

Donor Confidence Report

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 February 2012 poll is 349. Details about the study methodology and audience are found on the final page of this report.

DCI Retreats from December Gains

The overall Donor Confidence Index (DCI) has fallen four and a half points since December 2011, to 85.3 in February 2012.

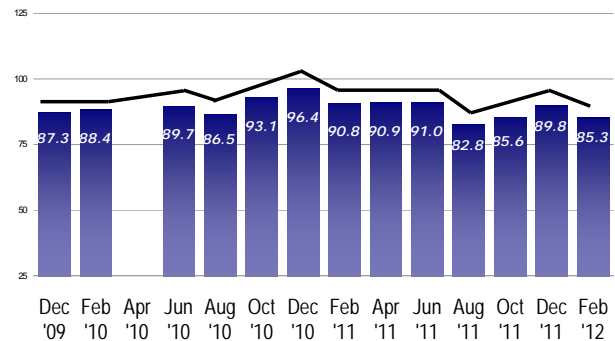
The Index represents donors' self-reported optimism about their giving, and takes into account their view of the nonprofit sector, their perceptions of the nation's economic outlook and other relevant factors.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12	2-Mo Chg
Overall	90.9	91.0	82.8	85.6	89.8	85.3	▼ -4.5
Animal Rights	84.8	84.0	80.0	83.2	83.9	83.5	▼ -0.4
Education	93.8	90.5	84.6	87.4	94.4	90.8	▼ -3.6
Hospitals & Hosp. Fnd.	91.0	90.2	81.5	85.9	94.9	90.8	▼ -4.1
Places of Worship	92.0	90.8	83.5	87.7	92.5	88.4	▼ -4.1
Arts, Culture and Humanities	88.8	89.3	85.2	90.1	92.1	87.8	▼ -4.3
Social Service	91.3	91.0	85.1	88.2	95.5	91.2	▼ -4.3
Faith-based	91.8	93.7	84.6	90.1	94.0	88.0	▼ -6.0
Environmental	93.5	87.2	85.1	88.2	89.6	83.3	▼ -6.3
Health and Medical	91.2	89.7	84.7	87.1	90.7	84.1	▼ -6.6
Int'l Relief and Development	92.2	92.8	90.2	94.2	97.4	90.3	▼ -7.1
Political and Advocacy	85.5	100.1	84.3	91.3	93.5	85.4	▼ -8.1

The performance of the Index within various sectors is shown in the table above, ranked by the change since December '11. Since then, the Index has decreased across all sectors.

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

Issue 21, February 2012



Pessimism Persists Despite Optimism among Pundits

As the Great Recession drags on and despite some promising gains in the Index during the second half of 2011, donors report feeling less confident now than they have during any February since polling began in 2008, when the baseline Index of 100 was established.

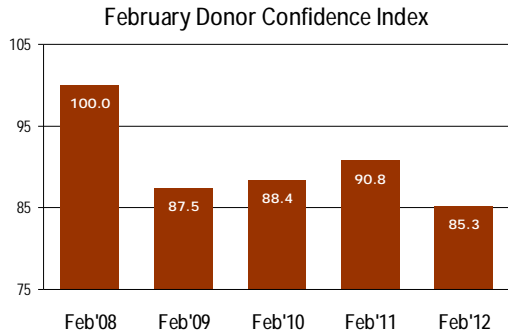
Days before this study was conducted, Federal Reserve Chairman Ben Bernanke testified to Congress that the country's economy had recently performed better than the Federal Reserve expected. Donors apparently did not buy it.

During the same week, Federal figures were released showing that the number of new unemployment filings had dropped by 4.5%. However, Bernanke indicates he does not expect such drops to continue this year.

On its April 2 cover, *TIME* magazine calls the economic recovery 'wimpy' and 'weak.'

The country Greece defaulted on billions in loan guarantees.

Still, investors pushed the Dow Jones industrial average past 13,000 in February 2012, a point last reached in May 2008. The NASDAQ exchange broke 3,000 for the first time in more than a decade. As a result, February was the best month on Wall Street in 14 years.

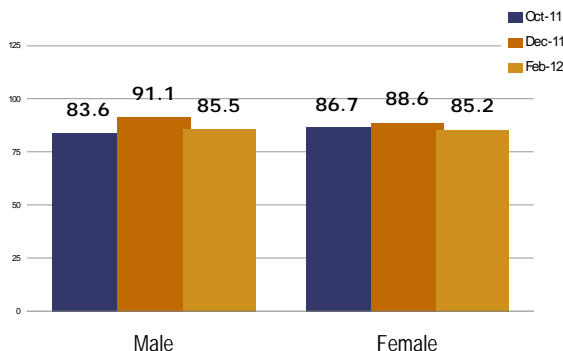


As noted earlier, the Confidence Index has dropped 4.5 points since December. In 2009 and 2010, the Index actually increased slightly in February from the previous December. Yet in the last two years the February Index has posted a significant decline from December. Similar to how the August pessimism we have charted in the past seems consistently to foretell more optimism in December, it may be that these December to February results simply highlight a retreat from holiday exuberance – one that simply wasn't in evidence during the early years of the recession.

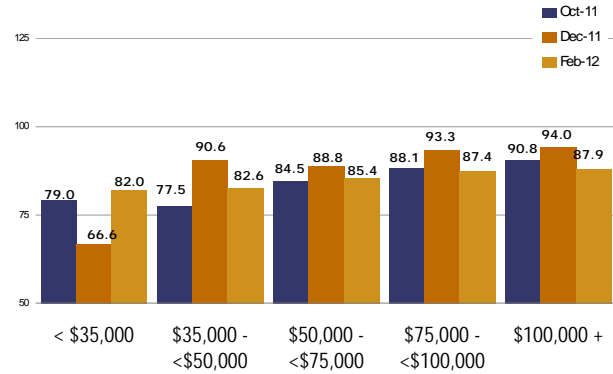
The unfortunate news is that the level of confidence evident during February has in recent years held steady through the spring and summer months before dropping again in August and rising in the fall. This portends a lackluster year for fundraising from individual donors, just when many nonprofits are desperate for stronger results.

Donor Confidence by Demographics

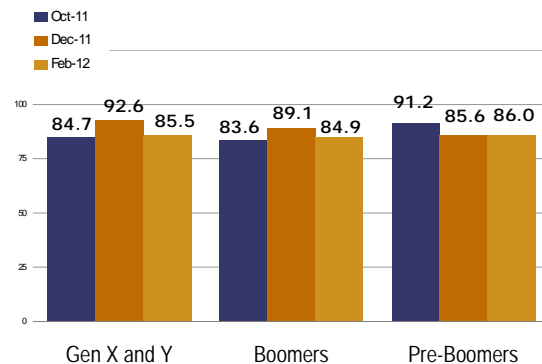
Confidence has fallen since December for both men and women, who now indicate similar levels of low confidence.



The Index has declined in every income category, with the exception of the lowest income households (which charted a lowest ever 67 Index in December). While confidence is highest among those with at least six figure incomes, even these scores are quite low compared to historical values.



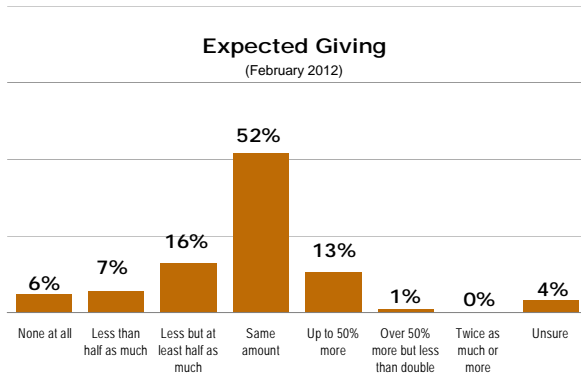
Looking at age groups, Pre-Boomers steadily maintain their earlier poor outlook. This month, their younger counterparts join them by downgrading their own assessments. Note that Pre-Boomers posted the highest Index of any age group just six months ago.



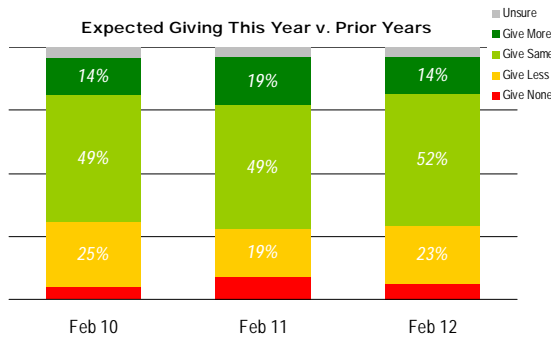
Expectations for Giving in 2012

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.

Initial expectations for giving in 2012 show 52% of donors planning to donate the same amount as last year. One in seven (14%) plan to give more, while 23% plan to give less and six percent plan to discontinue their giving.

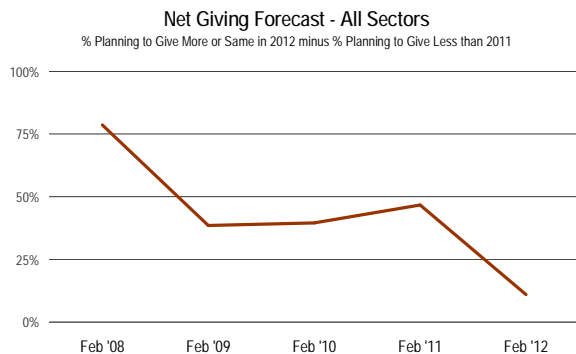


The chart below shows expected future giving from all donors, regardless of whether they have given to a sector last year.



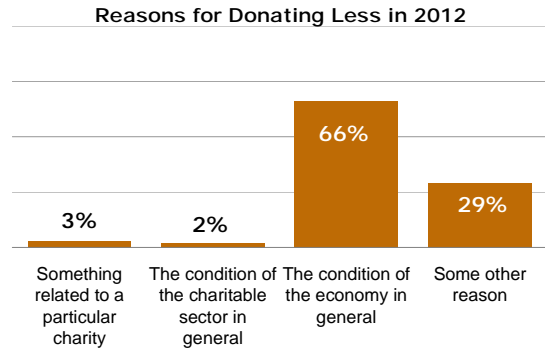
The Net Giving Forecast

Looking at the expected behavior only for donors who gave last year shows a different picture. By adding up the percent of donors who expect to give the *same* or give *more* this year and subtracting the percentage who plan to give *less*, we come up with a net forecast of donor giving expectations. In February 2008, this forecast stood at 79%, and is now 10%.



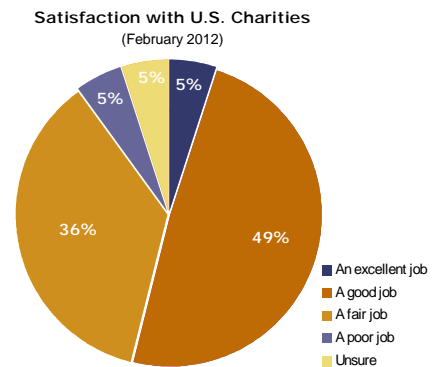
Reasons for Giving Less

Among those who plan to give less, two in three donors (66%) cite the condition of the economy as the chief cause. This response has remained stable at approximately 65% during 21 issues of this report.



U.S. Nonprofit Approval Ratings

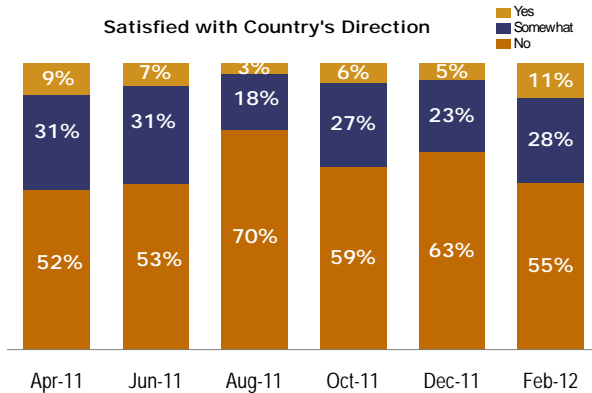
Over half of U.S. donors (54%) report feeling that charities are doing either a good job or better. Hardly any donors (5%) say charities are doing a poor job.



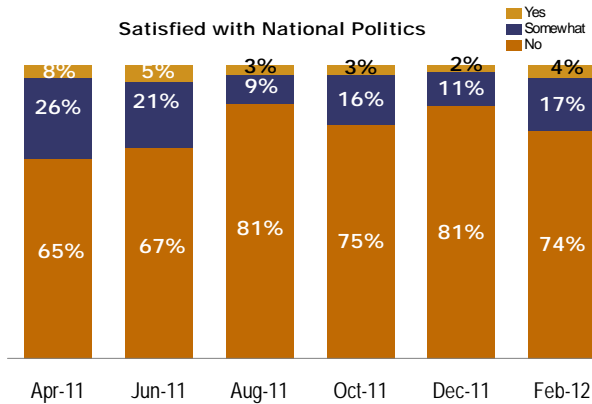
More Approve of US Direction

The proportion of donors who express satisfaction with the country's direction rose from 5 to 11% since December (the highest level since June, 2010). This decreased to 55% the proportion of donors who express total dissatisfaction with the country's direction, and demonstrates the impact that positive media

reports can have on the mood of the giving public.



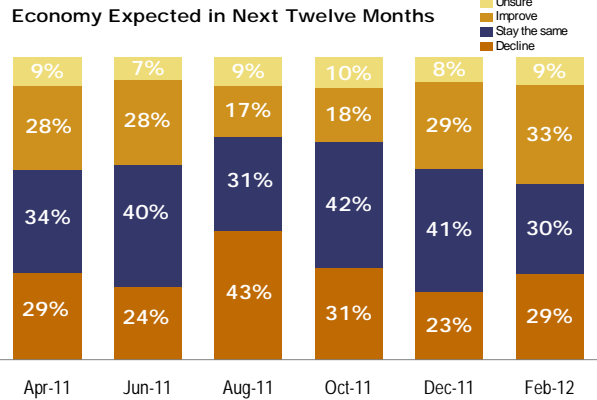
Down seven percent in two months, nearly three in four (74%) are currently dissatisfied with national politics.



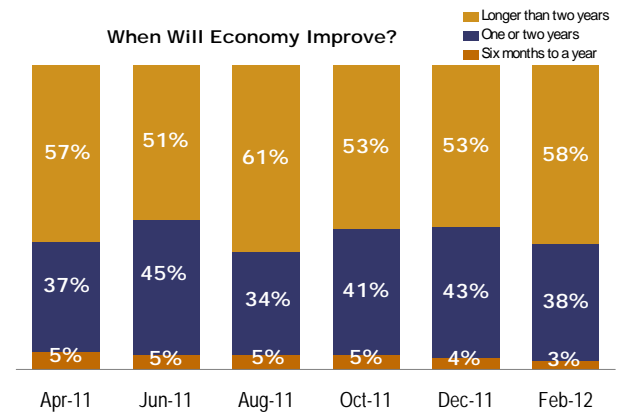
Economic Outlook Shifts

In a trend that has seen the proportion of optimistic donors double in eight months, one-third of donors (33%) now expect the economy to improve during 2012. Another third (30%) say it will remain the same and 29% feel it will decline further this year.

What this means is that even though more donors have a more positive outlook about the economy than at any other time in the past eight months, two-thirds of donors who give less say the harsh economy is the reason for doing so, and just 66% say they will give the same amount or more to charity this year compared to last. (In 2008, that percentage was 85%).

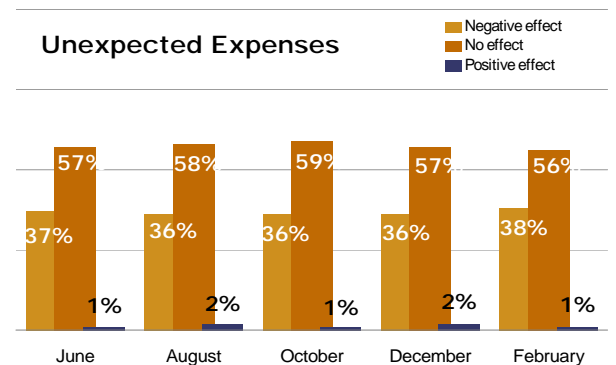


About three in five donors (58%) say they expect a full economic recovery to take longer than two years.



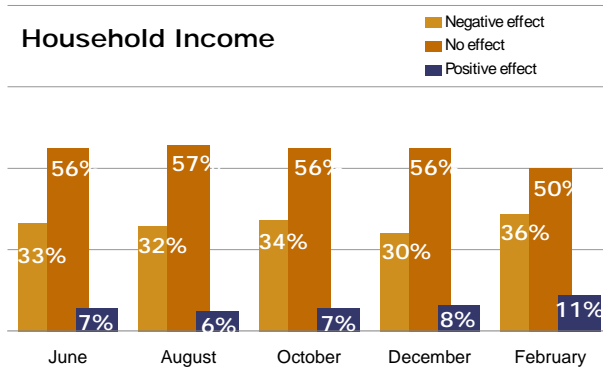
Unexpected Costs Dampen Giving

Slightly higher than December, nearly two in five donors (38%) say unexpected expenses have had a negative impact on their giving,

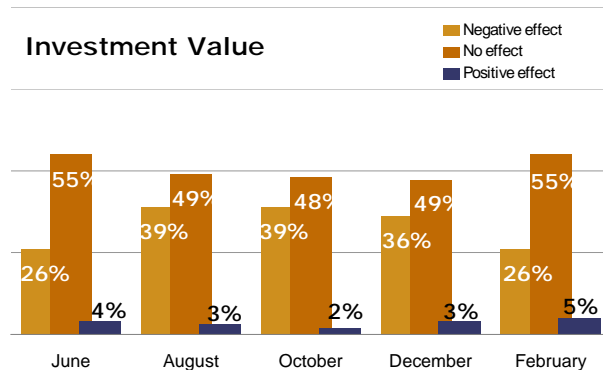


Much more volatile is the percentage who report household income having a negative

effect on their ability to give. This figure has risen by six percent to 36% since December.



Corresponding with the aforementioned stock market increases, 10% fewer donors now report that the value of their investments has had a negative impact on their giving.



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:

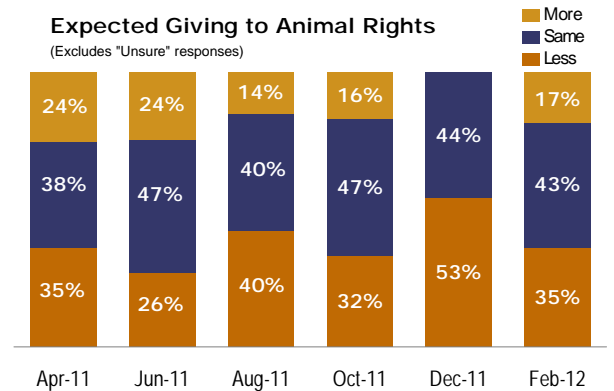
- † Animal rights, protection, and training
- † Arts, culture, and humanities
- † Educational institutions and programs
- † Environmental protection and preservation
- † Faith-based charities, excluding places of worship
- † Health and medical charities
- † International relief, education, and sponsorship

- † Not-for-profit hospitals and hospital foundations
- † Places of worship
- † Political organizations
- † Social service organizations

Animal Rights & Protection

The Index for Animal Rights charities has fallen by 0.4 points since last issue, the smallest drop in any sector this issue. However, the Index in this sector is typically on the low end.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Animal Rights	84.8	84.0	80.0	83.2	83.9	83.5
6-mo Avg.	88.8	86.2	82.9	82.4	82.4	83.5



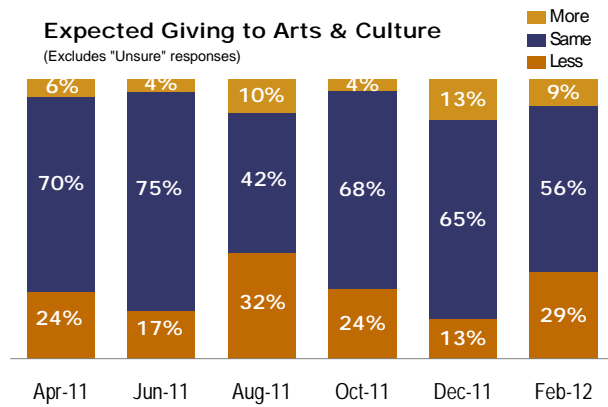
Expected giving to Animal Rights groups continues to fluctuate. As of February, 35% plan to give less to these groups this year and 17% plan to give more.

Arts, Culture, and Humanities

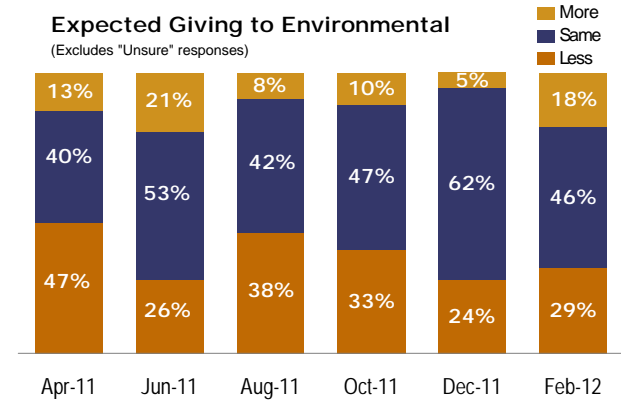
The Index for Arts and Culture organizations has decreased by 4.3 points since last issue, and now stands at 87.8.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Arts & Culture	88.8	89.3	85.2	90.1	92.1	87.8
6-mo Avg.	93.3	88.7	87.8	88.2	89.1	90.0

A majority of donors to the sector (56%) plan to donate the same amount in 2012 as in 2011, a decline of nine percent since December. Twenty-nine percent plan to donate less.



Currently, just under half of all donors to Environmental causes say they will give the same amount to this sector in 2012. Three in ten (29%) expect to donate less and 18% expect to donate more.

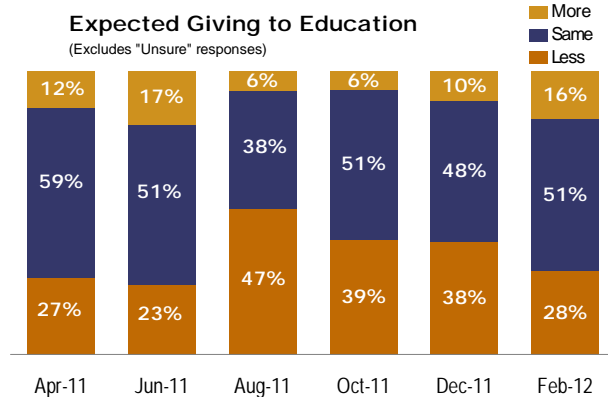


Educational Institutions & Programs

Since December, the DCI for donors to Education has dropped 3.6 points, to 90.8.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Education	93.8	90.5	84.6	87.4	94.4	90.8
6-mo Avg.	95.1	92.7	89.6	87.5	88.8	90.9

Approximately half the donors to Educational Institutions (51%) expect to give the same to the sector throughout the year. One in six (16%) plan to give more and 28% plan to give less.

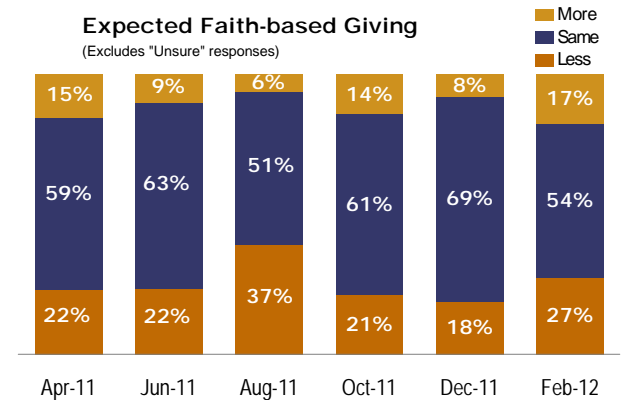


Faith-based Charities

The DCI for Faith-based organizations has dropped a full six points since December, from 94.0 to 88.0.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Faith-based	91.8	93.7	84.6	90.1	94.0	88.0
6-mo Avg.	94.0	92.8	90.0	89.5	89.6	90.7

As of February, 54% of donors to the sector plan to give the same amount in 2012 as in 2011. The proportion expecting to give less to faith-based groups has grown by nine percent, as has the proportion expecting to give more. The Index for this sector has fluctuated by nearly ten points during the last year.



Environmental Protection

Down 6.3 points this issue, the Index score for Environmental charities stands at 83.3.

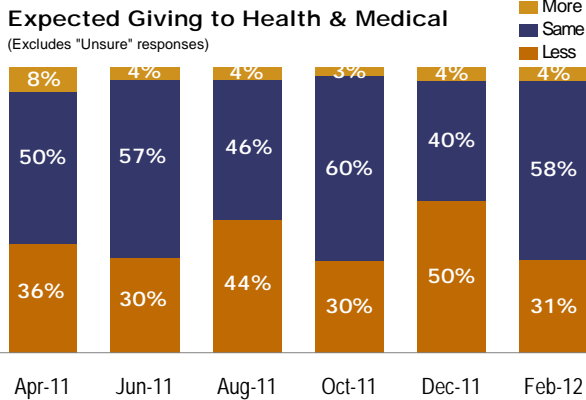
Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Environmental	93.5	87.2	85.1	88.2	89.6	83.3
6-mo Avg.	92.4	90.5	88.6	86.8	87.6	87.0

Health and Medical Charities

The Index for the Health and Medical sector declined by 6.6 points this issue to 84.1.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Health & Med.	91.2	89.7	84.7	87.1	90.7	84.1
6-mo. Avg.	91.1	89.8	88.5	87.2	87.5	87.3

Up 18% since year's end, a very strong 58% of donors to this sector plan to give the same this year. On the flip side, three in ten health and medical donors (31%) expect to donate less this year and hardly any plan to donate more.



Hospitals & Hospital Foundations

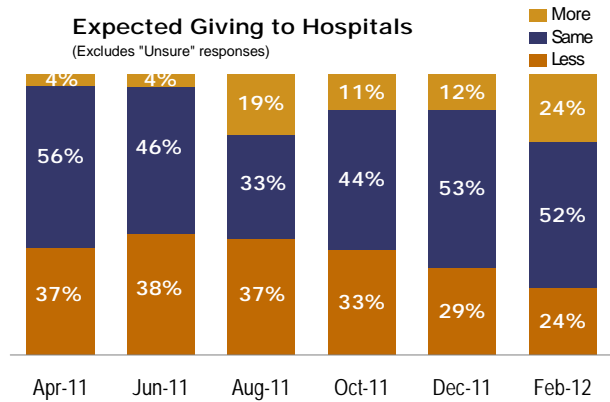
Returning to figures seen last spring, the DCI for Hospitals and their Foundations is now 90.8.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Hospitals	91.0	90.2	81.5	85.9	94.9	90.8
6-mo. Avg.	92.7	91.3	87.6	85.9	87.4	90.5

Approximately half (52%) plan to give the same amount to Hospitals in 2012. Equal proportions (24%) plan to give either less or more throughout the year.

Expected Giving to Hospitals

(Excludes "Unsure" responses)



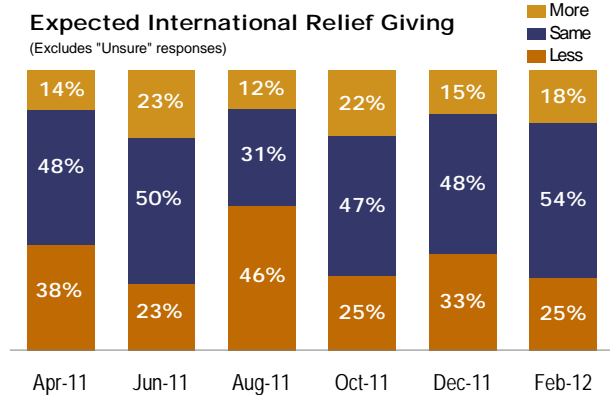
Int'l Relief & Sponsorship

Falling 7.1 points, the Index for International Relief & Sponsorship charities now stands at 90.3, a score close to that of last August.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Int'l Relief and Development	92.2	92.8	90.2	94.2	97.4	90.3
6-mo. Avg.	96.7	93.6	91.7	92.4	93.9	94.0

Expected International Relief Giving

(Excludes "Unsure" responses)



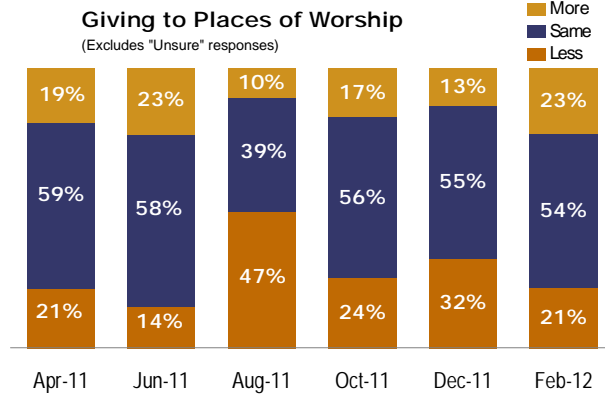
At present, one in four donors (25%) report plans to give less to this sector, while 54% report plans to give the same amount.

Places of Worship

The Confidence Index for donors to Places of Worship has decreased by 4.1 points over the past two months to 88.4.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Places of Worship	92.0	90.8	83.5	87.7	92.5	88.4
6-mo. Avg.	92.2	90.9	88.8	87.3	87.9	89.5

A majority of donors (54%) expect to give the same this year to Places of Worship versus last. Up 10%, 23% now say they are going to give more. One in five (21%) say they will give less.



Political & Advocacy

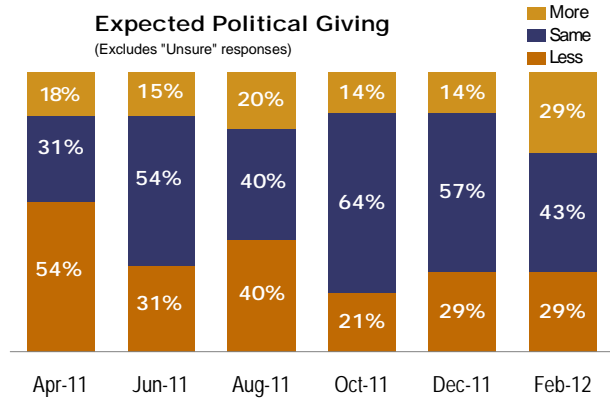
At 85.4, the DCI for Political and Advocacy groups has declined by more than eight points since last issue at the height of the critical pre-election fundraising season.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Political and Advocacy	85.5	100.1	84.3	91.3	93.5	85.4
6-mo. Avg.	91.8	92.3	90.0	91.9	89.7	90.1

This month, 43% of political donors report plans to give the same amount to political and advocacy groups in 2012 as they did in 2011. Nearly three in ten (29%), expect to give more this year than last, the same percentage as expect to give less. Perhaps the desire to see their party win in November is offset by donors' distaste for the political environment.

Expected Political Giving

(Excludes "Unsure" responses)



Social Service

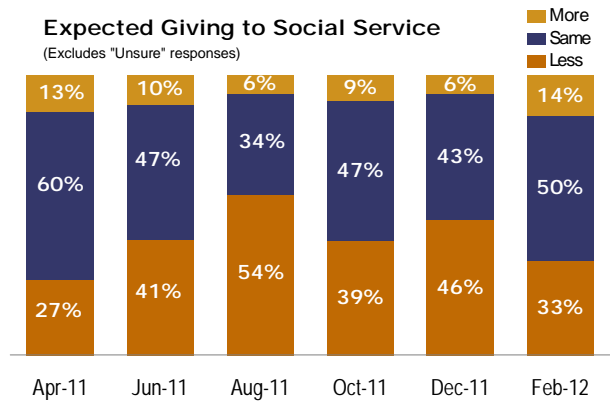
The DCI for Social Service charities stands at 91.2, representing a 4.3 point drop from December. Despite this fact, this sector earns the highest sector Index in the February poll.

Sector	Apr '11	Jun '11	Aug '11	Oct '11	Dec '11	Feb '12
Social Svcs	91.3	91.0	85.1	88.2	95.5	91.2
6-mo. Avg.	91.8	90.3	89.1	88.1	89.6	91.6

Half the donors to this sector (50%) plan to give the same dollar amount this year, while 33% plan to give a lesser amount.

Expected Giving to Social Service

(Excludes "Unsure" responses)



Methodology

This Donor Confidence Report poll was conducted on March 6-13, 2012 among 349 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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