First Things *First*

forward to a friend

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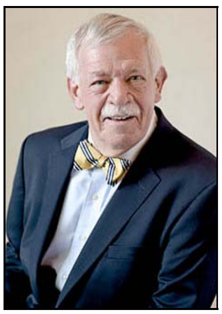

from the coastal-desk of
David T. Shufflebarger | Senior Partner

More Gifts & Bigger Gifts...But Fewer Donors

Despite encouraging news that giving in America reached almost $400-billion in 2016, there are signs for concern when it comes to the number of people giving.

A recent *Chronicle of Philanthropy*'s analysis found only 24% of those who itemized in 2015 reported a gift. That was down from 30 to 31 percent between 2000 and 2006. Two university studies documented a similar decline among all households.

Between 2000 and 2014 the *Philanthropic Panel Study* by the *Lilly School of Philanthropy at Indiana University* showed the number of households making a gift declined from 66.2% to 55.5%.

An obvious assumption is that the Great Recession had a major impact on household giving, but the trend started before that, dropping from 67% in 2004 to 65% in 2006.

There is evidence that the recession had an impact on middle-income families. The Chronicle noted that among those who itemized charitable deductions on their tax returns between 2000 and 2014, the share of reported giving from families making more than $100,000 grew from 43% to 75% meaning the share from those below $100,000 dropped from 57% to 25%.

There is no consensus on what caused these declines...

but there are several points worth noting:

About That Bumpy Ride...Don't Panic

Last month, Alexander Haas President & CEO David King wrote in this very newsletter that the new tax laws, put in place in January, would no doubt have some effect on philanthropic giving. He cautioned then that the next few months could get bumpy for fundraisers.

This month, ***The Chronicle of Philanthropy*** turned to David when reporting on new bumpy challenges for the philanthropy community....the Dow Jones decline. On February 5th, the Dow experienced its worst point drop in history. On February 8th, investors saw the second-worst point drop. In the week since, the Dow has posted gains, underscoring this is indeed a bumpy ride.

First tax rules, now the stock market...is this an echo of the Great Depression of 2008, which punched giving squarely in the gut?

from the article
*"When we see a drop in the Dow, we flash back to the fall of 2008 and think the sky is falling," says **David King, chief executive of Alexander Haas,** a fundraising consulting company in Atlanta.*

But experts say the Chicken Littles should chill - at least for now. A market crash is defined as an abrupt decline of 20 percent or more in value, as in 2008. So far, stock values have declined by no more than 10 percent compared with the year's high, far from crash territory.

"We saw organizations stop capital campaigns in 2009. But that's not where we are now," King says.

Go here to read the article (subscription may be required)...

You Should Know....

Gems from the *Data* Mine

On March 6, the **National Endowment for the Arts** and the Bureau of Economic Analysis will release the latest national and state numbers measuring the economic impact of the arts. Until then, consider this: In 2015, U.S. consumers spent $31.6-billion on admissions to performing arts events. After adjusting for inflation, this number is $1-billion more than expected, given the level of GDP that year. *Artmatters, January 2018*

Wealthy *Women* Donors Willing to Take Big Risks

A new report from the **Women's Philanthropy Institute** at the **Indiana University Lilly Family School of Philanthropy** finds that high-net-worth women who have donated at least $1-million to causes that benefit women and girls are strategic and willing to take risks in their philanthropic efforts. The report combines previous research with interviews with 23 women, all but one of whom is a member of the **Women Moving Millions** philanthropic network.

Among the findings from the interviews:

- Most donors said they gave through either a donor-advised fund or a family foundation.
- Donors expressed a deep interest in giving strategically and focusing their support on groups that promote systemic change rather than Band-Aid solutions to problems.
- The women expressed a high tolerance for risk, contrary to much research on high-net-worth donors.
- Most interview subjects rejected the term "philanthropist." Said the report, "Many women associated it as defining an outdated, patriarchal, and paternalistic donor, a type of donor they did not want to emulate."
- Few participants expressed interest in being publicly acclaimed for their giving.

The Chronicle of Philanthropy, 1-31-18

To *learn* more, the full report can be found here.

We'd Like You to *Know....*

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We are proud of our long history of providing fundraising consulting services to performing arts organizations.

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Our Transforming *Fundraising Services*
Alexander Haas serves a cross section of performing arts organizations throughout the country. We specialize (and delight in) what makes you distinctive. As an arts institution, you have different needs at different times. We can help you create real results.

***Read* all about them!**

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