



# Atlanta Results

Your Monthly Resource for Philanthropic News

Alexander-Haas  
TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

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from the desk of  
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## Board or Bored: The Consequential Role of Nonprofit Boards

According to USAFacts,\* there were 1.97M non-profit organizations operating in the U.S. in 2022. Of those, 1.48M were 501(c)(3) tax-exempt organizations, according to the IRS. Chances are pretty good that most, if not all of those 1.48M organizations have a board responsible for providing governance, strategic direction, and oversight. Board sizes vary dramatically; but for the sake of argument, let's assume the average board size is 15. (Note that, according to BoardSource, in 2007, the median board size, excluding those for churches, was 15). That means that, collectively, there are more than 22M non-profit board members in this country.

Board members are a tremendous source of expertise, financial support, and contacts. They help to ensure that organizations adhere to their missions, and that they remain accountable to their stakeholders, including the communities they service, their donors, and their beneficiaries. Their collective wisdom helps to steer the organization toward achieving its goals, while maintaining financial stability and legal compliance. Volunteer boards (we hope!) contribute to fundraising efforts and resource mobilization and play an active role in cultivating relationships with donors and other supporters, advocating for the organization's cause, and leveraging their networks to secure funding. In the not-for-profit space, funding is the lifeblood that fuels an organization's ability to fulfill its mission.

As is true in many sectors, non-profit boards face numerous challenges today. The complexities associated with governance are increasingly difficult in a highly regulated environment. Thus, they must remain informed about legal obligations, financial reporting standards and best practices in governance to mitigate risk and maintain public trust. They must respond to demands for increased transparency and accountability that result from intense public scrutiny and regulatory requirements. And, boards must ensure they include diversity of skills, perspectives, and demographics crucial to effective decision-making and representation of the community their organization serves.

Boards can and should be champions for their organizations, notwithstanding the increased complexities associated with serving, standing with them in times of crisis. It was much easier to effectively fulfill the responsibilities of being a board member when the work of non-profits, especially institutions of higher learning, faced less onerous regulation, and when their work

was less politicized. Nevertheless, these roles have seldom been more crucial to the overall health, viability, and positive impact of so many not-for-profit organizations.

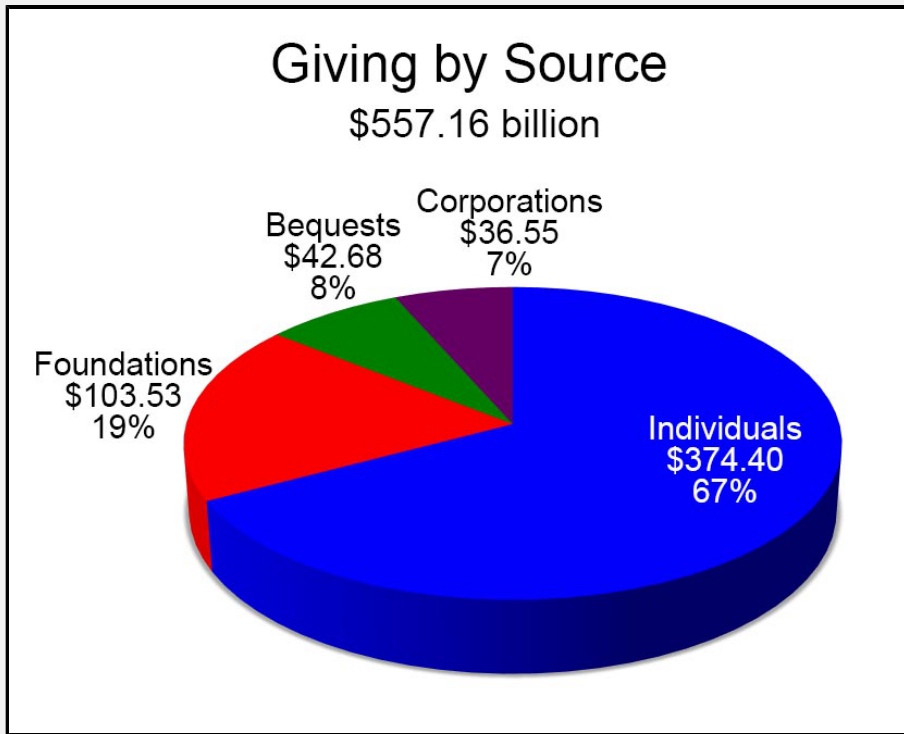
What does all of this have to do with our work in philanthropy? Part of our responsibility is to make sure our board members are well-equipped to do their work on behalf of our organizations. Through effective orientation of new board members, ongoing training regarding good governance practices, and clear and transparent reporting and communication, we can keep our board members inspired and motivated to do their consequential work on behalf of our organizations.

The demand for philanthropic support continues to increase, and those of us in the fundraising profession face those demands daily. However, when done well, the investment of our time, effort, and energy in supporting, cultivating, and engaging our board members will generate real return on investment.

*\*USAFacts is a not-for-profit, nonpartisan civic initiative that strives to make government data easy for all Americans to access and understand.*

Our Team

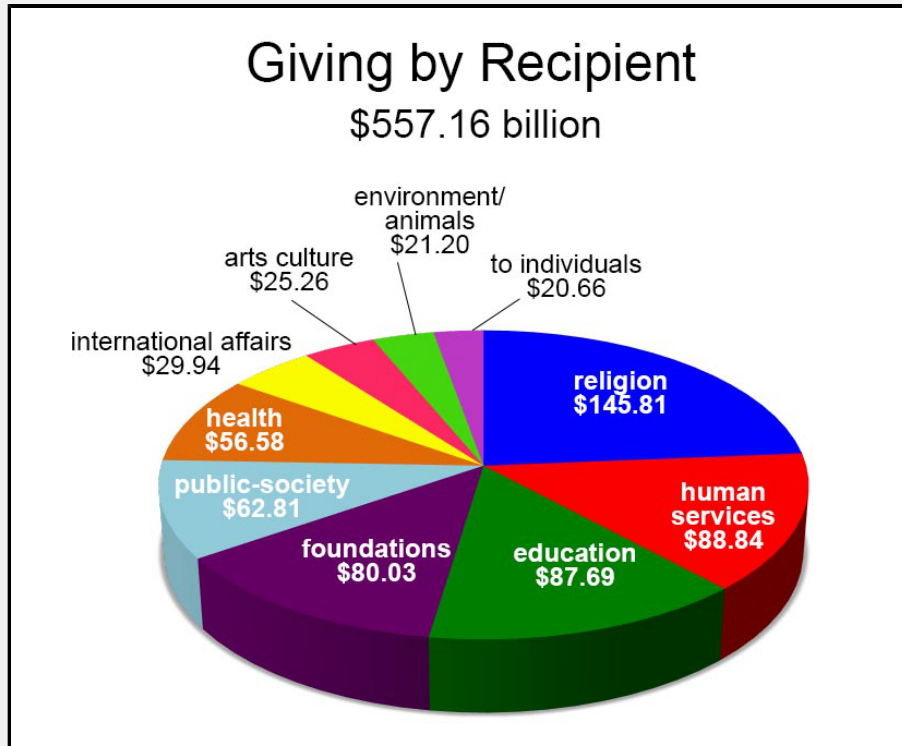
## Quick Look at the Results for 2023



- Giving by individuals totaled an estimated \$374.40 billion, growing 1.6% in 2023 but declining 2.4%, adjusted for inflation, between 2022 and 2023. Inflation-adjusted giving by individuals declined by 12.6% between 2021 and 2022. The cumulative change in inflation-adjusted giving by individuals between 2021 and 2023 is -14.7%.
- Giving by foundations grew 1.7% to an estimated \$103.53 billion in 2023 but suffered a decline of 2.3%, adjusted for inflation. Adjusted for inflation, grantmaking by independent, community and operating foundations grew 6.0% between 2021 and 2022. The cumulative change in inflation-adjusted giving by foundations between 2021 and 2023 is 3.6%.
- Giving by bequest totaled an estimated \$42.68 billion in 2023, growing by 4.8% over

2022, however remaining relatively flat at 0.6% growth when adjusted for inflation. Giving by bequests declined by 8.6% in inflation-adjusted dollars between 2021 and 2022. The cumulative change in giving by bequest between 2021 and 2023 is -8.0% in inflation-adjusted dollars.

- Giving by corporations is estimated to have increased by 3.0% in 2023, totaling \$36.55 billion, which is a decline of 1.1%, adjusted for inflation. Corporate giving includes cash and in-kind contributions made through corporate giving programs, as well as grants and gifts made by corporate foundations. Inflation-adjusted giving by corporations grew 3.3% between 2021 and 2022. The cumulative change in inflation-adjusted giving by corporations between 2021 and 2023 is 2.1%.



- Religious organizations received the largest share of charitable dollars in 2023, at 24% of total giving. In current dollars, giving to religion increased by 3.1% between 2022 and 2023. Adjusted for inflation giving declined by 1.0% between 2022 and 2023.
- Human services organizations comprised the second-largest portion of total gifts received, at 14% of the total in 2023. In current dollars, giving to this sector increased by 5.8% between 2022 and 2023. Adjusted for inflation, giving increased by 1.7%.
- The education subsector ranked third in total gifts received, at 14% of charitable dollars in 2023. Between 2022 and 2023, inflation-adjusted giving to education increased by 6.7%, and in current dollars, it increased by 11.1%.
- Gifts to grantmaking foundations comprised the fourth-largest share of charitable dollars in 2023, amounting to 13% of total giving. Between 2022 and 2023, inflation-adjusted giving to foundations grew 10.8%, and in current dollars, it increased 15.4%.
- The public-society benefit subsector ranked fifth in total gifts received at 10% of charitable dollars in 2023. In current dollars giving to this sector increased by 11.6% between 2022 and 2023, and in inflation-adjusted increased by 7.2%.
- Comprising the sixth-largest portion of charitable dollars in 2023, the health subsector received 9% of total giving. Adjusted for inflation, giving to this sector grew by 4.4% between 2022 and 2023 and in current dollars grew by 8.7%.
- The international affairs subsector ranked seventh in total gifts received, amounting to 5% of charitable dollars in 2023. Giving to this sector declined by 1.6% in inflation-adjusted dollars and grew by 2.5% in current dollars.
- Arts, culture, and humanities organizations received the eighth-largest portion of

charitable dollars in 2023, at 4% of total giving. In current dollars, giving to this sector increased 11.0% between 2022 and 2023 and adjusted for inflation, increased by 6.6%.

- Comprising the ninth-largest share of charitable dollars in 2023, the environment/animals subsector received 3% of total gifts. Adjusted for inflation, giving to this sector grew by 3.9% between 2022 and 2023 and in current dollars, increased by 8.2%.

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## Charities Are Allowed to Do Some Lobbying, But Many Do None at All

Only a fourth of charitable nonprofits have ever formally lobbied the government – far fewer than the three-fourths that did in 2000. U.S. charities may spend some of their time and money on lobbying, as long as those organizations don't primarily exist to influence federal legislation. This rule applies to all charitable nonprofits, which run the gamut from hospitals to social service providers, museums, and environmental organizations.

Charities can lobby by directly contacting lawmakers or other public officials to propose, support or oppose legislation. They may also engage in indirect - or grassroots - lobbying by encouraging their supporters and other people to contact public officials for the purpose of influencing legislation.

Charities are free to spend as much staff time and money as they wish on what the IRS calls "issues of public policy," as long as these educational efforts aren't tied to a political party, specific candidates, or particular pieces of legislation.

A 2023 study of nonprofit advocacy and lobbying by Independent Sector – a coalition of nonprofits, foundations, and corporate giving programs – found that only 1 in 4 charitable nonprofits has ever formally lobbied the government. This is a big decline from 2000, when three in four reported doing at least some lobbying. *COP, 7-12*

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## Dr. Thomas to Leave Morehouse

Dr. David A. Thomas, who has been President of **Morehouse College** for the last seven years, announced his decision to step down.

"Serving as president of this esteemed institution has been the honor of a lifetime, particularly during these years of exciting and challenging times. Over the past seven years, we have had numerous opportunities to enhance our ability to fulfill our mission and values," Thomas said in a statement.



Thomas, the 12th president of Morehouse College, said he weighed the decision for a long time but ultimately decided the university needed new leadership. *Yahoo news, 7-15*

## We Know Atlanta Nonprofits

For more than 35 years, Alexander Haas has been a fixture in the Atlanta nonprofit community. We are honored to have worked with some of the largest, and some of the

smallest, organizations that help make Atlanta a better place to live.

[Our Client Partners](#)

### **A Fresh Approach to Nonprofit Fundraising**

Our services aren't cookie cutter. We don't operate with a boilerplate, merely changing names and locations. We craft each and every service we provide to match your unique needs, wants and abilities. We work hard and expect you to do the same. Together we can help you transform your organization, your fundraising, and the people you serve.

Whether your need is Capital Campaign, Campaign Strategy Study, Annual Fund Campaign, Major Gifts, Leadership Annual Giving, Planned Giving or all of the above, we take a fresh approach to nonprofit fundraising.

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