



# 2016

## STATE OF THE SECTOR



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# 2016 STATE OF THE SECTOR

How do fundraisers prepare for a new year? They research and they query. They test theories with each other and balance data against their experience in key sector segments. No successful fundraiser plans or predicts in a vacuum.

Each year, the number of reports and studies on various critical facets of the sector becomes larger. These reports provide a depth of understanding on giving preferences, demographics, associated costs and so much more. Often, the data is provocative; sometimes it's controversial. These are when relationships across AFP's broad network of fundraising experts are incredibly useful; fundraisers and those close to the sector look to one another to interpret findings, to infer meanings and to apply findings to forecast trends ranging from nuance to a veritable sea change.

AFP's *State of the Sector Review* is intended to use the year's key research findings and provide a sweeping view of issues that affect fundraising in the near term and may influence fundraising in the long term. We reference numerous studies and surveys, and provide commentary from fundraising practitioners and leaders in the nonprofit world who provide context, prognosticate, and offer strategy on applying 2016 learning to 2017 fundraising operations. You will find that not all numbers across studies align perfectly, as different data and methodologies are used by different researchers. However, taken in the aggregate, they present a vivid picture of philanthropy from year to year.

This review is meant to be used strategically. We look to focus on high-level issues—general directions and ideas to guide your fundraising into new areas.

We're grateful to the fundraisers and philanthropy experts who provided commentary and perspective for this report, as well as to the organizations that authored the seminal reports and surveys highlighted within. Our strength as a profession is rooted in a body of knowledge that we lovingly sow, cultivate and harvest – and also in our ability to look critically at our work and improve our practices based on learning.

How are you reading the tea leaves and preparing for 2017 and beyond? I hope the 2016 *State of the Sector Report* will help generate new conversations about the state of fundraising and philanthropy and ways we can collaborate and share knowledge for the good of the sector.

Jason R. Lee, JD  
*Interim President and CEO*



# THE FUNDRAISING LANDSCAPE

The strength, resiliency and deeply ingrained tradition of American philanthropy has been on display over the past several years. Most economists predicted a long and slow recovery for philanthropy since the Great Recession, but it didn't take long for giving to bounce back and reach record levels. While giving hasn't increased at the rate it did during the boom of the late 1990s, and the impact has been uneven among subsectors, the fundraising environment is the strongest it has been in nearly two decades.

According to **Giving USA 2016**, giving reached \$373.25 billion in 2015, growing by 4.1 percent from 2014. Taken together, the total growth over those two years exceeds ten percent. The breakdown for giving by source in 2015 was:

- *Individual giving*, \$264.58 billion, increased 3.8 percent in current dollars over 2014.
- *Foundation giving*, \$58.46 billion, was 6.5 percent higher than 2014.
- *Charitable bequests*, \$31.76 billion, increased 2.1 percent over 2014.
- *Corporate giving*, \$18.45 billion, increased 3.9 percent over 2014.

Looking at giving by subsector, five saw giving increases by more than five percent in 2015: education; arts, culture and humanities; environment/animals; public-society benefit; and international affairs.

The **Blackbaud 2015 Charitable Giving Report** showed similar strength in giving. According to the report, overall charitable giving in the United States increased 1.6% on a year-over-year basis.

Large organizations grew by 1.4%, medium organizations declined 0.7%, and small nonprofits grew 5.5% compared to the same time period in 2014.

Data from the **Nonprofit Research Collaborative (NRC) Year End Fundraising Survey** corroborates this picture of a strong fundraising landscape. In its 2015 year-end survey, the NRC found that 65 percent of respondent charities raised more money in 2015 than in 2014, and 73 percent met their annual fundraising goal. These numbers are very similar to the results from the 2014 survey and continue to be some of the highest year-end figures seen since AFP and then NRC started conducting the surveys in 2001.

*Trends in charitable giving from Giving USA 2016: The Annual Report on Philanthropy for the Year 2015 confirms giving has finally turned the corner since the Great Recession. Today, Americans are giving more to charities than ever before, mirroring the generally positive growth in recent years in both the overall economy and in most of the multiple factors that influence giving. We also see record-breaking philanthropic investments—like the \$3 billion Chan Zuckerberg Initiative investment for disease research—making real impact on the biggest challenges facing our national and global communities.*

Aggie Sweeney, CFRE,  
Chair, Giving USA Foundation

From the donor side, the **2016 Burk Donor Survey** found that 40 percent of respondents said they gave more money to charitable causes in 2015 compared to 2014 (down from 47 percent in the previous year). Forty-seven percent gave about the same, and 11 percent gave less. Almost 80 percent of respondents supported the same number of causes, while 12 percent gave to more charities and 6 percent gave to fewer causes.

### **What We Might Find in 2016**

Almost 70 percent of the 2015 NRC respondents expected their giving to further increase in 2016. However, just half of respondents (49 percent) in the NRC's 2016 **Mid-Year Survey** indicated they were raising more funds through June compared to the same time period in 2015, ten points lower than the previous survey. While mid-year figures are not always indicative of total-year figures given the amount of giving that occurs in the second half of the year, it is a trend that AFP will be watching for the rest of the year and into 2017.

For another perspective on giving in 2016, the **Burk Donor Survey** found that a majority of respondents (59 percent) were planning to give about the same in 2016 as they contributed in 2015. One in five (22 percent) expected to give more, while just 7 percent indicated they would give less. It is possible that giving may be slowing down just a little after combined ten percent growth over the past two years.

*At the Urban Institute's Center on Nonprofits and Philanthropy, we're excited to release a new edition of *The Nonprofit Almanac* this October. This completely updated edition of the Almanac presents nonprofit managers, researchers, and volunteers with the most current data available about the nonprofit sector. But amidst this wealth of information, three important factors stand out about the nonprofit sector as a whole: its size, its growth, and its diversity.*

*The nonprofit sector is a large part of our national economy. In 2015, almost 1.1 million public charities were registered with the IRS. While this number includes an assortment of small organizations, about 293,000 organizations filed with at least \$50,000 in gross receipts in 2013. These reporting public charities generated \$1.73 trillion in revenue and held about \$3.22 trillion in assets; they were also responsible for employing an estimated 14.4 million people in 2013 – that's over ten percent of U.S. non-farm employment.*

*The nonprofit sector's substantial contributions to our national economy continue to grow. During the recession, nonprofit growth in wages and salaries outpaced the proportional growth for the government and private business sectors. In fact, of the three sectors, the nonprofit sector was the only one to see growth in employment and total wages in every year from 2000 to 2013 (the most recent year we have wage and employment estimates available). In 2014, nonprofits accounted for an estimated 5.4 percent of national GDP, compared to 5.1 percent in 2004.*

*The diversity of the sector is reflected in the diversity of the resources it draws upon to support this growth. Arts, culture, and humanities organizations, for example, rely heavily on contributions: private contributions make up an estimated 44 percent of the revenue for these organizations. By contrast, education organizations on average derive an estimated 16 percent of their revenue from private contributions, leaning instead on fee for service revenue (61 percent).*

*We at the Urban Institute expect to see the nonprofit sector continue to diversify in order to meet the ever-growing public needs that the sector provides.*

*Brice McKeever,  
Center on Nonprofits and Philanthropy,  
The Urban Institute*

## **Volunteering**

According to the **U.S. Bureau of Labor Statistics**, the volunteer rate declined by 0.4 percentage points to 24.9 percent for the year ending in September 2015. About 62.6 million people volunteered through or for an organization at least once between September 2014 and September 2015. The volunteer rate for men was little changed at 21.8 percent for the year ending in September 2015. The rate for women was 27.8 percent, down from 28.3 percent in the previous year. Across all age groups, educational levels, and other major demographic characteristics, women continued to volunteer at a higher rate than men.

**Giving and Getting Back: Volunteering in America**, a survey conducted by The Leukemia & Lymphoma Society, found that volunteering has other benefits. Nearly 90 percent of those polled say volunteering has been good for their social life. More than 80 percent of those who have volunteered in the past year would be more willing to date a person they met volunteering than through an online dating site. In addition, 84 percent of unmarried respondents report being more comfortable going on a date with a fellow volunteer rather than being set up on a blind date by a friend or relative

# PUBLIC POLICY

Advocacy is not typically a main responsibility of fundraisers. But as the charitable sector has grown, so has attention from lawmakers and regulators. Not only are there proposals to encourage more giving and volunteering, but public policy increasingly impacts all aspects of fundraising and nonprofit operations—and not always in positive ways. What 2016 has shown us is that by working together, the sector can substantially influence legislation and regulations even as it must remain cognizant of challenges from a variety of sources, from Congress to city councils.

At the end of 2015, the nonprofit sector won two important policy battles. First, after more than a decade of lobbying by AFP, the Charitable Giving Coalition (which AFP chairs) and other organizations, Congress approved the permanent enactment of the Charitable IRA Rollover provision. Taxpayers age over 70½ can now make donations directly from their IRA or other retirement fund to a charity and not be taxed on the amounts—up to \$100,000. In addition, two other provisions were made permanent: deductions for charitable contributions of real property for conservation purposes; and allowing shareholders in an S corporation to reduce their basis in the S corporation's stock under Section 1366 only for their share of the basis of property contributed by the S corporation—not the fair market value.

*With education being the key to an enlightened society and a better world, I am pleased that philanthropic investment in this vital sector continues to grow, as institutions become more focused on building engaged and transformational relationships with their communities of alumni and supporters.*

*According to the CASE Fundraising Index, fundraisers at schools, colleges and universities predict a healthy increase of 5.2 percent in giving during the current academic year. That comes on the heels of a record-breaking \$40.3 billion given to U.S. colleges and universities in 2015, according to the Council for Aid to Education.*

*The sector, though, is vulnerable to disruption and intervention from a variety of sources. Few would argue, for example, with the value of institutional endowment to support education, yet several institutions have been questioned in this regard, and government entities have attempted to regulate and tax these vital resources, often resultant from philanthropic support over many, many generations.*

*In an environment of increasing scrutiny, we are seeing educational institutions become increasingly effective at engaging their communities, communicating their needs and demonstrating their positive societal impact. They also have an opportunity to lead the fundraising profession by modeling openness, ethical practices and stewardship.*

*As philanthropic investment becomes ever more important to the sector, there is a growing need to attract people to join the educational fundraising profession worldwide. In so doing, they are entering a dynamic and thoroughly enjoyable profession, connecting with people every day who share the desire of making the world better for all through education.*

*Sue Cunningham,  
President and CEO, Council for Advancement and Support of Education (CASE)*

Second, the charitable sector united to defeat a proposal by the Internal Revenue Service (IRS) to create a donor disclosure form for donations over \$250. The form would have required charities to collect their donors' social security numbers. The IRS received over 38,000 comments about the proposal, with a large majority from charities concerned about having to collect such sensitive, private data. The IRS ultimately decided to rescind the proposal.

On the state level, AFP joined a coalition of organizations in California to stop a bill that would have required any solicitation document produced by a charity raising funds in the state to include the address for an Attorney General's website containing information about consumer rights and protections and charity research resources. The bill would also have required a link from the charity's website to the Attorney General's website. AFP and others felt the bill lacked balance, was vague in its implementation and was too intrusive on charity fundraising. The bill was discussed in the Appropriations Committee but never voted out.

### **Important National Standards and Rules**

While the presidential campaign and election year have limited work in Congress this year, two significant sets of regulations were distributed. First, the Department of Labor released its long-awaited **regulations on overtime pay**. The new rules, which take effect Dec. 1, 2016, raise the non-exempt annual salary rate from \$23,660 to \$47,476 annually. Workers who earn less than the threshold will need to track their time and be paid overtime when they work more than 40 hours in a week. The National Council of Nonprofits has a good set of resources, taking you step by step through a Q&A process to see how your organization might be affected.

*As 2016 comes to a close, one might reflect on the ways our country appears divided. It's easy to overlook the ways in which we are united, but I have hope. According to a 2016 poll of voters, Americans are overwhelmingly united in their support of the government working more collaboratively with individuals and organizations in the charitable community.*

*In fact, 87 percent of voters believe policymakers should collaborate with the charitable sector as the experts in their fields. Another 78 percent believe the charitable sector should have a bigger role working with the federal government to produce more effective and efficient solutions to society's problems.*

*This data, released in our report United for Charity, underscores that individuals and organizations in the charitable sector need to speak up to encourage policy changes that positively affect their communities. Voters along the political spectrum also felt strongly that the government should strengthen incentives for giving. In fact, 88 percent of voters said we should make it easier for people to deduct charitable contributions from their taxes.*

*So what did we learn from this? The American people support the sector, believe we are the key to solving their problems, and have bestowed upon us an obligation to advocate. We know that our work in the charitable sector is a powerfully positive force in American life. It's on us as individuals and organizations to live up to the American people's ideals. Let's get to work.*

*Dan Cardinali,  
President and CEO, Independent Sector*

Second, the Financial Accounting Standards Board (FASB) released **new accounting standards** for charities related to the classification of net assets, transparency and utility of information, inconsistencies in information provided about expenses, and resolving challenges about preparing the indirect method of reconciliation. While the standards are quite technical, any changes that FASB makes are VERY important for charities and can impact fundraising in some instances. Fundraisers are encouraged to be aware of how these changes might affect how your charity's finances and how fundraising data is presented.

### **State Regulation**

An important step in understanding state regulation of charities was the survey and analysis conducted by the Charities Regulation and Oversight Project at Columbia Law School and the Center on Nonprofits and Philanthropy at the Urban Institute. The report, **State Regulation and Enforcement in the Charitable Sector**, provided a legal analysis of laws pertaining to charities across US jurisdictions; a survey of regulatory and oversight offices; and interviews with regulatory officials. Some of the findings include:

- No single state law of charities oversight exists; instead, oversight involves a complex mix of substantive areas, including charitable trust law, governance, criminal law, solicitation and registration requirements and compliance, corporate transaction review, and conservation easements.
- Thirty-one percent of jurisdictions have less than one full-time-equivalent staff, 51 percent have between 1 and 9.9 full-time-equivalent staff, and 19 percent have 10 or more full-time equivalent staff.

*An earthquake registering 5.8 hit just north of Pawnee, Okla. Some geologists suggest that robust fracking is shifting the tectonic plates, causing the rocking and rolling.*

*There's also a lot of rumbling underneath the surface of the charitable sector, sometimes erupting. It can be argued that the sector is also being fracked. It's a human-made shifting of the settled order. Nonprofits are under attack from regulators, from donors and often each other.*

*For examples, a watchdog group published a list of 10 organizations, warning donors of what it considered a lack of transparency. The nonprofits did not ask to be reviewed. They just declined to participate in yet another review. Questions were put in donors' minds about brand name charities for no reason other than a watchdog group wanted to be noticed in a competitive field.*

*New Jersey Gov. Chris Christie signed "Glomar" legislation. The courts have agreed that the state government doesn't have to provide documents, simply claiming they can't confirm or deny they exist. The immediate uproar was from media outlets denied access to public records. This also damages advocacy groups seeking to hold government accountable and determine need.*

*The California Attorney attacked settled law with regulations, and in some cases the lower courts are agreeing. The AG is demanding Schedule B of the Form 900 to get a look at donors. She claims the documents will remain confidential but you know that they will leak. Donor lists have been protected since the late 1950s and through 1964's landmark ruling in NAACP v. Alabama.*

*The nation's charitable movers and shakers need to organize to educate and, if need be, litigate to counter these abuses. Leaders must reinforce hard fought protections. Leaders must collaborate to protect all nonprofit missions.*

*Paul Clolery,  
Editor in Chief, The NonProfit Times*

- In the 47 responding jurisdictions, 68 percent require charity fundraisers to register, and 60 percent require charities to register.
- Fundraising abuses (62 percent), trust enforcement (36 percent), and governance (36 percent) are the three most common areas of enforcement by charity offices.
- Of the fundraising methods overseen by state charities officials, traditional methods such as telephone (82 percent), direct mail (80 percent), special events (80 percent), and in-person solicitations (80 percent) are the most common subjects of oversight, followed by Internet-based (76 percent) and social media–based (70 percent) solicitations.

# DONOR RETENTION

Donor retention continues to be the biggest challenge that most fundraisers face, and the enhanced research capacity of the sector is unearthing both the extent of the challenge, as well as solutions that charities might use to keep donors at their organizations.

In February, the Fundraising Effectiveness Project (FEP) released its 2015 **Donor Retention Supplement**, based on giving data from more than 8,000 organizations in the FEP database. The supplement found that while overall retention is at 46 percent, repeat donors are retained at 64.8 percent, while new donors (having given just once before) had a retention rate of just 25.4 percent.

In addition, giving level breakdowns show that retention rates increase as donors give more, with a direct relationship between gift value and loyalty. Donors giving less than \$100 per year had an average retention of 53.5 percent over the last seven years, while those giving \$100 - \$249 were retained at a 65 percent level. Those who gave \$250 or more had a retention rate of 76 percent.

\$250 might be the “sweet spot” for donors. Not only does it forecast higher retention rates, but the segment of donors who give \$250 or more generated 95 percent of the total revenue in the FEP Growth in Giving database. And one last key statistic combining all these figures: If 95 percent of the revenue is retaining at 76 percent, then 95 percent of your income in the next year will come from just 31 percent of your donor file. Bringing donors to the \$250 level, and then keeping them there or higher, should be a major emphasis of your fundraising.

*The Fundraising Effectiveness Project (FEP) and the subsequent Growth in Giving Initiative was created to conduct research on fundraising effectiveness and help nonprofit organizations increase their fundraising results at a faster pace. The ability of the FEP to gather donor data anonymously from so many different charities and delve into the numbers has created new research benchmarks that are changing what we think we know about fundraising and donor retention.*

*Most fundraisers are aware of the traditional 80/20 rule, which state that roughly 80 percent of your funds typically come from 20 percent of your donors. But our research is showing that for many organizations, that standard is becoming outdated. The FEP has found that for many small- and medium-sized charities, the standard is three percent of donors accounting for almost 75 percent of gifts. These types of findings only further emphasize the importance of retaining and cultivating existing donors and having an effective mid-level and major gifts program. While charities need a consistent pipeline of new donors committed to the cause, it is our existing, bigger-gift donors that keep our organizations moving forward.*

*The FEP's work is predicated on our partnership with our donor software partners as we continue to leverage non-identifiable data into powerful research that informs philanthropy and fundraising. If your charity isn't already providing its data to the FEP, I encourage you to do so. The more data we have, the more precise and powerful our findings will be. You can find more information at [www.afpfep.org](http://www.afpfep.org).*

*Erik Daubert,  
Chair, Fundraising Effectiveness Project*

The FEP is also delving into giving and fundraising by subsector. Collaborating with Giving USA, it released **Giving USA Philanthropy Spotlight: Benchmarking Giving to Human Services Organizations (HSOs)**, highlighting how fundraising and retention have been faring at human service charities. While lagging behind in the past, these charities have seen giving increase since 2009 by more than 58 percent, ten percentage points higher than the rest of the sector.

New research by Rogare and the Plymouth University's Centre for Sustainable Philanthropy has gleaned some surprising results about the charity-donor relationship and what donors want in their research project **Relationship Fundraising: Where Do We Go From Here?**

According to Professor Adrian Sargeant, one of the authors of the research, when donors first begin their relationship with a charity, they are attracted to the organization because of the good work it does and how it helps its beneficiaries. But once that stage has passed and donors have a good relationship with a charity (having supported it several times, no sure thing given issues with retention), the focus changes. Donors become more concerned with what they get out of the relationship and less about what they do for the organization and the cause. Some of these needs might include needing to belong or feeling connected to others, or a need for growth, self-actualization and/or self-fulfillment.

The theme of **donor choice** continues to resonate throughout the profession, understanding the identity of your donors, what they want out of their giving and/or volunteering, how they like to be approached and communicated with and what makes them inspired to stay involved. Implicit in donor choice is the idea of donor segmentation, giving donors differentiated, personalized, and unique communications based on their interests. None of these particular ideas are especially new, but again new research is now showing just how important donor choice is, and technology is providing ways for charities to deliver it.

*New research and initiatives for data collection are revealing an increase in donor acquisition for nonprofits. These new donors, often introduced to charitable giving through gateway methods like giving days, fundraising challenges, and crowdfunding, are helping to maintain record-breaking overall charitable giving year over year, as reported by Giving USA 2016: The Annual Report on Philanthropy for the Year 2015. But, acquiring them is expensive. It is estimated that acquiring one new donor is now five times as costly as retaining a current donor.*

*Jeffrey D. Byrne,  
Chair, The Giving Institute*

# PRESIDENTIAL CAMPAIGNS AND CHARITABLE FUNDRAISING

For many years, the fundraising profession has operated on the premise that elections are bad for fundraising because of the supposed competition from political campaigns. But several reports published in 2016 contradict the conventional wisdom.

Early in 2016, Blackbaud released **Giving in an Election Year**, featuring the charitable giving habits of 400,000 political donors based on data from the 2012 presidential race. According to the study, donors who gave to federal political campaigns in 2012 gave 0.9 percent more to charitable organizations in 2012 compared to 2011, while donors who did not give to political campaigns reduced their giving to charities in 2012 by 2.1 percent. These data findings held true across all sub-sectors as well as the demographic segments of age range, household income and head of household gender.

A **Dunham+Company 2016 Donor Confidence Report** also focused on this issue and reported similar findings. Nearly 8 out of 10 donors (79 percent) indicated they would give the same or more as they gave in 2015 to charitable causes; only 14 percent said they would reduce their giving. Eight percent were unsure. Of those who were giving less, none said it because of the election but primarily because of their financial situation.

*The Nonprofit Research Collaborative asked charities in the U.S. and Canada to report their success as of mid-2016 with fundraising. Along with those questions, the survey asked charities raising funds in the U.S. how campaigns at all levels might be affecting charitable funds received. More than 1 in 5 (22%) said they had raised less than they expected as of mid-2016 and attributed the decline to campaigns. Five percent (or 1 in 20) said they had raised more than expected due to campaigns.*

*Reductions were not necessarily because charity donors redirected funds to politics, although that was one explanation offered. In other instances, donors simply did not want to take risks in uncertain times. One survey respondent summed that perception neatly: “Our major donors aren’t opening their wallets this year—regardless of their political affiliation. When asked, they state that there is too much volatility in both the political arena and the stock market.”*

*Specific fundraising tactics that softened during the campaign season included telephone appeals. One survey respondent wrote, “The calling program met with the huge challenge of our constituents not picking up the phone. New Hampshire is pounded with political robo calls—people just don’t answer their phones in campaign seasons.”*

*Some respondents intended to “go easy” on direct mail between September and November, although some might find events to be attractive antidotes to 24/7 political news. One survey participant noted, “People are wanting to escape reality— more vacations, less involvement. We imagine it does have to do with the stress and uncertainty of the election.*

*Melissa Brown,  
Manager, Nonprofit Research Collaborative*

While some charities do feel some impact (see the Nonprofit Research Collaborative sidebar), the impact of presidential campaigns on charitable fundraising seems highly overblown. If anything, the data shows that engagement breeds engagement, and that donors often give robustly to both charitable and political causes. Many donors understand that change comes through a variety of ways, and that it can be achieved both through charitable and political means.

# DEVELOPING A CULTURE OF PHILANTHROPY

The fundraising profession has grown and developed significantly over the past several decades, and most charities, nonprofit employees, board members and supporters realize its importance. But the understanding of fundraising and what it takes to raise funds consistently and effectively has decidedly not kept pace.

Many fundraisers know this based on experience, but the 2013 **Underdeveloped** study by the Haas, Jr. Fund and CompassPoint Nonprofit Services revealed the pointed lack of institutional support for fundraising at many organizations—from boards, executive directors and other staff—as well as the dissatisfaction felt by all parties involved in the fundraiser/board/executive director relationships.

The next step? To develop “cultures of philanthropy,” a term that has been used on and off in the profession for years, but has now taken on extra significance. While there are many ways to define a “culture of philanthropy,” it is generally referring to how boards, staff and others embrace (or don’t embrace) philanthropy as a critical part of their organizational culture. Do they see its impact on fulfilling their mission and providing their programs and services? Do they understand what philanthropy is, what drives it and how it relates to fundraising? And most importantly, do they see the role they have to play in the fundraising process?

*Former AFP Chair Andrea McManus, CFRE, put together a series of nine signs that your organization is on the road to having a culture of philanthropy.*

1. *Your board and leadership can both pronounce and spell the word “philanthropy.”*
2. *Your organizational leadership understands and acknowledges the difference between philanthropy and fundraising.*
3. *When donors contact the organization to make a donation, your front office staff knows who they are. And even more importantly, they know what to do with the request without letting it languish in your voice mail or email system. All staff have a role to play.*
4. *Your organization recognizes that its primary role is not fundraising. We are not out to “get donors” or simply “raise funds.” We are building the philanthropic culture in our organizations so that donor relationships can survive and thrive.*
5. *You have a statement of philanthropic values. How do you want to treat your donors? How important are they to your organization? What is everyone’s role in the philanthropic process?*
6. *Development isn’t seen as an evil, corrupting force, but is rather a core function that is long term, strategic and responsive to community needs.*
7. *Accountability is a word your organization lives by, not pays lip service to. Ethics and public trust are the foundation of philanthropy. They apply not just to fundraisers but all staff.*
8. *One hundred percent of our Board makes annual philanthropic gifts to the organization a demonstration of its ownership in the fundraising process.*
9. *Donors are viewed as stakeholders in your organization. They are an equal partner in the philanthropic process.*

In **Beyond Fundraising: What Does it Mean to Build a Culture of Philanthropy?**, the Haas, Jr. Fund gathered together a diverse group of experts to offers a framework for understanding what a culture of philanthropy might look like, and provides suggestions on how to know if you have one. The report found four core components in order to have an effective culture of philanthropy:

1. Shared Responsibility for Development
2. Integration with Alignment and Mission
3. A Focus on Fundraising as Engagement
4. Strong Donor Relationships

Fundraisers and all charity employees are encouraged to read the report, which contains tips and ideas on helping to develop a culture of philanthropy in your organization.

Also in 2016, the Concord Leadership Group released the **Nonprofit Sector Leadership Report**, focusing on three key areas where nonprofits are struggling: basic strategic planning, communicating their story, and regular performance evaluations. The report found that:

- 49 percent of nonprofits are operating without a strategic plan — even one in five of the largest nonprofits.
- 61 percent of nonprofit CEOs are not getting their performance reviewed by their board.
- Despite 10,000 Baby Boomers reaching retirement age every day, 77 percent of nonprofits do not have a succession plan.

The report also offers several solutions and guidelines for charities facing these challenges, including

- **Write Down the Plan.** Since almost half of nonprofits do not having a plan in writing, the first and top recommendation is write down the plan. Having a strategic plan written down impacts each of the other areas of nonprofit leadership, including sharing the story.

*Fundraising is about more than one person and more than one department. That may be the biggest takeaway from the UnderDeveloped report we produced in partnership with CompassPoint in 2013. The report suggested that fundraising works best in organizations with a culture of philanthropy where the responsibility for fundraising is shared more broadly among the staff and the board.*

*This doesn't mean that development directors are less important in organizations with a culture of philanthropy. Far from it. In follow-up studies supported by the Haas, Jr. Fund, we've looked at what it takes to build this kind of culture. What we're seeing is that the role of development staff changes — along with the skills they need to perform effectively.*

*Of course, fundraising skills will always be essential. But in a culture of philanthropy, development staff are key leaders and change agents in the organization. Consequently, they need core leadership skills, such as the ability to change culture, build relationships, and rally staff and board behind a shared vision — and shared responsibilities — for fundraising.*

*Right now, the bulk of training and professional development for people in development are focused on technical and “101” skills. Based on our research, it's time to help development staff learn the skills they need to fulfill their rightful role as leaders in their organizations and the sector.*

*Linda Wood,  
Senior Director, Haas Leadership Initiatives,  
Evelyn and Walter Haas, Jr. Fund*

- **Foster a Leadership Culture.** More than one in three nonprofits reported a “high” turnover of staff and difficulty attracting new talent. Yet 77% reported not having a leadership program in place—groups that help shape the organization’s direction, craft its outreach strategy, or are a committee of the board. As all generations mix in the staff and on the board, institutional knowledge is passed down and new ideas percolate up.
- **Formalize a Leadership Training Program.** As your organization experiments with multi-generational teams, you’ll start developing a pool of potential leaders. Set aside regular time for training — whether the trainers are from within the staff or outside speakers. And set aside time for your staff to share what parts of the training they are able to use in their day-to-day work.
- **Create a Succession Plan.** “Hiring a new CEO/executive director” was the lowest ranked of the 12 possible “top priorities” for nonprofit leaders in this study. But creating a succession plan can lead to important conversations about retirement plans and what the organization needs to put in place now to competitively recruit a successor.
- **Learn Storytelling.** Communicating a compelling vision, being an ambassador for the organization, and inspiring action are all traits of strong leaders. But 62% of those in the survey reported not knowing how to create a compelling vision. Even when just looking at the CEO responses, it is still 55% who say they don’t know how to create one.

*There is tremendous pressure for boards and leadership teams to up their game in terms of accountability, transparency, and resiliency, often within the same breath as criticism for spending too much on the management, technology and infrastructure that make it possible. “The Overhead Myth” campaign has gone a long way to helping nonprofits and the public better understand this dynamic, but – when it comes to fundraising expenses – there is still the widespread misconception that the less you spend, the better.*

*This orientation to fundraising fails to acknowledge how critically important it is that nonprofits invest in strategic fundraising efforts. And it encourages organizations to starve their fundraising programs into stagnation and invites criticism for those organizations that don’t. This is being fueled by reporters who sometimes don’t understand fundraising strategy well enough to avoid potentially damaging mischaracterizations of the nonprofit organizations they cover. And it leads others to argue that there’s truly no limit to what an appropriate investment in fundraising is – that any incremental increase in support for the organization’s mission justifies the expense of raising it.*

*This raises the stakes for boards and executives, who often struggle to clearly articulate what their organization is doing when it comes to fundraising – and why. And it creates a compelling case for more sector-wide dialogue about what balanced and responsible fundraising looks like*

*Anne Wallestad,  
President & CEO, BoardSource*

# FUNDRAISING, THE MEDIA AND THE GENERAL PUBLIC

Fundraising is predicated on public trust and confidence, and any incident involving a charity can have a spiraling effect on other nonprofits and even the entire sector.

Charities in the UK have experienced this starting last year when an elderly woman, Olive Cooke, was originally reported to have taken her own life after being overwhelmed by charity requests. Her family has since said that was not the case, though she had received a large number of solicitations. That incident, along with undercover investigations which found that telephone fundraising companies were approaching vulnerable members of the public to sign up for donations despite knowing they had dementia or Alzheimer's, was the catalyst for significant public concern and increased regulation and oversight of charities by the government.

In response, the sector launched **The Commission on the Donor Experience**, which seeks to support the transformation of fundraising and change the culture to a truly consistent donor-based approach to raising money. The Commission has put together more than 20 different project groups, made of fundraisers, philanthropic leaders and other volunteers, to examine all different aspects of fundraising and philanthropy, including the use of language and emotion; fundraising and vulnerability; the role boards and the public face of charities. Some of the project leaders have already blogged and written about their initial experiences and work so far. The Commission is an extraordinary united response from the sector to advance ethical fundraising and create a strong culture of philanthropy in the UK.

*Philanthropy took an unprecedented role in the presidential campaign this year – educating reporters and the public about the intricacies of nonprofit ethics and public accountability will have long-running ramifications.*

*The focus on philanthropies created by Trump and Clinton put a damper on the incredible excitement America felt after the \$45-billion pledge by two of America's youngest billionaires, Mark Zuckerberg and Priscilla Chen.*

*Still, their approach to philanthropy touched off cynicism too, especially among critics who are growing increasingly concerned about a lack of transparency and a blurring of the lines between philanthropy and politics among America's superwealthy.*

*But all the attention the news media has paid to philanthropy has not been about giving by the 1 percent—but also about the fundraising practices of highly respected groups like the Red Cross and Wounded Warrior, which have endured withering investigative reports about whether contributions are going to those most in need.*

*Taken together, this coverage makes it more important than ever that nonprofit leaders take a more aggressive and assertive approach to telling their stories. After all, a Chronicle poll last year found that 1 in 3 Americans don't trust charities – and an increasing number aren't convinced that nonprofits do a good job of providing services. When Americans lose faith in what makes nonprofits so distinctive, we all have reason to worry. We must help Americans better understand what charitable donations are accomplishing, whether they come from Bill Gates's big checks or the pennies dropped in a Salvation Army kettle.*

*Stacy Palmer,  
Editor, The Chronicle of Philanthropy*

Fundraising and overhead costs have continued to be key concerns for the public, even as increasing research shows that overhead costs have no relation to a charity's effectiveness, and such costs are an important way charities create capacity to provide their programs and services. The Overhead Myth Project was started to help change public perception and improve education about the importance of overhead costs. In 2016, Guidestar distributed its **Six Tips for Busting the Overhead Myth.**

- **Show Donors Your Unique Value.** Understand and be able to communicate succinctly what makes your nonprofit stand out in the sea of organizations performing similar services. If your supporters can't find out within the first few minutes of engaging with you, it may be time to rethink your communications strategy.
- **Demonstrate Ethical Practice.** Nearly half of donors say they are concerned about how nonprofits use their donations. But ethics go beyond just verifying your legitimacy to donors, however. Treat your employees fairly by learning the new overtime rules, paying your interns, and opening the conversation on how your HR team can start to disclose salary ranges on job postings. Your organization can also take part in philanthropy's ongoing initiative to advance diversity, equity, and inclusion by sharing its organizational demographics of gender, race and ethnicity, sexual orientation, and disability status on its GuideStar Nonprofit Profile.

*I have worked extensively in international philanthropy for more than 30 years, from Canada to Australia to Western Europe to Eastern and Central Europe. The US contribution to global philanthropy cannot be minimized—it is our finest global export. While we did not “invent” philanthropy, we certainly organized it, but there is so much we can learn from how it has evolved.*

*My international work is primarily centered in Central and Eastern Europe, and what I see there is a boldness to actually try new ideas that we are only considering. Because they do not have a century or more of practices to undo if they want to move forward quickly, they are inventive and innovative without the constraints of offending an elder, violating a fundraising rubric, or challenging established fundraising practices.*

*Instead, they approach fundraising with a marvelous freshness based in what is possible relative to what needs to be done, rather than what has been determined by some professional ancestor to be impossible to attempt or achieve. Does it always work? Of course not. But what I feast on in my work is their naive (in the best sense of “open”) ability to see a situation and find a solution, employing strategies both proven (inherited from the Western world) and unproven (largely intuitive). What is the value of this? To me, it is apparent and a value that I tap into every year as I return to Prague or Bratislava: what can I learn from them?*

*I can learn to be less weighted down by what I have been told works (here) and open to what they believe will work (there). I have learned the relative application of basic principles and how they differ in success depending on where they are practiced. I have also learned, as I teach and mentor, to temper the perhaps over-reaching ideas that erupt from minds new to philanthropy who see a problem and quickly seek to solve it—providing not discouragement, but encouragement based on what I know may work for them. I do this because I remember US philanthropy when it was relatively young and seeking solutions, before it became encrusted with habits and practices that may not now be the best.*

*Continued...*

- **Share Data about Your Performance.**

Measuring the difference your nonprofit is making is complex. But we still have to try. Share information about your goals, strategies, management systems, and governance processes with the metrics that best fit your organization.

- **Manage Toward Results and Understand Your True Costs.**

Nonprofits commonly talk about the scope of the needs they're addressing. Their primary focus, however, should be on showing the difference they're making, or their outcomes. These changes should be measured and monitored, link directly to the efforts of your program, and serve as the basis for nonprofit accountability.

- **Show Your Board and Funders That Overhead Works.**

Ask the tough questions internally to make the most out of the overhead you are receiving—are we spending our money most effectively for the long term? Share with your board past examples of what has happened when your organization didn't invest in overhead, and compare them to positive outcomes that occurred when you did.

- **Educate Funders about the Real Cost of Results.**

Funders need to understand the truth if they are to change their behavior. Talk honestly with your funders (individuals, foundations, corporations, and government) about what it takes to do your work. Ban the use of overhead ratio pie charts in your organization and use meaningful performance metrics instead!

*...Continued*

*So, my "takeaway" from the work I do with global philanthropy, and particularly what is practiced in Central and Eastern Europe, is that we have much to offer but they will listen and learn and then do it their way. Philanthropy means love of humankind, and they love their people just as we love ours. We have given them the foundation. They are building the structure.*

*Kay Sprinkel Grace, Fundraising and Organizational Consultant*

# DIVERSITY

As the demographics of the U.S. change, so do the demographics of donors and fundraisers. Diversity and inclusion are no longer just buzzwords, but represent critical aspects and aspirations for the profession, the sector and all of society. AFP is committed to increasing diversity and inclusion both within the fundraising profession and the sector, as well as among all donor groups.

In 2013, AFP, along with D5 and the Joint Affinity Group, held a Diversity and Inclusion Summit to begin exploring how to increase diversity in the profession and throughout the charitable sector. One of the key takeaways from the Summit was the need for baseline data on the current level of diversity in the profession. In 2016, AFP published the results of its **Diversity and Inclusion Survey Report**. Some of the highlights include:

- More than a third of respondents thought that the number of ethnically diverse fundraisers has increased since 2001, while 4 percent felt it had decreased, and almost 60 percent said it had stayed the same.
- Respondents cited lack of staff support, organizational dysfunction, lack of support from the organization's leadership, lack of understanding of fundraising requirements within the organization, and lack of promotional opportunities as their biggest professional challenges.
- People of color that responded to the survey were much more likely to see insufficient organizational diversity as a challenge to their professional careers than Whites/Caucasians.

*By now you've heard the mandate that non-profit boards and staff should aspire to look like the populations they serve. I think the fundraising profession should be at the forefront of this aspiration. We have the depth of seasoned professionals, and an established body of knowledge and best practices, that would lend themselves well to ensuring the success of the next generation of fundraising professionals – a generation that will be more diverse than any before. It is incumbent on us to embrace them, meet them where they're at. The question is, how? Where do we start?*

*We start by stepping up.*

*You, me, all of us have to step up, and share our experience, our knowledge with young professionals entering this profession. The first step is mentoring. Many of us were the recipients of the time guidance of a seasoned professional; someone who took us under their wing at a pivotal time in our burgeoning fundraising career. It's time to pay that forward ten times over!*

*And yes, you do have time.*

*Let go of the idea that you need to be a part of a structured mentorship program that dictates the interactions. Those programs have their place. I met one of my two mentees through a structured mentorship program; we have far surpassed the goals of the program, and have moved on to define our relationship for ourselves. I have chosen to invest in the success of both my mentees. The diversity of their experiences, perspectives will be a strength to any organizations for which they will serve as fundraisers, and for the profession as a whole. It's your turn to invest.*

*Jaye Lopez van Soest, CFRE,  
Chair, AFP Diversity and Inclusion Committee*

- Having a mentor is positively associated with plans to stay in the profession, being a member of a professional fundraising association, feeling welcomed by the professional association, holding a fundraising certification, and feeling that inclusiveness is a priority for one's organization.

Another important resource, this time from the donor perspective, is the **Blackbaud Diversity in Giving: The Changing Landscape of American Philanthropy** study, released in 2015. The study found that “nearly three-fourths of donors today are non-Hispanic whites, despite the fact that whites make up only 64 percent of the population. Conversely the study finds that both African-Americans and Hispanics are under-represented in the donor universe. Asian donor participation appears congruent with the Asian population size.”

While the Blackbaud study looks in-depth at African-American, Asian and Hispanic donors, it also found three core values that appeared across all spectrums of donors:

- The impulse to help those in need is universal. Majorities across all sub-groups believe it is important to support nonprofit organizations. Roughly one in three donate time, as well as money, by volunteering.
- Religion and faith are both drivers and indicators of giving. Religious organizations capture a significant proportion of all money donated. Moreover, donors who report being actively engaged in a faith community are more likely to give—and to give more—to the full spectrum of nonprofits and causes.

*The Bureau of Labor Statistics projects that over the next decade the employment of fundraisers will grow 9 percent—faster than the average for all occupations. This strong employment growth will be driven by the increasing need to raise money for nonprofit organizations, including educational institutions, religious organizations, health research foundations, social services organizations, and political campaigns.*

*As we look for qualified individuals to fill these available positions, the African American Development Officers Network (AADO) has some recommendations for how those of us in the important role of making the hiring decisions can be more vigilant about selecting diverse candidates—not just those who look like us—to ensure more diversity in the fundraising profession. This includes all forms of diversity.*

*While merit is important in making a hiring decision, the final choice is often influenced by the hiring manager's personal preference (i.e., who they like). And this is regularly influenced by the qualities they see in that individual that remind them of themselves. You can't have diversity and all of its benefits if you are continually duplicating yourself or the dominant culture of your organization.*

*Make sure to consider the full list of candidates who rise to the top. Evaluate them according to their individual talents, and be careful of favoritism based on your personal likes and dislikes which can unintentionally enable certain candidates to succeed and make others feel less valued. Recognize that you have the power to make a difference. Be someone's champion when you know it's justified—not just in hiring, but also when giving assignments and promotions. Notice your unconscious bias and don't just hire the image reflected in the mirror.*

*Birgit Smith Burton, CFRE,  
Chair, African American Development Officers  
Network*

- Wealthier individuals donate more in absolute terms than those with midlevel or lower incomes. Analysis suggests that household income is a primary predictor of how much individuals give regardless of race or ethnicity.

This year, the Women’s Philanthropy Institute published **Giving to Women and Girls: Who Gives and Why**. The report shed light on the growing visibility of women’s and girls’ causes and is the first to explore the methods and motivations of donors to women’s and girls’ issues, including important findings for funders, advocates, fundraisers, and wealth managers. Some of the highlights from the study include:

- Both men and women give to women’s and girls’ causes. Of the survey respondents who donate to charity, 50% of women and 40% of men said they give to women’s and girls’ causes.
- Many women donors are motivated to give to women’s and girls’ causes based on their desire for gender equality in society.
- Women are changing philanthropy. Through the increase in their wealth and their rise into leadership roles, we see that women are influencing the direction that money is moving and even the platforms by which people give.
- Barriers to giving to women’s and girls’ causes include the complexity and scalability of women’s issues, the sex-segregated nature of women’s giving, and the connection to political issues which are often embedded in women’s causes.

# STATE OF THE PRACTITIONERS

The strength of the profession and the sector can also be measured in how its practitioners and employees are compensated for their work and their general satisfaction with their professional efforts.

The mean (average) salary in 2015 was \$70,880, according to the **AFP 2016 Compensation and Benefits Report**, a 6.6 percent decrease from the 2014 average of \$75,913. The median (middle value) salary was \$62,000, a 4.6 percent drop from the median in 2014 of \$65,000.

The top 25 percent of respondent fundraisers earn more than \$85,000, and the bottom 25 percent earn \$47,200 or less.

There is a strong correlation between years of experience and compensation. Fundraisers with less than 10 years of experience reported average salaries of \$50,324 - \$68,923. Those with 10-24 years of experience reported average salaries of \$76,347 - \$89,411. Those with 20 or more years of experience reported averages of \$100,648 - \$117,908.

There is a dramatic difference in the compensation of males and females. The average salary of male fundraisers is reported to be \$88,169. Females are paid an average of \$69,134. The 2015 numbers mark just the second time in the 15 years of the survey that the salary gap has been less than \$20,000, despite women making up the majority of AFP members (75 percent) and respondents to the survey (80 percent).

## **Issues in the Workplace**

The average respondent has worked for 3.1 employers as a fundraiser. The average number of years per employer (turnover rate) is 3.9, slightly changed from last year's 4.1 years.

Insufficient staff personnel, competition from other assigned duties, and leaders who don't appreciate fundraising were the three situations respondents reported as most problematic in doing their professional work.

About half (47 percent) plan to serve in their present position indefinitely. Twenty-one percent would like to move to a higher management level at work, three percent would like to have different fundraising responsibilities in their jobs, 14 percent would like to move to a different fundraising organization, and four percent would like to leave fundraising for a different field.

More than 70 percent of respondents work remotely at least occasionally, and 86 percent feel that working remotely is a desirable benefit.

The survey also asked questions about respondents' confidence in different parts of their organization. Fifty-six percent of respondents feel somewhat or very confident in their organization's board member/leadership engagement in fund development. Fifty-seven percent of respondents feel somewhat or very confident that fund development, philanthropy and accountability are understood and valued throughout their organization.

### **Data from the Lilly Family School of Philanthropy**

Drs. Sarah K. Nathan and Eugene Tempel of the Indiana University Lilly Family School of Philanthropy are taking a demographic look at fundraisers, based on surveys of 1,826 respondents taken in 2015, and compared with similar surveys taken in 1996. The official report is due out later this year, but among the highlights the two presented at the AFP International Fundraising Conference in Boston include:

- Fundraiser tenure has gone up. People are staying on their jobs longer.
- Once a fundraiser gains a total of 10 years experience at various positions, they then tend to stay longer at their next job, up to five to six years.
- The characteristics of a good fundraiser are honesty and integrity. Why those traits are the most prominent will be analyzed by the team this summer.
- The average age when people enter fundraising is now 30, and the median age is 27.
- In 1997, only 15 percent of development professionals entered fundraising as their first career and the average age of entry into the profession was 33.5 years for women and 33 for men. At that time, most learned fundraising on the job.

# ONLINE GIVING AND SOCIAL MEDIA

According to the **Blackbaud 2015 Charitable Giving Report**, online giving grew 9.2% in 2015 compared to 2014. Large organizations grew by 9.6%, medium sized organizations grew 9.1%, and small nonprofits grew 8.3% on a year-over-year basis

The percentage of total fundraising that came from online giving continued to grow in 2015. About 71% of overall fundraising revenue, excluding grants, was raised online. This increase was due to increases in episodic giving and continued digital adoption by donors.

Mobile giving reached a tipping point in 2015 with nearly 14% of online transactions made using a mobile device. This continues to demonstrate the key role that emerging digital technology plays in engaging donors.

The **2015 Global NGO Online Technology Survey** by Nonprofit Tech for Good surveyed 2780 charities in 133 countries, as well as 355 donors from 27 countries. The comprehensive survey provides a great overview of the use of technology and online fundraising by charities around the world.

- 46% regularly publish a blog. 75% regularly send email updates to donors and supporters. Small NGOs have an average of 6,035 subscribers. Medium NGOs have 55,596. Large have 357,714.
- 95% have a Facebook Page. Small NGOs have an average of 5,723 likes. Medium NGOs have 28,337. Large NGOs have 127,930.
- 83% have a Twitter Profile. Small NGOs have an average of 3,332 followers. Medium NGOs have 13,680. Large NGOs have 66,167.
- 40% have an Instagram Profile. Small NGOs have an average of 504 followers. Medium NGOs have 2,676. Large NGOs have 10,548.
- 62% of donors worldwide prefer to give online. 23% through direct mail. Six percent through a mobile app or via text. Nine percent through other methods, such as workplace giving, fundraising events, stock, over the phone.
- 27% of donors worldwide cite social media as the communication tool that inspires them the most often to give. 23% cite email. 14% credit an NGO's website. 12% responded print materials. Five percent answered TV and/or radio. Two percent answered text messaging. 17% indicated other tools, such as face-to-face contact, workplace giving, fundraising events, and telemarketing.

The tenth annual **M+R Benchmarks Study** examines a variety of online metrics, including email performance, website traffic and social media engagement, based on survey of 105 nonprofits. A few key findings:

- Nonprofits spent an average of \$0.04 for every dollar raised online in 2015. That means, for example, that a nonprofit that brought in \$1 million online invested \$40,000 on search, banners, branding, etc.
- Online revenue was up 19% in 2015, and email revenue grew even faster with a 25% increase. On the other hand, email open rates, click-through rates, and response rates all declined.
- Overall, 13% of online gifts were made from mobile devices — a number that likely reflects both user preference and increasing adoption of mobile optimization best practices by nonprofits.
- Nonprofit online programs are increasingly complex, using email frequency, paid ads, Facebook, Twitter, Instagram, and more. For every 1,000 email subscribers, nonprofits have 355 Facebook fans, 132 Twitter followers, and 19 Instagram followers. In 2006, those numbers were basically zero, as Facebook was limited to .edu email addresses, Twitter and Instagram hadn't even started.
- The average nonprofit in the study sent the average subscriber on its list 49 email messages in 2015.
- Monthly giving accounts for 17% of all online revenue, and monthly giving is growing quite a bit faster than one-time revenue.

# YOUR 2017 CHECKLIST

- o There are a few signs that giving could be slowing a little, though is likely to increase overall in 2016. The outcome of the presidential election may have an impact on the economy, which in turn could also affect year-end giving. Charities should be aware of this potential change as they make plans for 2017.
- o Benchmark your own fundraising using studies such as **Giving USA**, the **NRC Winter 2016 Fundraising Survey**, and the **Blackbaud 2015 Charitable Giving Report** and others to see where you are doing well and where you can improve in our fundraising.
- o Spend half an hour reading the **Beyond Fundraising: What Does It Mean to Build a Culture of Philanthropy** report, then consider how far along your organization is in creating its own culture of philanthropy. Does your board, staff, donors and others understand the role of fundraising, and if not, what can you do to help educate them?
- o Use the Fundraising Effectiveness Project and Growth in Giving Initiative's Tools like the **Fundraising Fitness Test** to see how your organization stacks up and where to focus your fundraising efforts. How well are you retaining donors? If \$250 is the "magic number" for gift contributions, how can you best cultivate donors to that level?
- o Have you considered which of your donors could benefit from using the IRA Charitable Rollover to support your organization?
- o Talk to your accountant about how the FASB changes might affect your fundraising or how your fundraising is conveyed to the public. Read Seth Perlman's overview of the new FASB changes on the AFP website.
- o Will the new overtime rule affect any of your fundraising positions? The National Council of Nonprofits has a great checklist and toolkit for understanding these new rules.
- o Ensure that you and your organization are positioning diversity as a key priority. As Birgit and Jaye noted in the Diversity section, small steps are equally important: Mentor someone. Ensure that diversity is taken seriously when hiring.
- o Read **Relationship Fundraising: Where Do We Go From Here?** and understand how donors view their relationship with your organization over time. What are you doing to give your donors choice—in how they give, how they hear from you, how often they hear from you and what information you provide to them?
- o Invest in your own professional training and earn your certification. Think not only about fundraising skills, but communications, management and leadership skills that can help create a culture of philanthropy in your organization.