

Donor Confidence Report

Issue 20, December 2011

The results in this Donor Confidence Report are drawn from an ongoing Campbell Rinker survey of donor attitudes on giving. The sample size for the December 2011 poll is 394. Details about the study methodology and audience are found on the final page of this report.

Confidence Still Weak but Growing

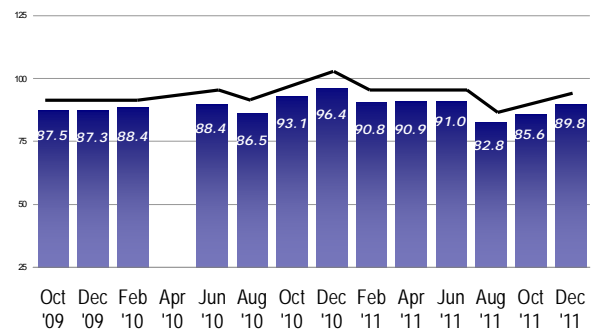
At year end, the Donor Confidence Index (DCI) stands at 89.8 points, rising 4.2 points since October. While it has seen substantial gains since August polling, donor confidence is down more than 6% from the recession peak measured one year ago. In the past 14 months, the Index has posted both its highest-ever and lowest-ever benchmarks since we began polling in February 2008.

The Index takes into account donors' self-reported expectations about their giving, their view of the nonprofit sector, the nation's economic health, and several other factors.

Sector	Feb '11	Apr '11	June '11	Aug '11	Oct '11	Dec '11	2-Mo Chg
Overall	90.8	90.9	91.0	82.8	85.6	89.8	▲ 4.2
Hospitals & Hosp. Fnd.	92.6	91.0	90.2	81.5	85.9	94.9	▲ 9.0
Social Service	88.6	91.3	91.0	85.1	88.2	95.5	▲ 7.3
Education	93.8	93.8	90.5	84.6	87.4	94.4	▲ 7.0
Place of Worship	90.0	92.0	90.8	83.5	87.7	92.5	▲ 4.8
Faith-based	92.8	91.8	93.7	84.6	90.1	94.0	▲ 3.9
Health and Medical	88.4	91.2	89.7	84.7	87.1	90.7	▲ 3.6
Int'l Relief and Development	95.7	92.2	92.8	90.2	94.2	97.4	▲ 3.2
Political and Advocacy	91.3	85.5	100.1	84.3	91.3	93.5	▲ 2.2
Arts, Culture and Humanities	88.0	88.8	89.3	85.2	90.1	92.1	▲ 2.0
Environmental	90.8	93.5	87.2	85.1	88.2	89.6	▲ 1.4
Animal Rights	89.7	84.8	84.0	80.0	83.2	83.9	▲ 0.7

The performance of the Index within various sectors is shown in the table above, ranked by the change since October '11. Since last issue, the Index has increased among donors to every

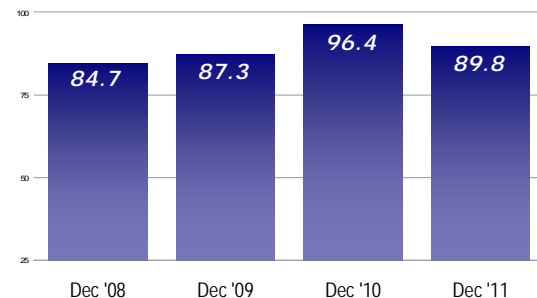
sector. Opinions from any single donor impact the Index for all sectors they support.



Seasonal Patterns Reappear in Q4

For several years, donors have shown a pattern of waning confidence in August. This month typically sees Index scores lower than in any other month of the year, and 2011 set a nadir in this regard. Yet, as autumn progresses and December arrives, the August lows seem to consistently give way to more positive and expectant sensibilities among donors.

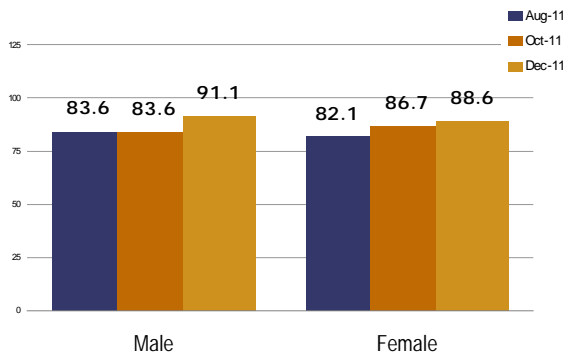
While the evidence is clear that these patterns exist, Campbell Rinker is not sure exactly *why*. The firm will attempt in coming issues to unravel these mysteries and provide insights to help nonprofits approach donors more effectively during times of waning confidence.



Though Confidence grows during the fall months, it does not reach a similar peak in every year. The Index level for this December is the third highest since measurements began.

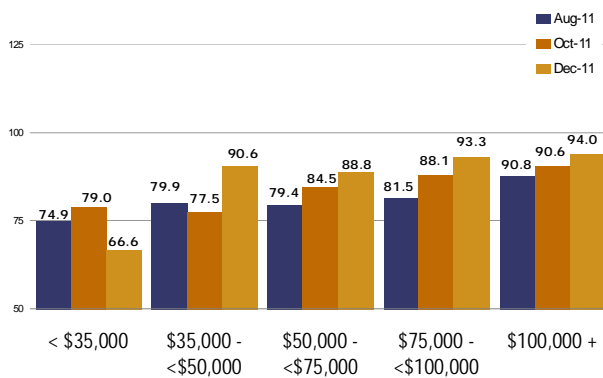
Donor Confidence by Demographics

Confidence among both women and men has risen since last issue.



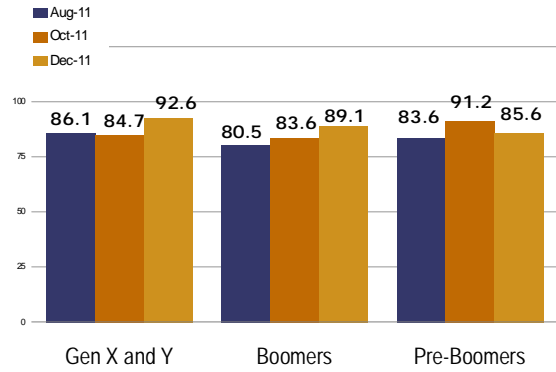
At present, the Index has seen gains in nearly every household income category. The lone exception is households earning less than \$35,000, where the DCI plummeted by over 12 points from October to December.

Even among higher middle-class households of \$75K+, donor confidence remains below the benchmark level of 100.



Confidence among Gen X, Gen Y and Boomers has grown since October.

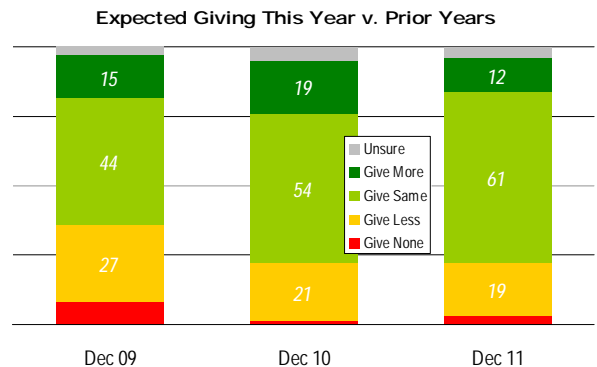
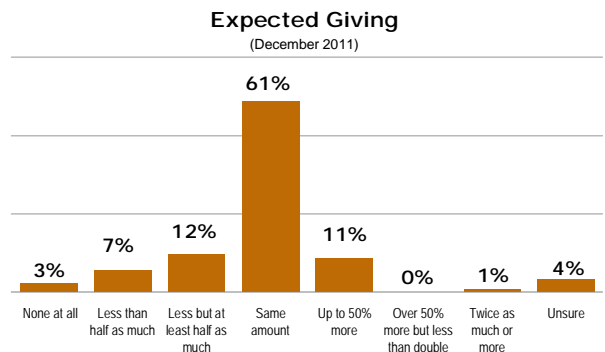
On the other hand, confidence among Pre-Boomers has declined. This decrease in confidence among the oldest and most populous donor segment is atypical. Older donors have historically shown more optimism than other age groups. If this trend continues it could mean difficulties ahead for nonprofits.



Expectations for Giving in 2011

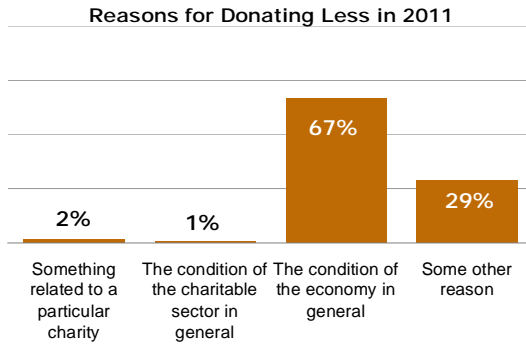
In each poll, Campbell Rinker asks U.S. donors whether they expect to give the same, more, or less in the present year compared with last.

Donor giving expectations in December show stability when compared with previous months. Three in five (61%) still plan to donate the same amount this year as in 2010; this group is growing compared to the same question in prior years. Donors are less likely now to say they plan to give either more or less than they did in the previous year.



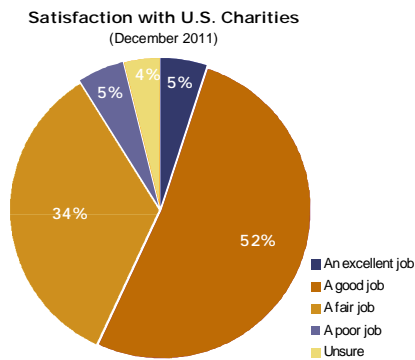
Economy Holds as #1 Reason for Giving Less

Among those who planned to give less, two in three donors (67%) cited the condition of the economy as their reason for doing so.



U.S. Nonprofit Approval Ratings

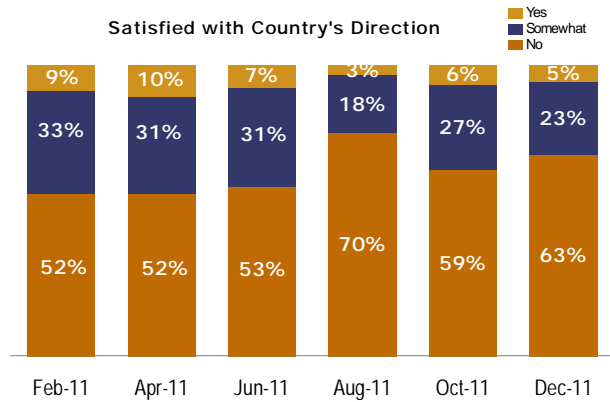
More than half of all U.S. donors consider charities to be doing “a good job.” One in three (34%) answered “fair.”



Few Satisfied with Direction, Even Fewer with Leaders

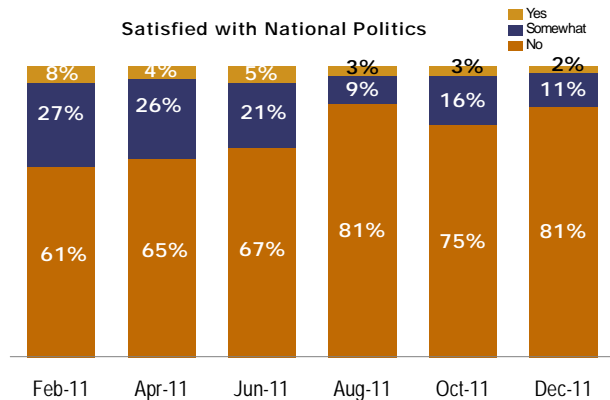
Up four percent since last issue, more than three in five donors (63%) now express complete dissatisfaction with the country’s direction.

Satisfied with Country's Direction



Mirroring levels seen in late-summer, 81% are currently dissatisfied with national politics.

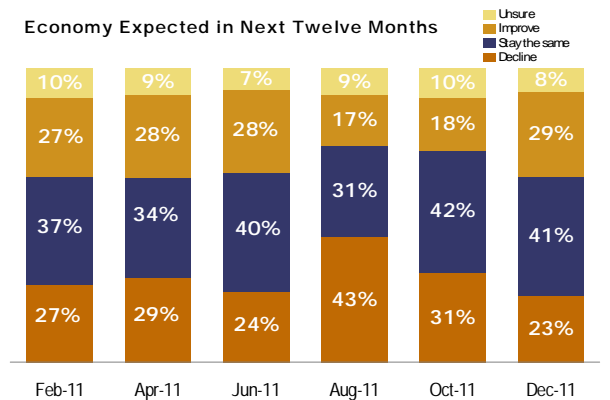
Satisfied with National Politics



Economic Outlook Improves

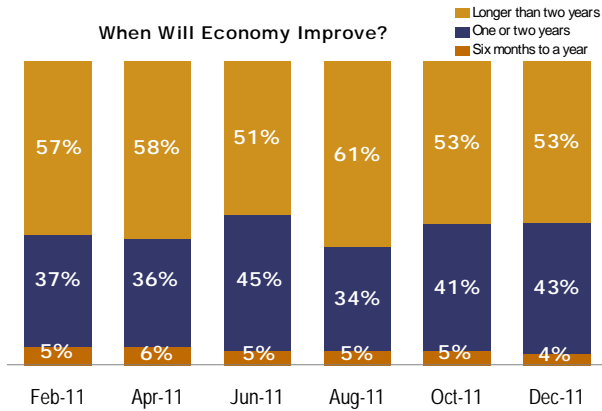
Three in ten donors (29%) now see signs of improvement, up from 17% in August. Also, the proportion of donors that foresees ongoing economic decline has dropped from 43% in August to 23% in December.

Economy Expected in Next Twelve Months



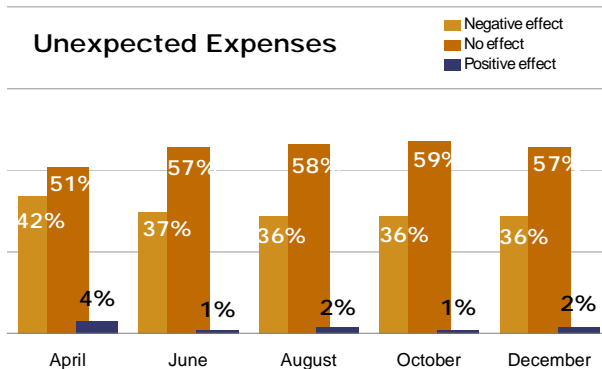
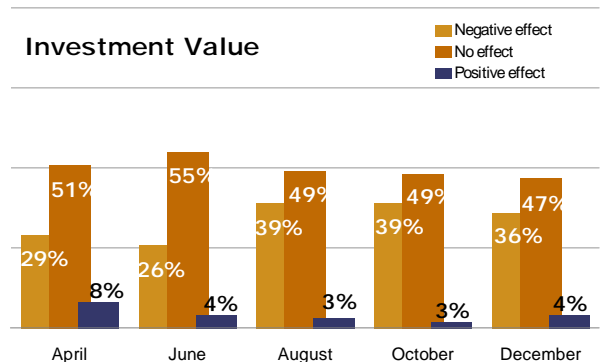
Economic news during the last two months has largely been reported as being positive.

Still, donors remain skeptical about the speed of the nation's economic recovery, with more than half (53%) seeing any change as being more than two years away. This proportion has been constant.



Investment Values Diminish Giving

After long being cited as having less of an impact on giving, donors increasingly cite both the value of their investments and unexpected expenses as negating their impulse to give.



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.

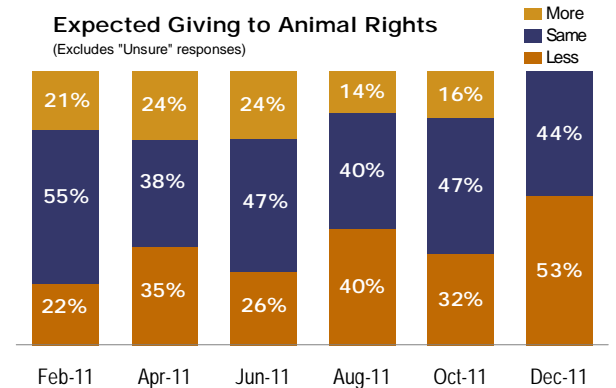
The sections below highlight the stated plans donors have for giving to each of the following nonprofit categories:

- † 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 Animal Rights charities rose 0.7 points since last issue, to 83.9. The 6-month rolling average has remained steady at 82.4.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Animal Rights	89.7	84.8	84.0	80.0	83.2	83.9
6-mo Avg.	91.6	88.8	86.2	82.9	82.4	82.4



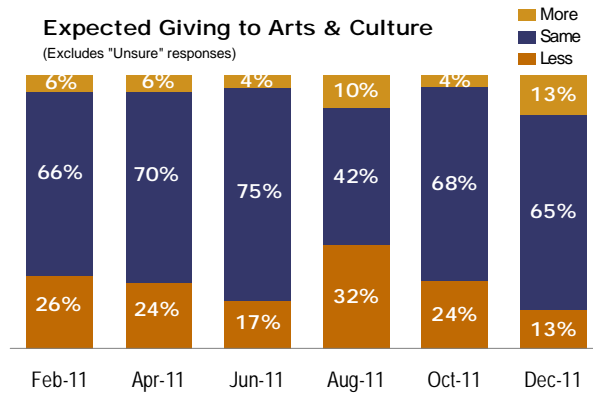
In what is likely a one-time occurrence, no Animal Rights donors reported plans to give more to the sector in 2011, while more than half (53%) reported plans to give less.

Arts, Culture, and Humanities

The DCI for Arts and Culture organizations has increased by two points since October, and stands at 92.1.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Arts & Culture	88.0	88.8	89.3	85.2	90.1	92.1
6-mo Avg.	95.6	93.3	88.7	87.8	88.2	89.1

The vast majority of donors to the sector (65%) plan to donate the same amount this year as last.



Educational Institutions & Programs

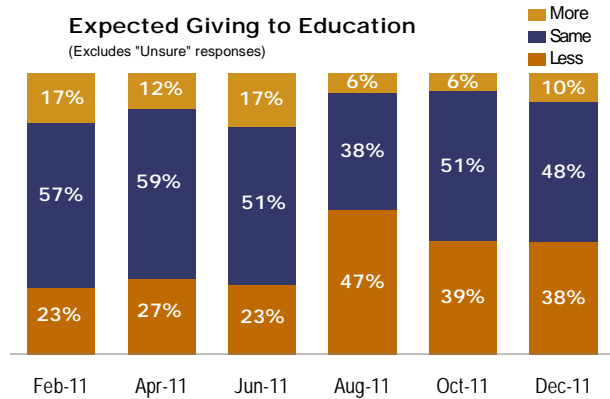
Confidence among donors to Educational Programs has grown by seven points since October to 94.4.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Education	93.8	93.8	90.5	84.6	87.4	94.4
6-mo Avg.	95.0	95.1	92.7	89.6	87.5	88.8

Approximately half the donors to Education (48%) expect to give the same to the sector. Two in five (38%) plan to give less and 10% plan to give more.

Expected Giving to Education

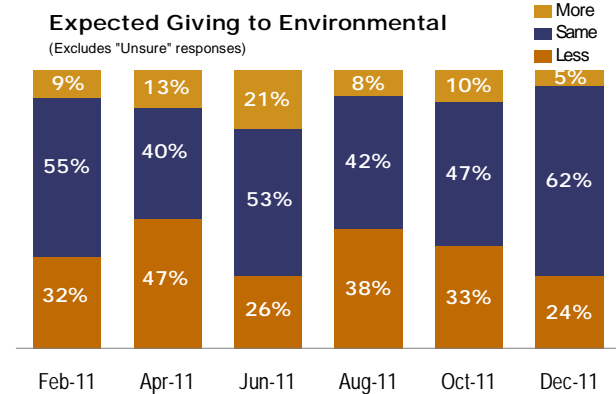
(Excludes "Unsure" responses)



Environmental Protection

Up 1.4 points in this issue, the Index for Environmental organizations stands at 89.6.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Environmental	90.8	93.5	87.2	85.1	88.2	89.6
6-mo Avg.	92.0	92.4	90.5	88.6	86.8	87.6



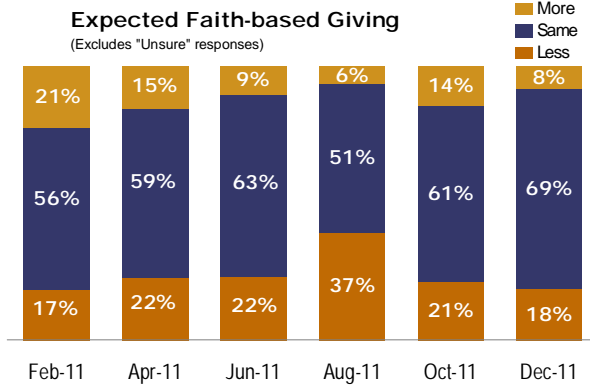
Today, one in four donors (24%) plan to give less to Environmental Protection throughout 2011 while more than three in five (62%) donors plan to give the same next year.

Faith-based Charities

At 94.0, the DCI for Faith-based organizations has increased by 3.9 points since October.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Faith-based	92.8	91.8	93.7	84.6	90.1	94.0
6-mo Avg.	93.8	94.0	92.8	90.0	89.5	89.6

Nearly seven in ten donors (69%) currently plan to give the same amount to Faith-based organizations this year as in 2010.

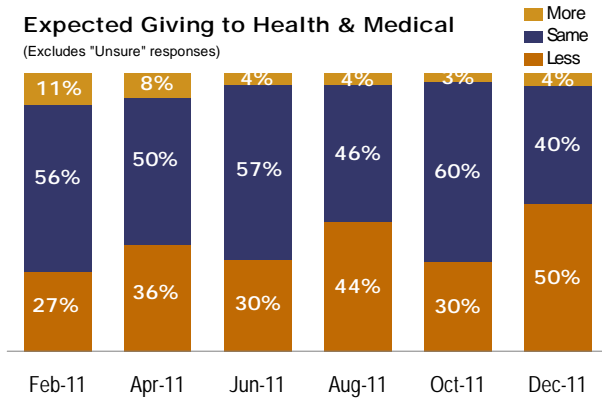


Health and Medical Charities

The Index for the Health and Medical sector climbed 3.6 points to 90.7 in December.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Hlth & Med.	88.4	91.2	89.7	84.7	87.1	90.7
6-mo. Avg.	91.8	91.1	89.8	88.5	87.2	87.5

Expected giving to Health-related charities remains volatile from poll to poll. Now, 50% of donors to this sector say they plan to give less, while 40% plan to give the same.

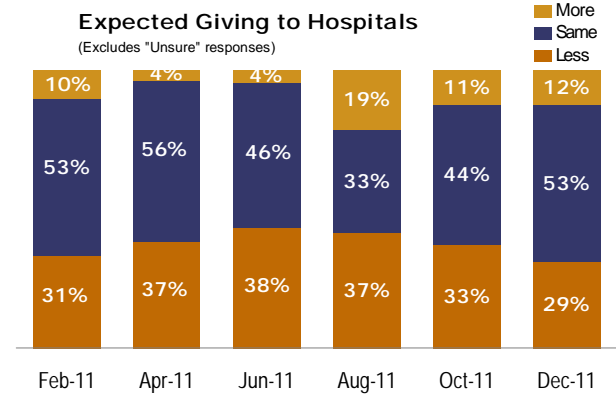


Hospitals & Hospital Foundations

Jumping nine points in two months, from 85.9 to 94.9, the DCI for Hospitals experienced the largest increase this issue.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Hospitals	92.6	91.0	90.2	81.5	85.9	94.9
6-mo. Avg.	93.8	92.7	91.3	87.6	85.9	87.4

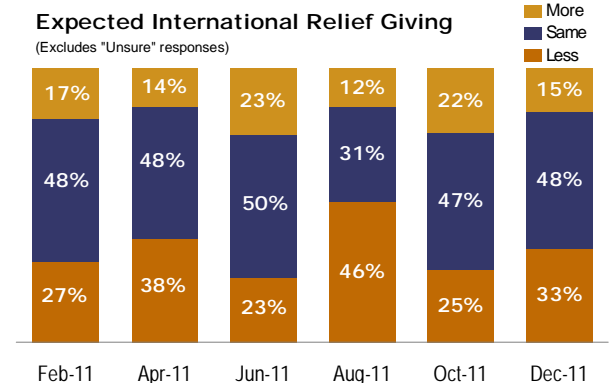
Presently, 53% of Hospital donors plan to give the same amount in '11; 29% plan to give less.



Int'l Relief & Sponsorship

With a score of 97.4, the Index for International Relief & Sponsorship charities rose 3.2 points since October and is the highest of any sector in this poll.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Int'l Relief and Development	95.7	92.2	92.8	90.2	94.2	97.4
6-mo. Avg.	97.8	96.7	93.6	91.7	92.4	93.9



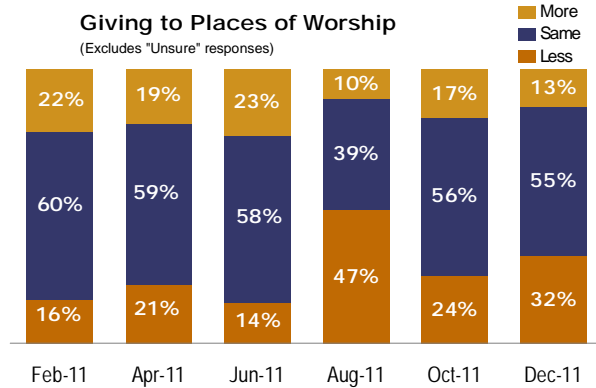
In December, one in three donors (33%) reported plans to give less to this sector, while 48% reported plans to give the same amount to International causes.

Places of Worship

The Confidence Index for Places of Worship increased by 4.8 points to 92.5 in December.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Places of Worship	90.0	92.0	90.8	83.5	87.7	92.5
6-mo. Avg.	92.5	92.2	90.9	88.8	87.3	87.9

A majority of donors (55%) expects to give the same this year compared to last. About one in three (32%) plan to give less. The proportion expecting to give more to this sector has seen steady erosion.



Political & Advocacy

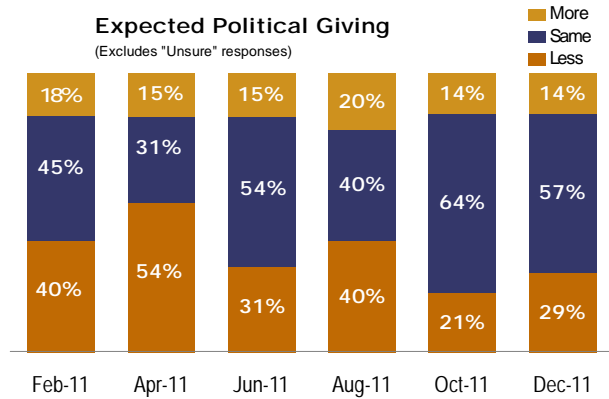
The DCI for Political and Advocacy groups has climbed 2.2 points since last issue to 93.5.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Political and Advocacy	91.3	85.5	100.1	84.3	91.3	93.5
6-mo. Avg.	94.2	91.8	92.3	90.0	91.9	89.7

As of December, 57% report plans to give the same amount to Political organizations throughout 2011. Nearly three in ten (29%) plan to give less.

Expected Political Giving

(Excludes "Unsure" responses)



Social Service

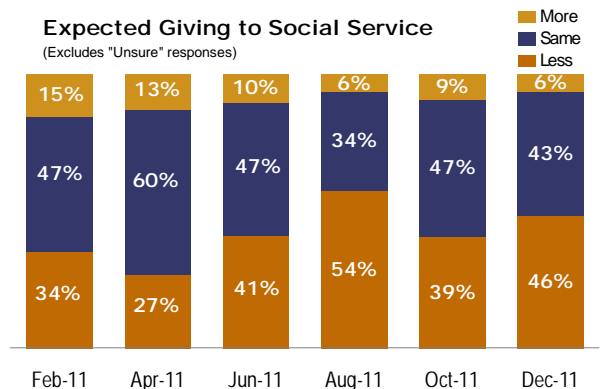
Confidence among donors to Social Service charities stands at 95.5, representing a 7.3 point increase over October.

Sector	Feb '11	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11
Social Svcs	88.6	91.3	91.0	85.1	88.2	95.5
6-mo. Avg.	91.4	91.8	90.3	89.1	88.1	89.6

Today, 43% plan to give the same to this sector, while 46% plan to give a lower dollar amount.

Expected Giving to Social Service

(Excludes "Unsure" responses)



Methodology

This Donor Confidence Report poll was conducted December 22, 23, 27 and 28, 2011 among 394 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. Of the 3,312 responding donors, 726 self-identified themselves as Christian and 85 self-identified as adherents to non-Christian faiths.

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 June 2011 compared to the same pool of donors in previous reports.

Fewer respondents answered some questions. The following table summarizes the estimate of error at the 95% confidence level at various sample sizes.

Sample Size	Estimate of Error
100	±9.8%
200	±6.9%
300	±5.7%
400	±4.9%
500	±4.4%

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