

Donor Confidence Report

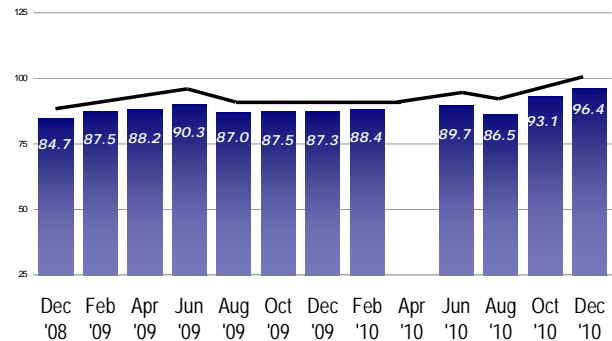
Issue 14, December 2010

The results in this Donor Confidence Report are drawn from an ongoing survey of donor attitudes about giving by Campbell Rinker. The sample size for the December 2010 poll is 381. Details about the study methodology, audience may be found on the final page of this report.

Donor Confidence Highest Since '08

The overall Donor Confidence Index (DCI) has risen 3.3 points and as of December 2010 stands at 96.4. Combined with the 6.6 point jump seen in the poll from October 2010, this trend marks an increase of 9.9 points in the Index during the past four months.

The Index takes into account donors' self-reported willingness to either continue or increase their giving, their perspectives about nonprofits and the nation's economy and other factors.



Overall Confidence Climbing

The December 2010 Donor Confidence poll provided the strongest signal to date that donors are feeling better about giving again, rising by another 3.3 points and edging up to its highest point since February 2008, when the Index was established with a basis of 100.

In a compelling development, the DCI among the vital pre-Boomer audience segment surged past the 100 mark between October and November. The Index for this subgroup now stands at a strong 104.6.

As we found in October, the mood of the giving public is not entirely driven by their representation on Capitol Hill, nor is it adequately measured by any gains (or lack of them) within economic indicators.

At the time this poll was conducted, unemployment was hovering at over nine percent. News from builders, manufacturers, and in durable goods showed tepid growth at best. The Federal legislature had just voted to keep current tax rates in place rather than letting them increase.

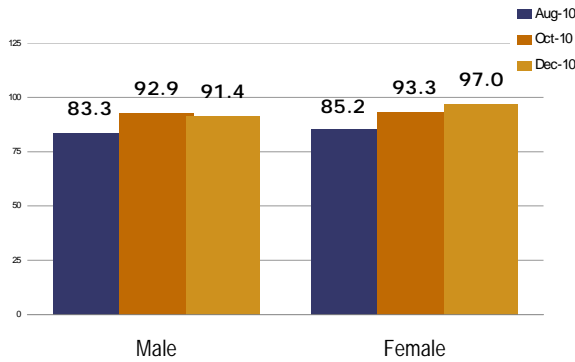
At year-end, it seems that donors' improved expectations for an end to the recession is the chief driver for their willingness to maintain or increase their charitable giving.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10	2-Mo Chg
Overall	87.3	88.4	89.7	86.5	93.1	96.4	▲ 3.3
Arts, Culture and Humanities	91.3	91.7	87.7	82.9	95.6	103.1	▲ 7.5
Int'l Relief and Development	90.3	93.7	95.0	88.9	95.7	102.1	▲ 6.4
Faith-based	93.1	94.9	94.1	88.9	91.2	97.3	▲ 6.1
Political and Advocacy	87.7	90.1	88.9	82.5	92.7	98.7	▲ 6.0
Social Service	90.8	89.3	88.4	84.6	90.0	95.6	▲ 5.6
Education	89.7	88.5	88.5	87.0	93.4	97.7	▲ 4.3
Place of Worship	90.7	91.1	88.9	87.6	93.0	94.6	▲ 1.6
Health and Medical	91.3	87.8	89.0	85.5	93.1	93.8	▲ 0.7
Environmental	86.4	89.1	89.7	87.3	92.4	92.9	▲ 0.5
Hospitals & Hosp. Fnd.	89.0	89.3	88.4	87.2	94.3	94.4	▲ 0.1
Animal Rights	85.2	86.8	88.9	85.3	93.0	92.0	▼ -1.0

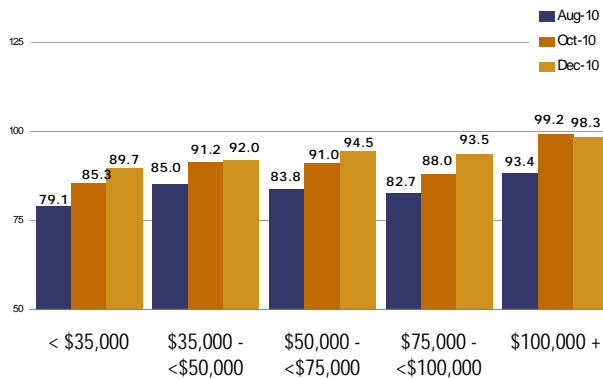
The performance of the Index within various sectors is shown in the table above, ranked by the change since October '10. The Index continues to rise in nearly every category, Animal Rights being the sole exception. (Opinions from any single donor impact the Index for each sector they support.)

Donor Confidence by Demographics

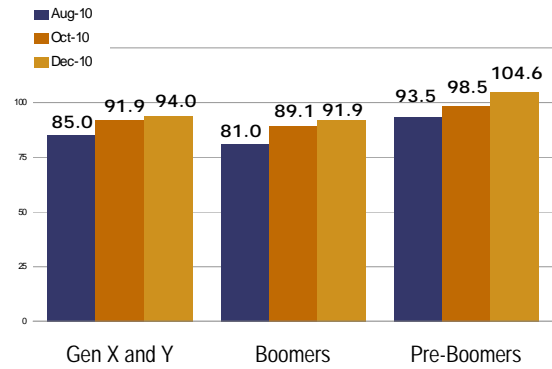
Reaching a 97.0 high mark, confidence among women has risen once again. Female donors currently exhibit significantly higher confidence than male donors.



The December DCI shows continued gains in confidence among all households earning less than \$100,000. While confidence among higher income households has dropped by 0.9 points, this group still maintains the highest Index score overall (98.3).



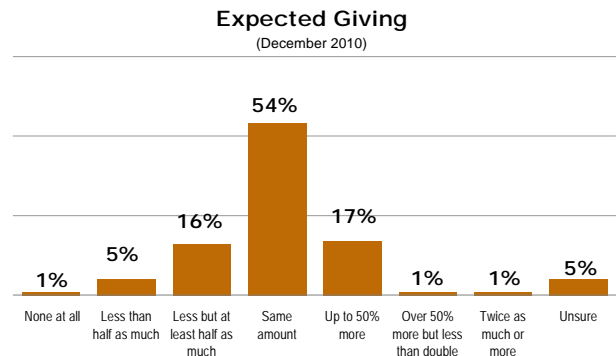
Boomers continue to display the lowest levels of confidence (91.9), while pre-boomers are, by far, the most optimistic (104.6).



Slight Rise in Expected Giving

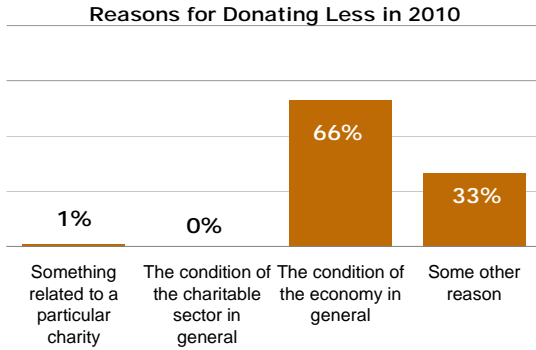
Every other month, Campbell Rinker asks U.S. donors whether they expect to give the same, more, or less in the coming year.

As of this issue, a little over half of all donors (54%) expect to give the “same amount” in 2011 as in 2010. Rising by one percent, 19% say they plan to give more this year than last, while slightly fewer say they plan to give less.



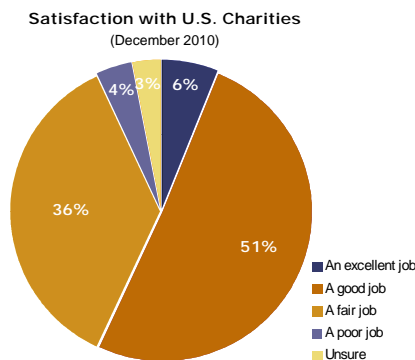
Economy Gets Less Blame

Currently, two in three donors who plan to give less in the coming year (66%) cite the economy as the culprit. In October, 80% of donors who were cutting back cited that cause. From October to December the proportion of donors who named “some other reason” for curtailing their giving rose from 20% to 33%.



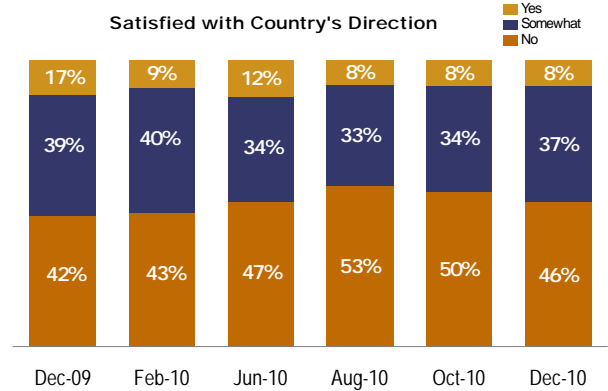
Nonprofit Sector Approval

Most American donors (57%) now say U.S. charities are doing either an “Excellent” or a “Good” job. This marks a slight gain over the 55% who rated charity performance at these levels in October. In fact, the percentage of donors saying that charities are doing “an excellent job” doubled in this span.

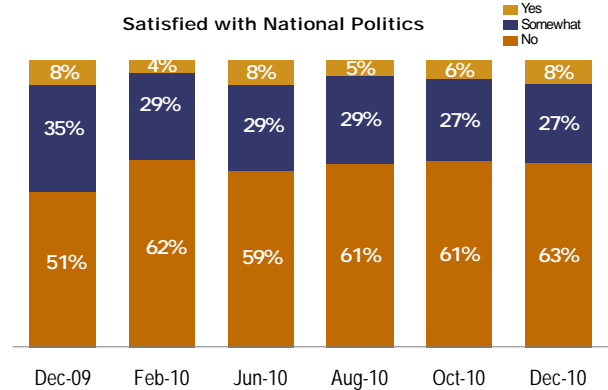


Fewer Donors Dissatisfied with Direction of U.S.

A rising proportion of donors are satisfied with the country’s direction. In August, the gap between donors who were dissatisfied with the country’s direction and those who were satisfied had fallen to -12% since December of 2009 when it measured +14%. By October, this gap had narrowed to -8%. In this poll it pulls roughly even again, with 45% of donors expressing satisfaction compared to 46% who remain dissatisfied (a gap of -1%).

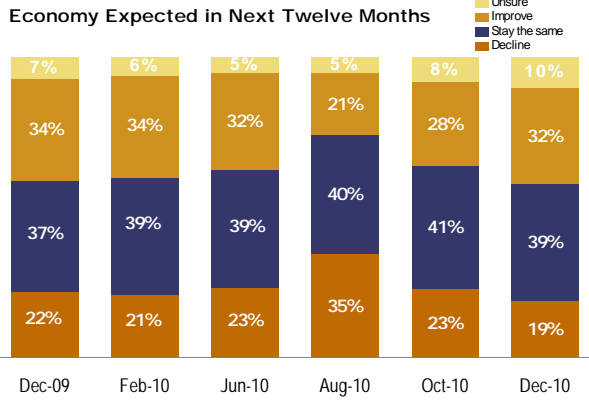


Satisfaction with the political system at the federal level remains largely unchanged since February 2010, with a majority of donors expressing dissatisfaction with politics at the national level. However, some encouraging news can be found among respondents who say they *are* satisfied, which has doubled somewhat unsteadily since February 2010.

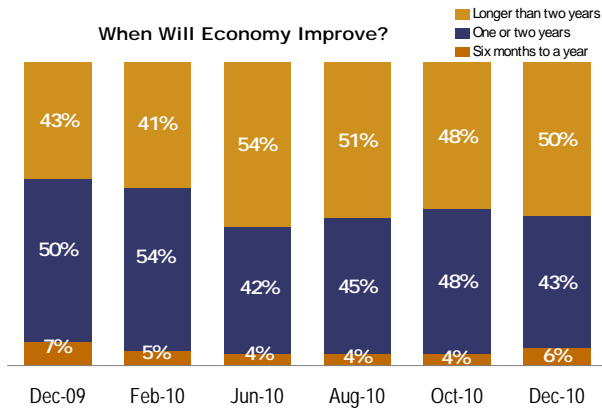


Expectations for the Economy

Today, less than one in five donors, 19%, anticipate any further economic decline – a rate which is nearly half that expected just last August. One in three (32%), expect that the economy will improve in the next 12 months.



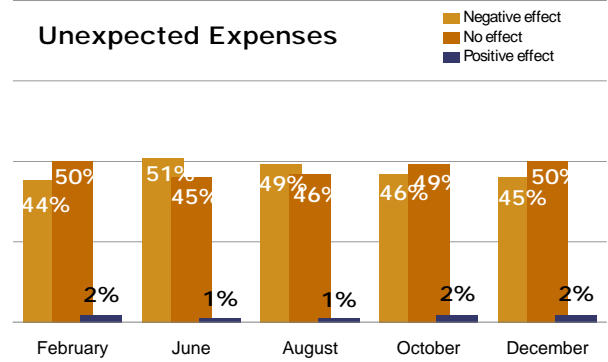
Though donors remain largely split over whether the economy will take two or more years to recover or less than two years, the proportion who see it getting better in six months to a year appears to be gradually rising.



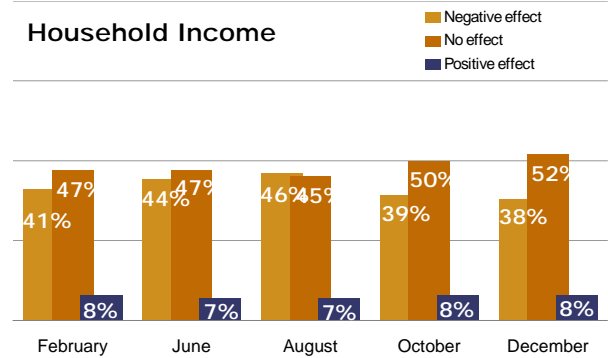
Surprise Expenses Weigh on Giving

While unexpected expenses continue to have the greatest negative effect on giving, the impact of such expenses appears to be waning, as are the negative impacts associated with household income (e.g. unemployment), home value, and investment value. The proportion of donors who cite expenses as a negative impact has fallen steadily since June.

Unexpected Expenses



Household Income



Sector Spotlights

Campbell Rinker asked donors to indicate which of 11 nonprofit sectors they had supported in the last year. Within these results, ratings from one donor may contribute to the DCI in more than one nonprofit sector.

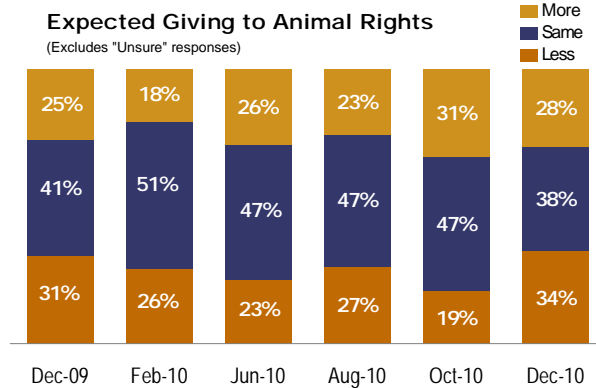
The sections below highlight the stated plans donor have for giving to each of the following nonprofit categories:

- † Animal rights, protection, and training
- † Arts, culture, and humanities
- † Educational institutions and programs
- † Environmental protection and preservation
- † Faith-based charities, excluding places of worship
- † Health and medical charities
- † International relief, education, and sponsorship
- † Not-for-profit hospitals and hospital foundations
- † Places of worship
- † Political organizations
- † Social service organizations

Animal Rights & Protection

The Index for donors to Animal Rights organizations has decreased by one point since October. In this issue of the poll, Animal Rights is the only sector to experience any drop in its DCI. The more stable six-month average for this sector continues to rise.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Animal Rights	85.2	86.8	88.9	85.3	93.0	92.0
6-mo Avg.	86.5	86.3	87.0	87.0	89.1	90.1



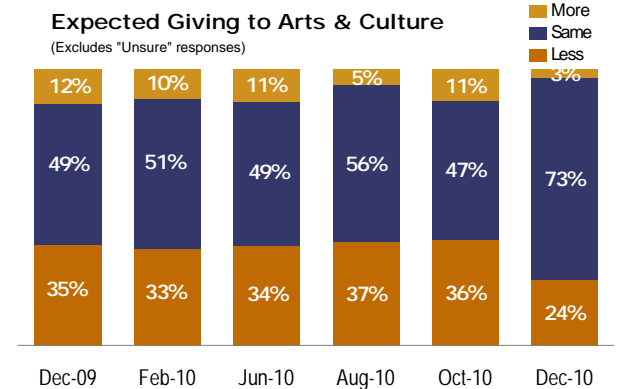
This one-point drop in the Animal Rights index might be attributed to a significantly higher proportion of Animal Rights donors who expect to give less in 2011.

Arts, Culture, and Humanities

Donor confidence among Arts and Culture donors has grown by more than 20 points since August 2010. The 7.5 point increase from October to December is the highest jump for any sector during this period. Since polling began in 2008, this is only one of two sectors to have experienced a DCI over 100.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Arts & Culture	91.3	91.7	87.7	82.9	95.6	103.1
6-mo Avg.	88.8	91.6	90.2	87.4	88.7	93.9

Such a positive shift in confidence mirrors the current 12% decrease in Arts donors who plan to donate less in 2011. As of December, three in four Arts donors plan to give the same amount or more in 2011 compared to 2010.

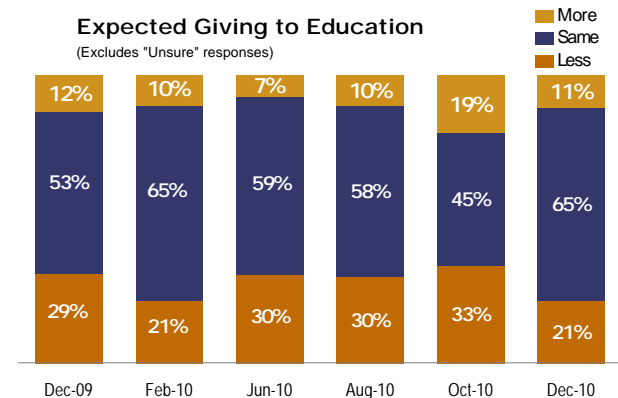


Educational Institutions & Programs

The DCI for Educational Institutions has risen to 97.7, a 4.3 point increase since October.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Education	89.7	88.5	88.5	87.0	93.4	97.7
6-mo Avg.	89.5	89.7	88.9	88.0	89.6	92.7

As of this issue, three in four donors to Education (76%) plan to give the same amount or more in 2011 compared to 2010. Just one in five (21%) plan to donate less.

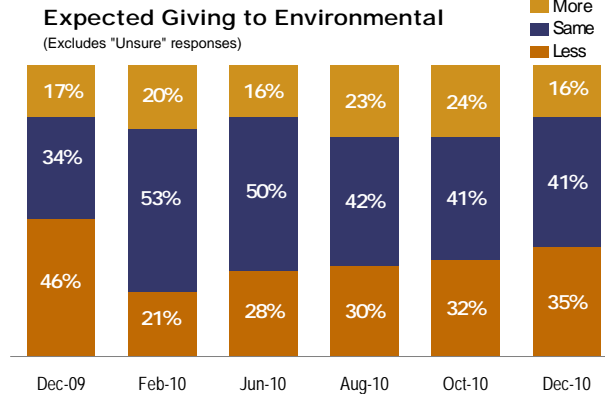


Environmental Protection

The Index for Environmental Protection has increased to 92.9, a half point rise since October. As is the case for many other sectors reported in this issue, the six-month average for this sector has finally risen above 90.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Environmental	86.4	89.1	89.7	87.3	92.4	92.9
6-mo Avg.	82.8	84.9	88.4	88.7	89.8	90.9

Up three percentage points since October, 35% of Environmental donors currently plan to give less in 2011. A majority still plans to give more in 2011 than they gave in 2010.



Faith-based Charities

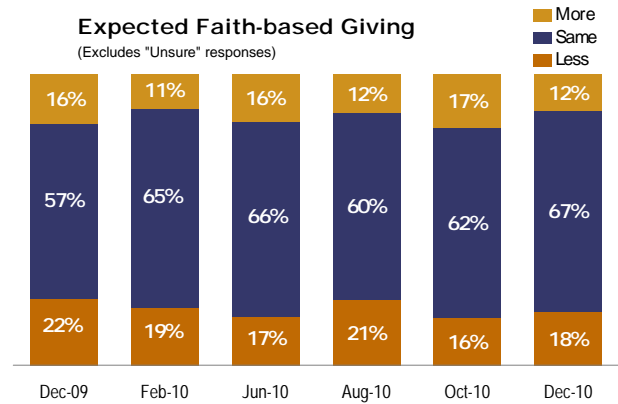
Confidence among donors to Faith-based charities has increased by 6.1 points since October, to 97.3.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Faith-based	93.1	94.9	94.1	88.9	91.2	97.3
6-mo. Avg.	91.8	93.4	94.0	92.6	91.4	92.5

Nearly eight in 10 faith-based donors (79%) say they plan to give the same or more to charity in 2011 compared to 2010. Just 18% plan to donate less during the coming year than in the past.

Expected Faith-based Giving

(Excludes "Unsure" responses)



Health and Medical Charities

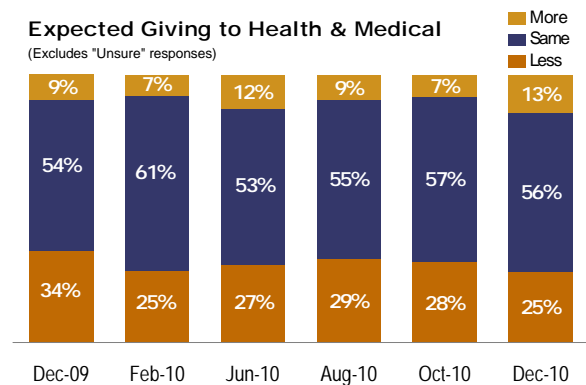
Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Health and Medical	91.3	87.8	89.0	85.5	93.1	93.8
6-mo. Avg.	88.7	89.2	89.4	87.4	89.2	90.8

The Donor Confidence Index for Health and Medical charities has experienced a gain of less than one point in the Index since October. Its score as of December stands at 93.8.

Nearly doubling in proportion since October, 13% of donors to this sector say they plan to donate more to charity in 2011 over 2010. One in four donors to this sector plan to give less this year compared to last.

Expected Giving to Health & Medical

(Excludes "Unsure" responses)



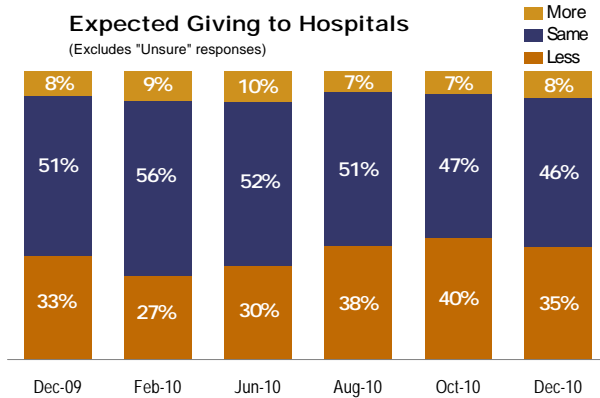
Hospitals & Hospital Foundations

The Index for Hospitals and their Foundations is currently 94.4, nearly identical to the one

measured among donors to this category back in October.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Hospitals	89.0	89.3	88.4	87.2	94.3	94.4
6-mo. Avg.	87.5	88.0	88.9	88.3	90.0	92.0

The number of donors planning to give less to this sector has dropped by five percent since October, from 40% to 35% (still a relatively high percentage). Results for those planning to give the same amount or more have remained mostly stable.



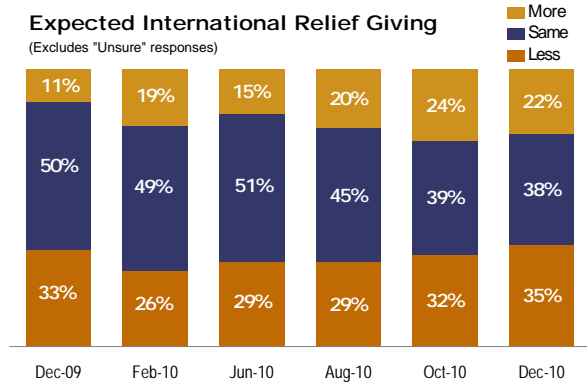
Int'l Relief & Sponsorship

Confidence among donors to International Relief and Sponsorship has risen by 6.4 points in the last two months, and a total of 13.2 points in the last four months. Since polling began in 2008, this is one of two individual sectors to see a DCI of over 100.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Int'l Relief and Development	90.3	93.7	95.0	88.9	95.7	102.1
6-mo. Avg.	90.4	90.9	93.0	92.5	93.2	95.6

Expected International Relief Giving

(Excludes "Unsure" responses)



Three in five International Relief donors, 60%, plan to give either more or the same amount this coming year compared to 2010. However, a fairly high 35% of donors to these charities plan to donate less overall.

Places of Worship

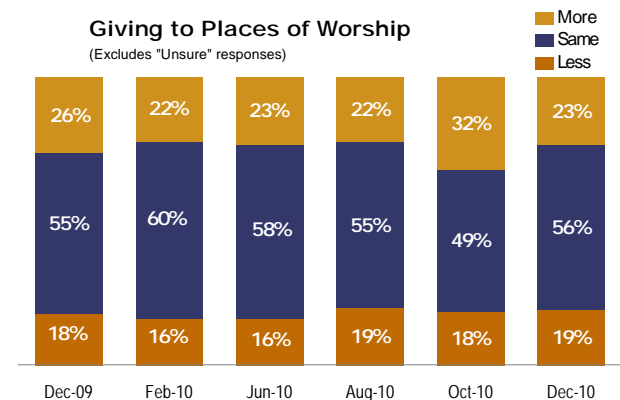
The Confidence Index for Places of Worship is currently 93.0, an increase of 1.6 points since last issue.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Places of Worship	90.7	91.1	88.9	87.6	93.0	94.6
6-mo. Avg.	90.3	91.1	90.2	89.2	89.8	91.7

In December, the percentage of donors to Places of Worship who planned to give the same amount in 2011 jumped from 49% to 56%, while the percentage planning to give more dropped by a corresponding degree. Fewer than one in five donors to Places of Worship, 19%, plan to give less.

Giving to Places of Worship

(Excludes "Unsure" responses)

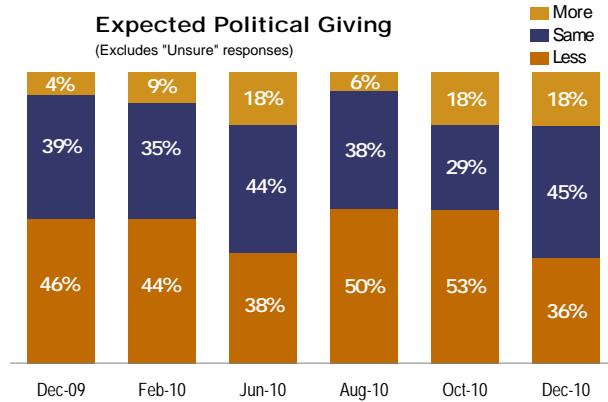


Political & Advocacy

This issue, the DCI for the Political sector has increased to a new high, now measuring 98.7.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Political and Advocacy	87.7	90.1	88.9	82.5	92.7	98.7
6-mo. Avg.	88.3	89.8	88.9	87.2	88.0	91.3

A 17% decrease since October, 36% of donors to Political organizations currently plan to contribute less. Forty-five percent expect to give the same amount and 18% expect to give more.



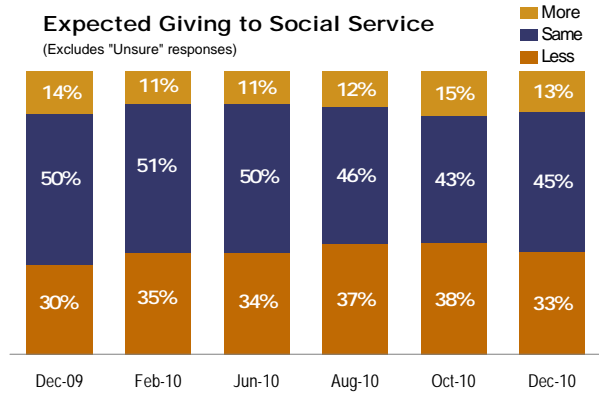
Social Service

In December, the DCI for Social Service organizations rose to 95.6, an increase of 5.6 points. The rolling average for this sector has broken the 90 mark for the first time.

Sector	Dec '09	Feb '10	Jun '10	Aug '10	Oct '10	Dec '10
Social Svcs	90.8	89.3	88.4	84.6	90.0	95.6
6-mo. Avg.	88.5	88.9	89.5	87.4	87.7	90.1

Expected giving among Social Service donors has fluctuated only slightly within recent months. Today, 33% plan to give less in 2011 compared to 2010, while 58% plan to give more or the same amount as before.

Expected Giving to Social Service (Excludes "Unsure" responses)



Methodology

This Donor Confidence Report poll was conducted December 17-29, 2010 among 381 Internet respondents who either responded to our original February 2008 study or who have demonstrated similar habits and behaviors since then.

The Benchmark study that forms the basis for the Donor Confidence report was conducted as part of Campbell Rinker's ongoing DonorPulse survey in February 2008. This hybrid study of 3,312 US donors included 29% of respondent households from random telephone calling and the balance from an Internet panel reflecting national demographics.

To qualify to take the survey, responding households must have made a charitable contribution in the previous year and be at least 18 years old.

The Donor Confidence Index is computed at the respondent level using an algorithm developed by Campbell Rinker that takes into account a donor's propensity to give again, their opinions and attitudes about the condition of the country, the nonprofit sector, their economic outlook and their ongoing engagement in giving. The scores presented in this report represent a true longitudinal view of donors in December 2010 compared to the same pool of donors in previous reports.

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