

Advanced Issues in Fundraising

UT Law Nonprofit Organizations Institute

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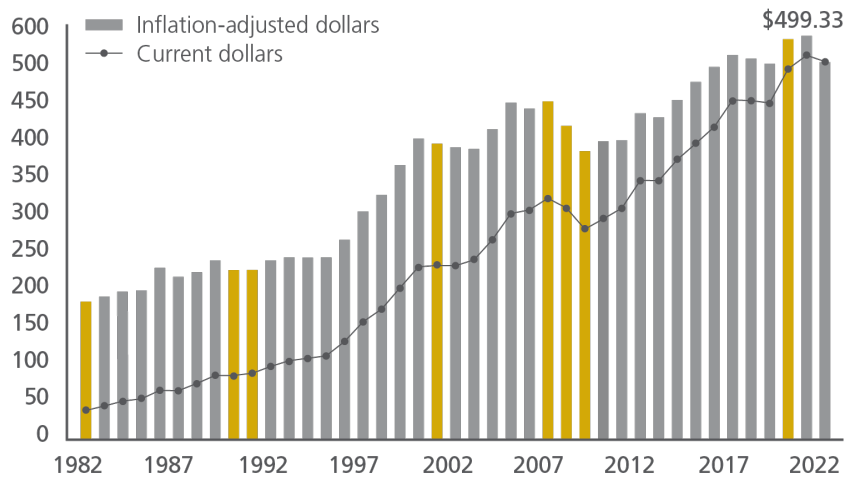
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Total Annual Giving 1982-2022 (in billions of dollars)



Source: Giving USA 2023: The Annual Report on Philanthropy for the Year 2022

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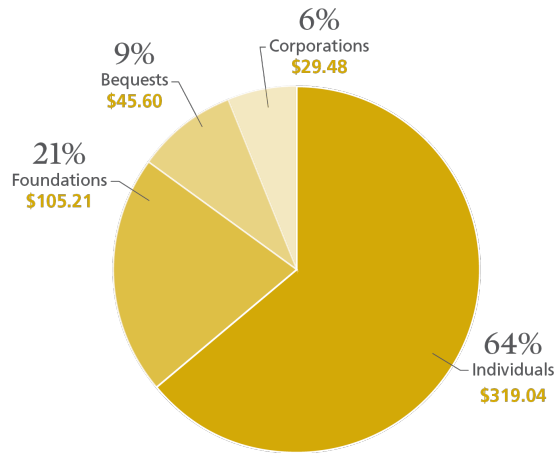
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2022 Contributions: \$499.33 Billion By Source

(All figures rounded in billions)



Source: Giving USA 2023: The Annual Report on Philanthropy for the Year 2022

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Annual Giving by Generation

| | 2016 | 2022 | Inc/Dec | % |
|--------------------|---------|---------|---------|------|
| Gen Z | | \$747 | | |
| Millennials | \$942 | \$1,323 | \$381 | +40% |
| Gen X | \$1,265 | \$1,220 | (\$45) | -4% |
| Boomers | \$2,921 | \$2,568 | (\$288) | -12% |

8 Amount donors indicated they gave in the past year.

Source: Giving USA Special Report: Giving By Generation 2023

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Individual Donors Have New Priorities... And There are Fewer of Them

- **Individuals still give the most.**
 - Giving from individuals is **down about 15%** over the past 20 years and only 50% of American households gave a gift to nonprofits in 2018 (down from 66% in 2000).
 - However, **individuals still make up the lion's share** of total contributions over the last five years (67%).
- There may be fewer individual donors, but they are giving **larger gifts and using different, more sophisticated giving vehicles.**
 - Mega gifts by individuals totaled \$14 billion in 2022 and represented about 5% of all giving by individuals.
 - Up to 15% of all individual gifts are made out of Donor-Advised Funds.
- Driven by the example of MacKenzie Scott and the rise of **trust-based philanthropy**, the relationship between donors and organization is changing. More donors are understanding that unrestricted gifts that can be directed by the organization (instead of donor wishes) can make a larger impact.



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Planned Giving and the Great Wealth Transfer

- Organizations are anticipating the Great Transfer of Wealth in the next twenty years.
- \$30 - \$70 **trillion** dollars is expected to transfer from Baby Boomers to younger generations.
- Proactive fundraisers are significantly focused on securing planned gifts now.
 - This transfer offers two opportunities: **securing planned gifts** from Baby Boomers...and **cultivating new major donors** amongst the recipients of this new wealth (Gen X, Millennials, and Gen Z)
 - While Baby Boomers may still be leading in total dollars given, the huge recent surge from Millennials should not be ignored.



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