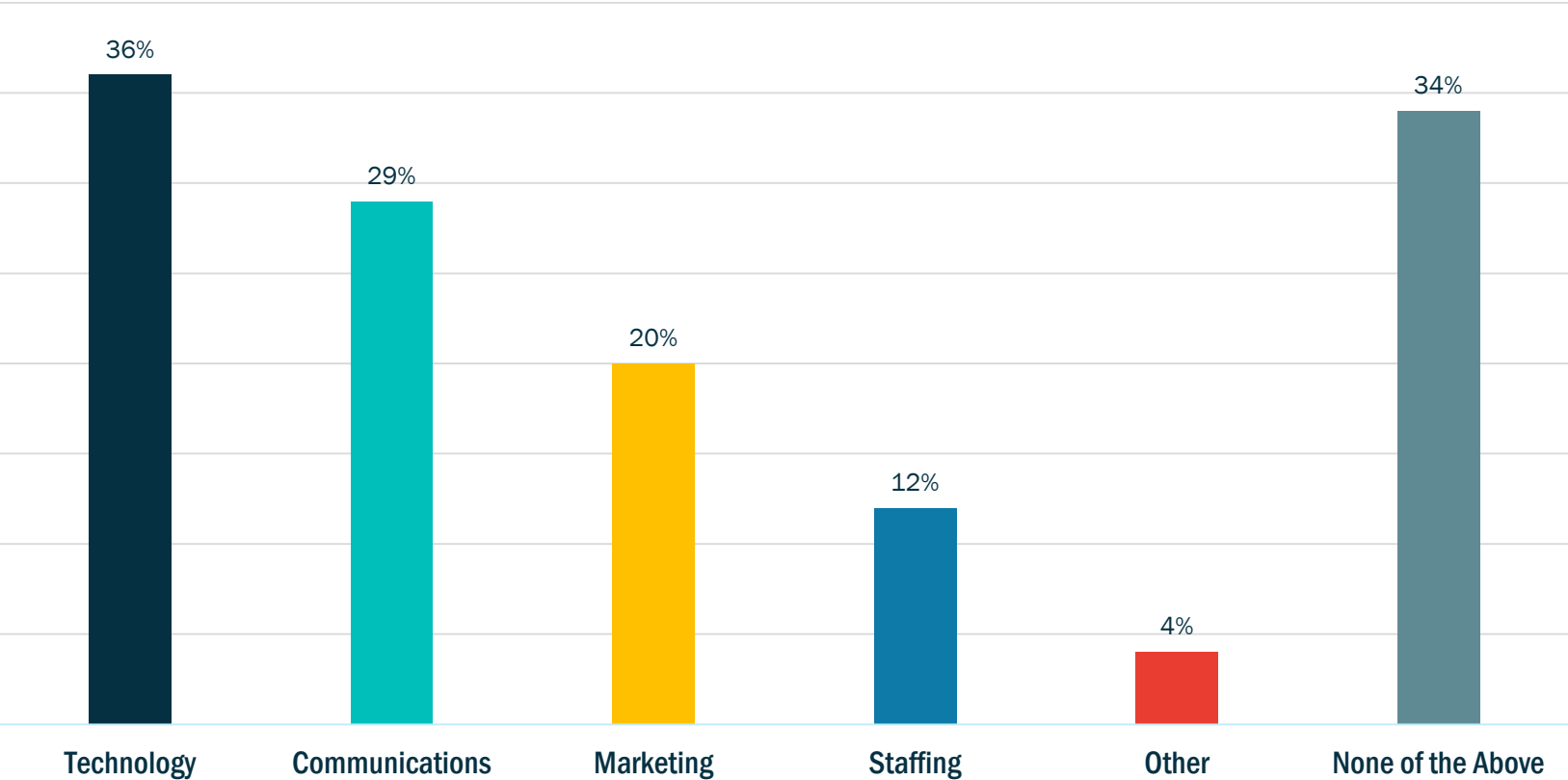
Planned gifts, such as charitable remainder trusts and gift annuities, have provided donors with a sense of security and stability during a time of fear and uncertainty.

Increased planned giving (especially non-cash gifts) can predict long-term fundraising growth for organizations and can demonstrate an increased engagement of philanthropically savvy donors.

There is an opportunity to elevate gift planning as part of a larger shift in philanthropic culture, with a focus on planned giving as an equitable strategy that should be part of blended gift proposals.

Technology and Communications Receive Greatest Investment in 2020

AREAS OF ADDED FUNDRAISING RESOURCES



Talent and Financial Implications During COVID-19

There is uncertainty about job security: the number of job losses during the COVID-19 pandemic is greater than the number of jobs lost during the 2008-2009 recession.

Groups that have relied on in-person fundraising events or revenue from ticket sales are making tough decisions about which fundraising roles are necessary.

Fundraising professionals face the pressure of raising money for their organization when funding is scarce and uncertain, along with the personal pressures due to sickness and loss from the pandemic.

There is a realization that it is largely up to fundraisers to raise enough money so the organization can continue to pay its employees' salaries, which can be overwhelming during an already challenging moment.

The Pandemic Has Created a Unique Shift in Connecting with Donors

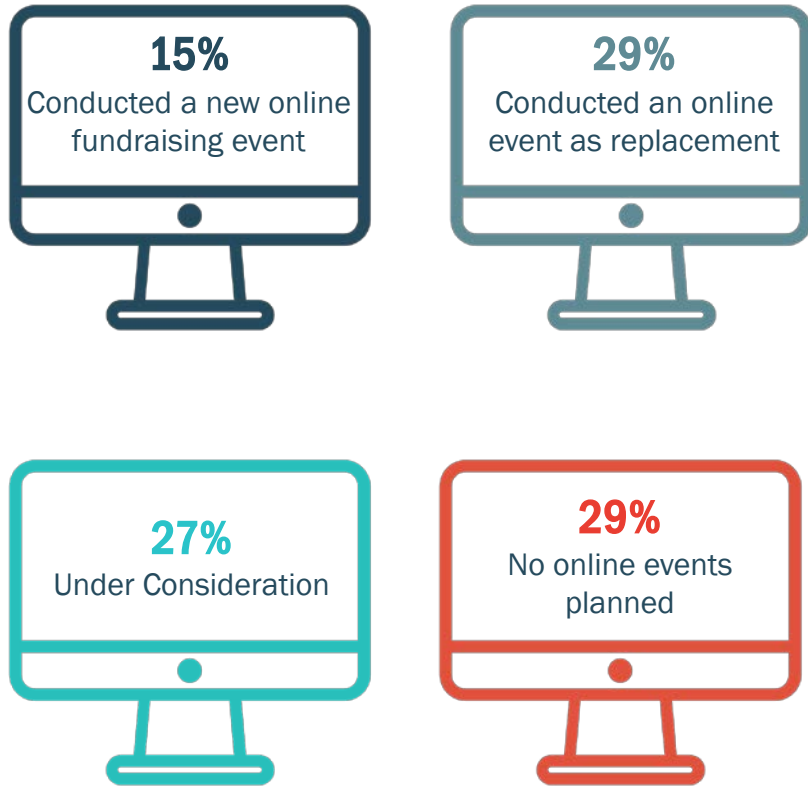
Donors are easier to reach

Donors are taking more meetings

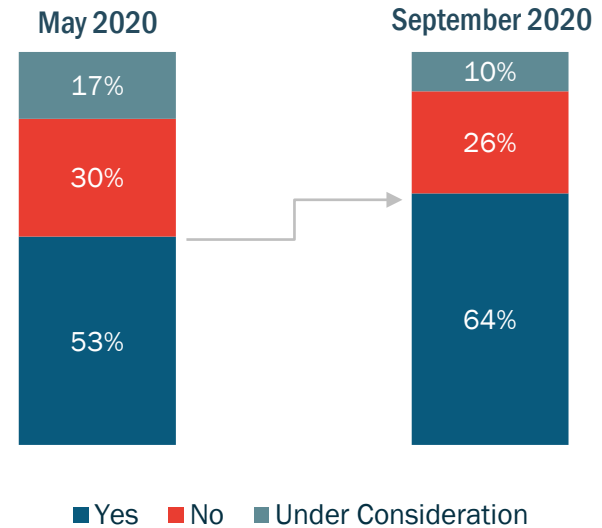
Genuine interest in how donors are responding

Virtual solicitations are proving effective

Nonprofits Pivot to Online Fundraising Events and Special Appeals



Special Appeals / COVID-19 Emergency Funds



The proportion of nonprofits who established an emergency fund or conducted a special appeal increased between May and September, jumping from 53% to 64%.

Organizations are Committing to Diversity, Equity, and Inclusion (DEI)

The pandemic's impact on communities of color and renewed calls for racial justice have underscored the need to prioritize diversity, equity, and inclusion within the nonprofit sector.

There is greater attention to disconnect between organizational leadership and its constituents. Organizations are considering how to build cultural competency to speak to the communities it serves.

Organizations are navigating how to effectively address equity in their fundraising practices, considering changes such as creating new policies around giving or removing giving circles.

Many organizations are beginning to take an honest look at how they operate and are assessing internal diversity, including the composition of their staff, board, and donors.

Discussion and Q&A



Where Do We Go From Here?

What recent fundraising strategies have worked well? What strategies have fallen flat?

How can organizations be prepared as the COVID-19 pandemic continues to evolve?

How can organizations effectively “stay the course” and increase donor engagement?

How should organizations communicate with donors through the end of the calendar year?

What can organizations do to plan for long-term fundraising success while addressing the current moment?

How should organizations respond when the state of the economy is reflected in the market?

Thank You

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