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PHILANTHROPY™

## 2024 SUMMIT: What Americans Think About Philanthropy

Kinetic

UMKC  
BLOCH

MIDWEST CENTER  
FOR NONPROFIT LEADERSHIP



• Dr. Una Osili  
Presenter



• Tim Dunn  
Panelist



• Dr. Kimberly Beatty  
Panelist



• Craig Ramsey  
Panelist

## Summit Key Findings

At the 4th annual Power of Philanthropy Summit on January 26, 2024, Una Osili, Ph.D., Professor of Economics and Associate Dean for Research and International Programs with the Lilly School of Philanthropy at Indiana University, presented research from the study: *What Americans Think of Philanthropy and Nonprofits*.

Following her presentation, Chairman and CEO of Kinetic Matt Beem moderated a panel discussion of leading philanthropists and philanthropic leaders including Dr. Kimberly Beatty, Metropolitan Community College, Chancellor; Tim Dunn, JE Dunn, Chairman and Chief Investment Officer; and Craig Ramsey, College Baseball Foundation and Hall of Fame, Advisory Board.

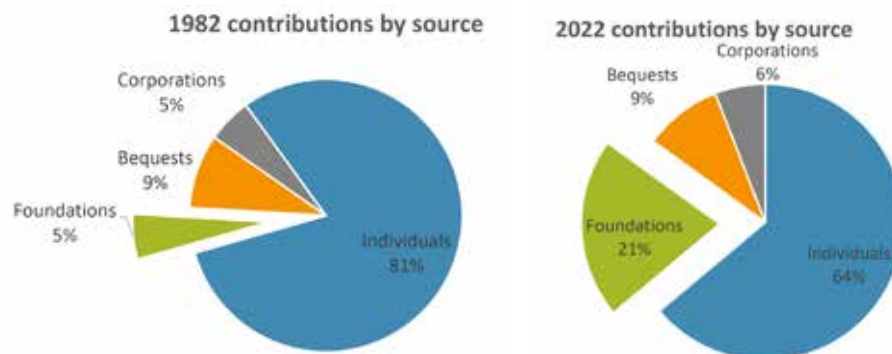
Participants coalesced around the following topics, research and data points of interest:

- Combining philanthropy and metrics to track progress: *Philanthrometrics*.
- The U.S. is a generous country. We are still in an era of extraordinary generosity despite a 3.4% decline in giving in 2022 (\$499.33 billion).

**#1 Charitable Giving levels reached \$499.33 billion in 2022, a 3.4 percent decline**



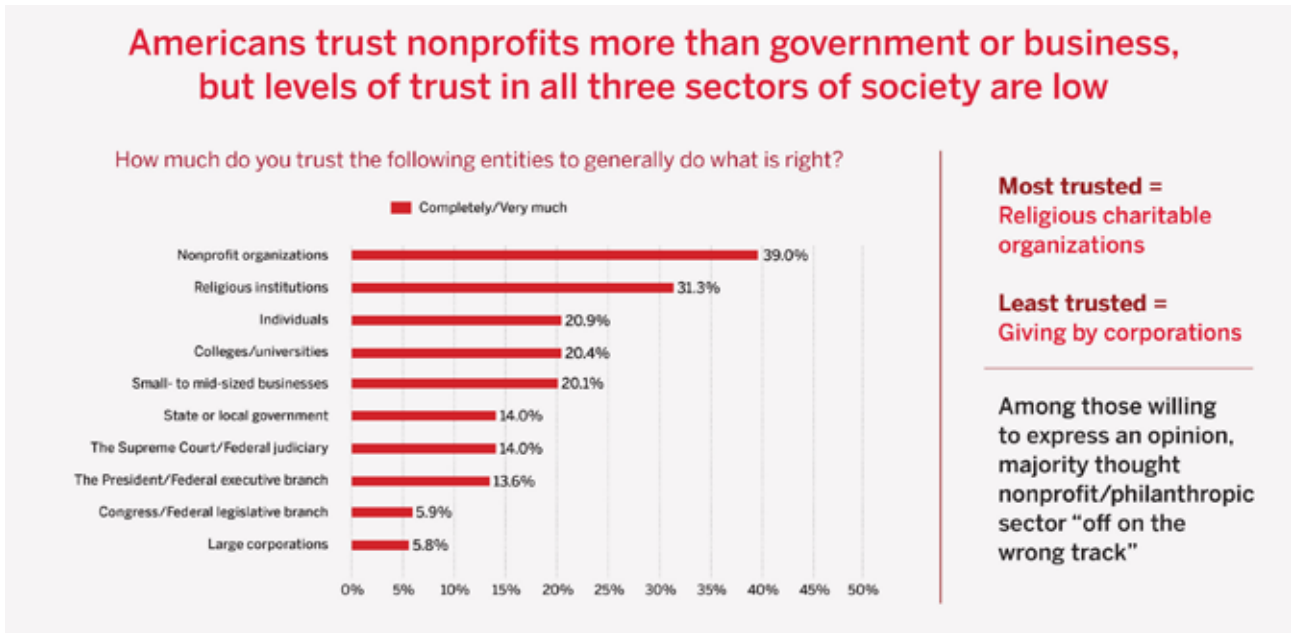
- Giving by individuals grew by an annualized average rate of 4.9% over the last 40 years; foundations grew by 9.2%



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- There has been a significant shift in donor categories from individuals to foundations and donor-advised funds. In 2022, one out of every five dollars given came from a foundation. Since most foundations are family foundations, much of the shift is from individuals giving directly versus via a third-party entity.

- Nonprofits rank higher than government or business in the public’s level of trust, but all three sectors are low. Only 39% of Americans agreed that they trust nonprofit organizations “completely/very much.” Within the nonprofit sector, community foundations ranked the highest in donor trust—which they believe may be due to their proximity and transparency. Donors want to know what’s going on behind the scenes. Grant-funding foundations frequently use Charity Navigator to help assess a nonprofit’s transparency. **Nonprofits should check their profile for any mistakes or areas where they can improve their overall Charity Navigator score.**



- By placing an emphasis on transparency, accountability and proximate relationships, nonprofits could be successful in building greater levels of trust. **Nonprofits can also build trust by recommitting to ethical behavior and, as Dr. Betty shared, “Doing what they say they will do.”**
- Charitable giving is a uniting force that cuts across all demographics and divides.

**GIVING PATTERNS OF AFFLUENT DONORS**

## Who is Giving?

Percentage giving to charity in 2022



Source: 2023 Bank of America Study of Philanthropy: Charitable Giving by Affluent Households

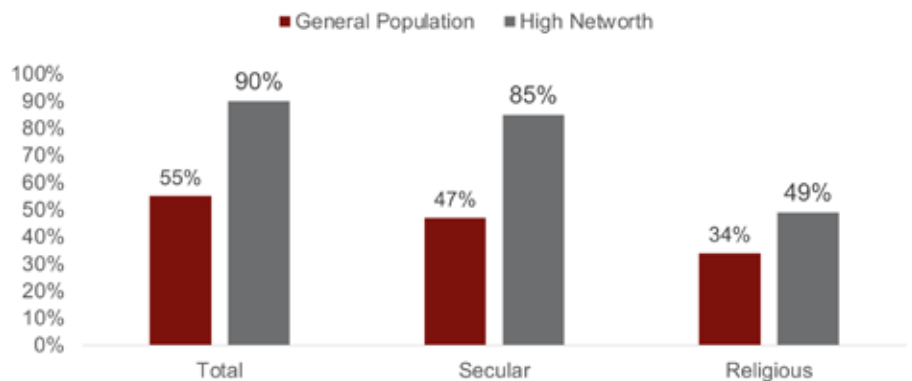
- Fewer households are giving to nonprofits, while charitable giving is still around 2% of average households' disposable income. This suggests that High-Net Worth families (90% are still giving) and foundations are filling the gap created by the decline in overall individual giving. **Nonprofits should focus on long-term donor retention strategies because they are even more critical due to this trend.**



- Individual giving as a percentage of disposable personal income was **1.7%** in 2022

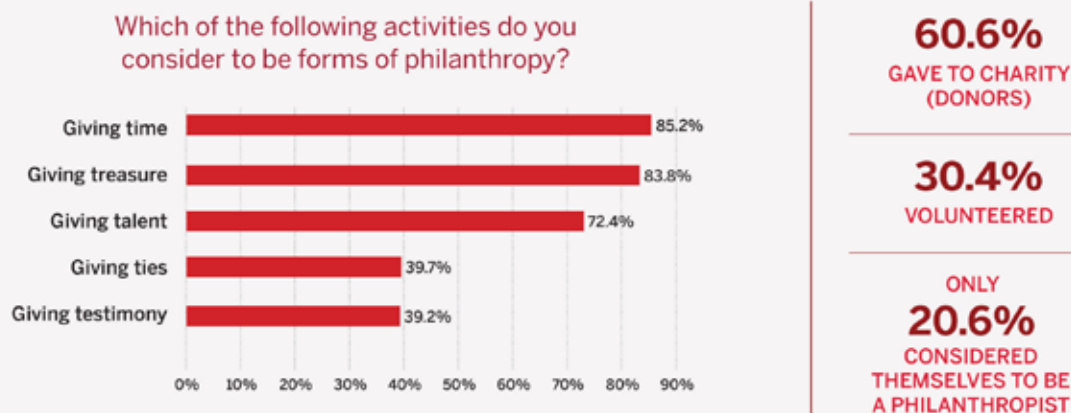
## High Net Worth Household Giving vs. US General Population Giving

Source: 2017 Philanthropy Panel Study  
The 2018 U.S. Trust Study of High Net Worth Philanthropy



- Donors are more accustomed to giving time, talent and treasure (three of the five philanthropic T's). But ties and testimony—sharing leads and lending one's name—are just as valuable, since they open doors for identifying new, prospective donors. It can also go a long way in building another "T" of value: trust. **Nonprofits should ask for all five T's: time, talent, treasure, ties and testimony.**

### Americans generally define philanthropy as the giving of time and/or money to nonprofit organizations

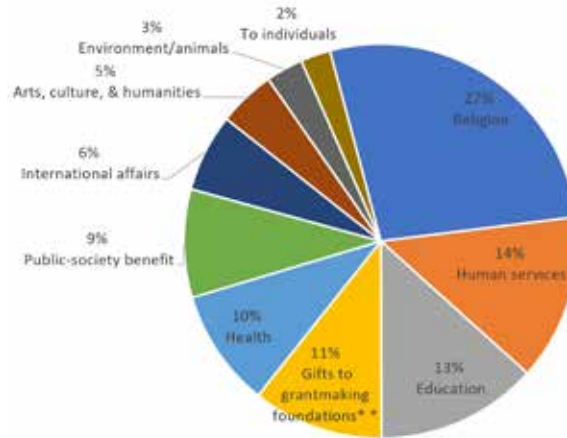


- Giving trends are closely linked to economic conditions, and the giving landscape is shifting. At the same time, there is an anticipated transfer of wealth of approximately \$81 trillion which will pass to the next generation.

## #2 The Giving Landscape is shifting following the pandemic era



**2022 contributions: \$499.33 billion by recipient organizations\***  
(in billions of dollars – all figures are rounded)



\* Total includes unallocated giving, defined as the difference between giving by source and recipient categories. Unallocated giving totaled ~\$28.54 billion in 2022.

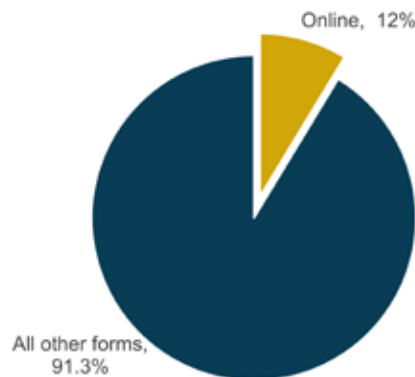
\*\* Estimates developed by Indiana University Lilly Family School of Philanthropy using data provided by Candid.

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- Preparing for the future of philanthropy includes accommodating changing demographics. This includes building a sense of proximity while addressing accessibility, transparency and inclusiveness and embracing the increasingly diverse donor base by providing tailored engagement opportunities.
- Younger Americans have a broader definition of philanthropy and are more likely to give of their time as well as their treasure. Online giving currently represents 12% of all gifts. Easy, varied ways to give are expected by consumers. **To reach the next generation, nonprofits must keep pace with frictionless payment technologies (PayPal, Venmo, Google Pay, crowdsourcing, etc.) and personalized, curated messaging pioneered by leading online sales platforms.**

Online giving as a percentage of total fundraising

**Online giving accounts for a growing share of giving**



Source: Blackbaud, 2019 Charitable Giving Report

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