

Donor Confidence Report

Issue 24, October 2012

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 October 2012 poll is 458. Details about the study methodology and audience are found on the final page of this report.

Note: The October poll was conducted in November, post-election.

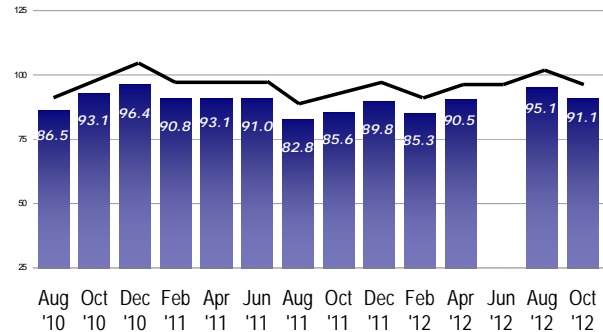
Donor Confidence Dips

Falling four points from August to October, the Donor Confidence Index (DCI) now stands at 91.1, where 100 measures a baseline established 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	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	2-Mo Chg
Overall	85.6	89.8	85.3	90.5	95.1	91.1	▼ 4.0
Animal Rights	83.2	83.9	83.5	90.8	90.9	90.6	▼ 0.3
Environmental	88.2	89.6	83.3	90.3	95.8	94.6	▼ 1.2
Social Service	88.2	95.5	91.2	95.8	99.1	97.1	▼ 2.0
Education	87.4	94.4	90.8	94.9	98.1	95.5	▼ 2.6
Political and Advocacy	91.3	93.5	85.4	94.0	101.1	98.4	▼ 2.7
Arts, Culture & Humanities	90.1	92.1	87.8	97.7	101.2	98.0	▼ 3.2
Hospitals & Hosp. Fnd.	85.9	94.9	90.8	92.2	95.8	92.0	▼ 3.8
Int'l Relief and Development	94.2	97.4	90.3	97.4	98.8	94.6	▼ 4.2
Health and Medical	87.1	90.7	84.1	90.5	94.7	90.1	▼ 4.6
Place of Worship	87.7	92.5	88.4	92.5	96.0	90.6	▼ 5.4
Faith-based	90.1	94.0	88.0	92.2	100.7	93.0	▼ 7.7

The performance of the Index has fallen across all charitable sectors since August '12. Opinions from any single donor will alter the Index for any sector they say they have supported.



Rising Confidence Reverses Course

The improving trend seen since February 2012 came to an abrupt halt in early November, when donors reversed their earlier optimism about their intent to give in upcoming months.

This reversal comes despite the Conference Board announcing that American consumer confidence posted further gains recently, and housing markets showing signs of new life.

With the national unemployment rate holding steady at 7.9 percent and full implementation of national health insurance underway, it appears that donors are bracing for rising costs and minimal future increases in income.

The Index is at 91.6 among women and 93.1 among pre-Boomers. It declined to 83.4 among upper middle income earners of \$50-\$75K, but actually rose slightly for households earning more than \$75,000 annually.

The percent of donors who believes the economy will decline in the coming years has doubled from 20% to 39% since October, while the percent who believes the economy will improve remains flat.

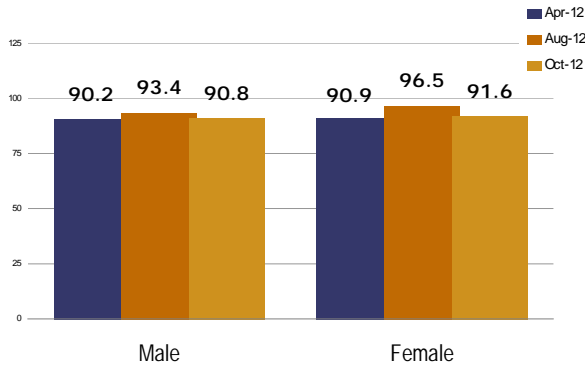
As noted in the August issue of this report, it appears that high unemployment rates and persistent economic uncertainty still exert a

tremendous impact on donors' willingness to open their checkbooks in 2013.

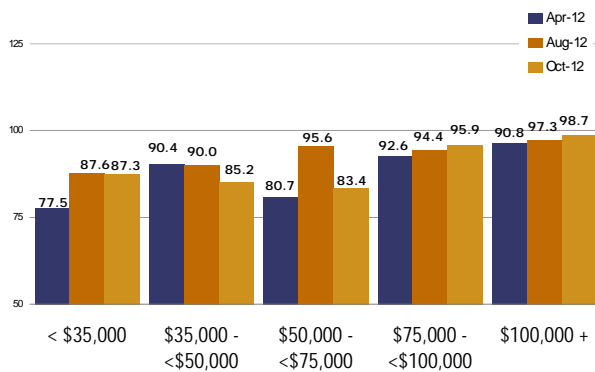
Authored by Dirk Rinker

Donor Confidence by Gender, Age and Income

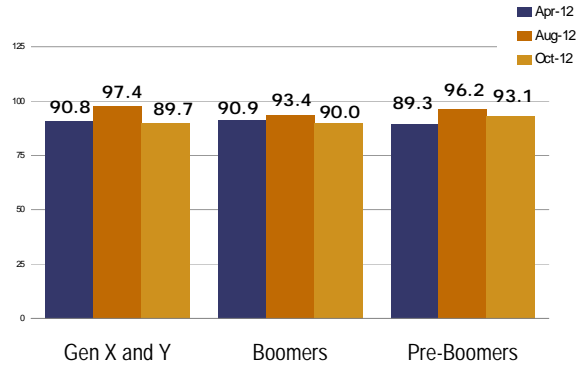
The DCI for men has dropped to 90.8, while the score for women has dropped to 91.6.



Since August, confidence has grown among donors with \$75,000+ household income and fallen among donors with less than \$75,000 household income. The DCI for those with income between \$50,000 and \$75,000 is particularly volatile.



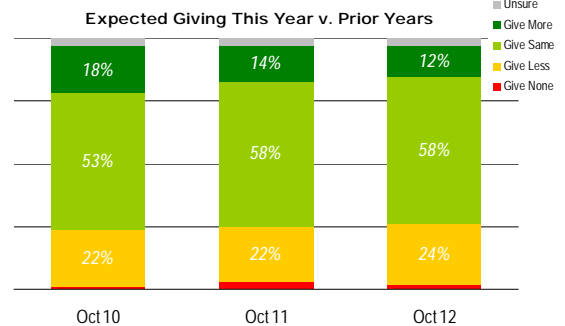
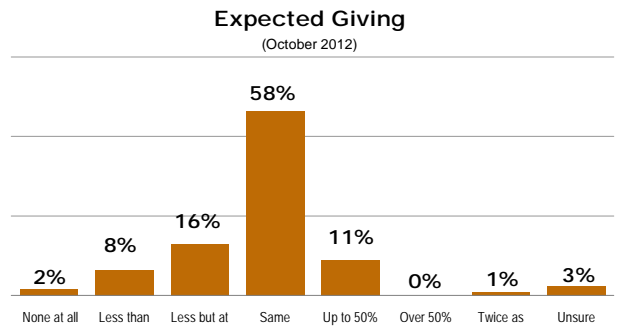
The DCI had decreased across all generations, with Gen X & Y expressing the lowest confidence.



Expectations for Giving in 2012

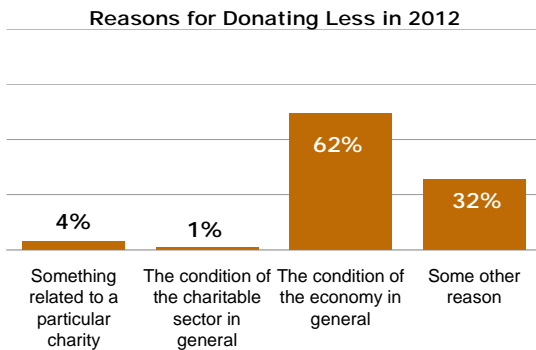
In each Donor Confidence poll, Campbell Rinker asks U.S. donors whether they expect to give the same, more, or less in the present year compared with last.

Expected giving has softened; while a stable 58% of donors expect to donate the *same* amount next year, the proportion who expects to give *more* in the coming year has declined consistently since October 2010.



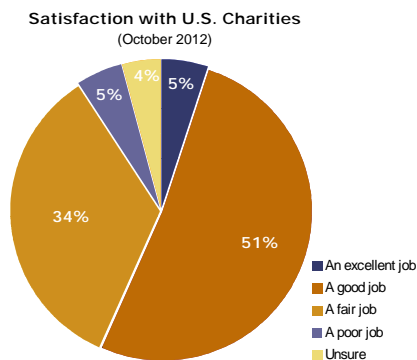
Reasons for Giving Less

Among those who plan to give less, more than three in five (62%) cite the condition of the economy as their reason for doing so (a decrease of 5% in two months). Nearly one in three (32%) cite reasons unrelated to the economy or charitable sector.



U.S. Nonprofit Approval Ratings

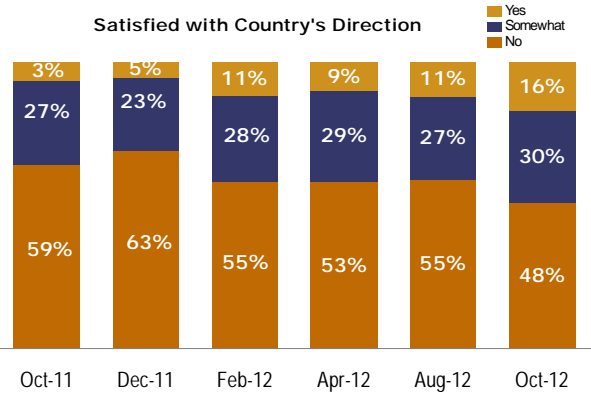
Consistent with recent results, approximately half of all donors believe U.S. charities are doing “a good job.”



Government Satisfaction Improves

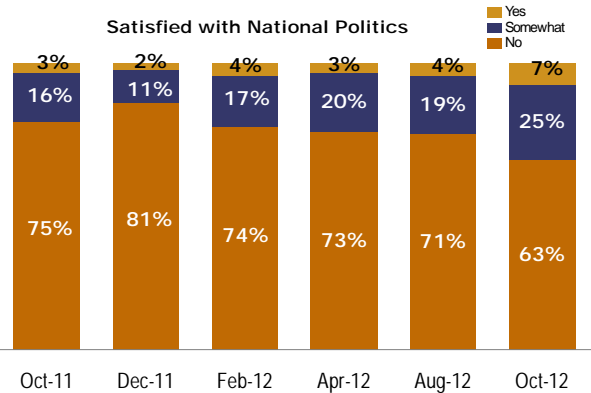
Up eight percent since August, 46% of donors are now at least somewhat satisfied with the country’s direction.

Satisfied with Country's Direction



Up nine percent, about one in three (32%) say they are at least somewhat satisfied with federal politics.

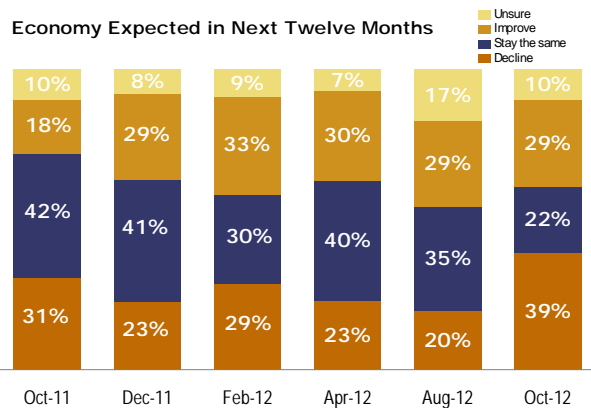
Satisfied with National Politics



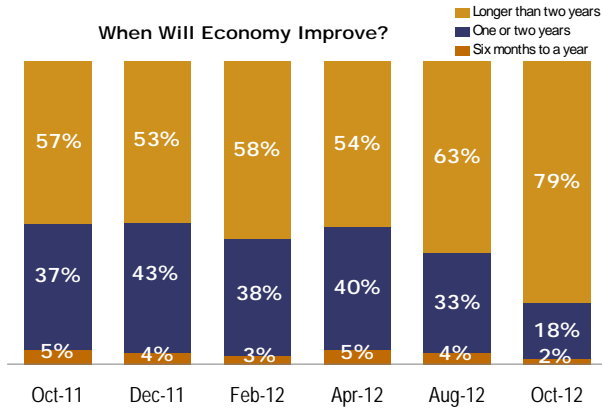
Outlook for the Economy Worsens

While donors express more positive opinions regarding the U.S. government this month, their expectations for the economy are certainly more negative. Increasing 19% since last issue, 39% currently expect the economy to decline over the next twelve months.

Economy Expected in Next Twelve Months

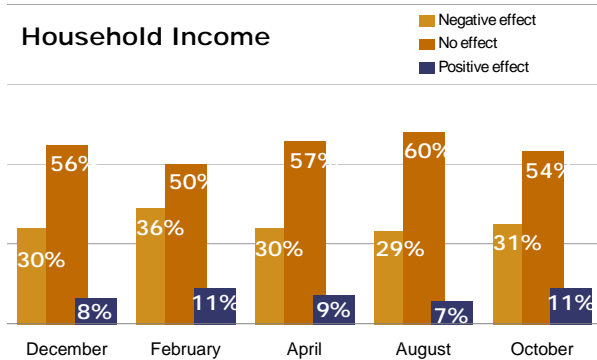


Approximately four in five (79%) believe economic recovery will take more than two years.



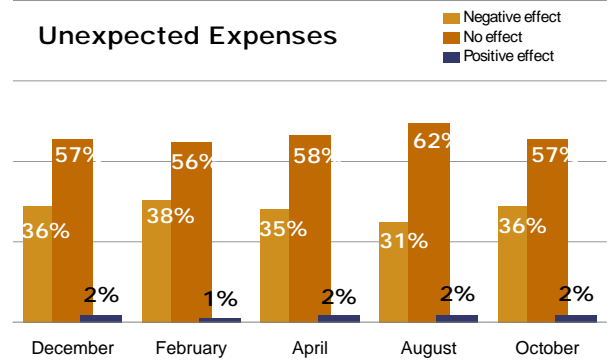
Income and Expenses Continue to Hinder Giving

Three in ten donors (31%) report changes in household income as having a negative effect on their ability to donate to charity.



Increasing five percent since August, 36% cite unexpected expenses as negatively affecting their giving.

Unexpected Expenses



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.

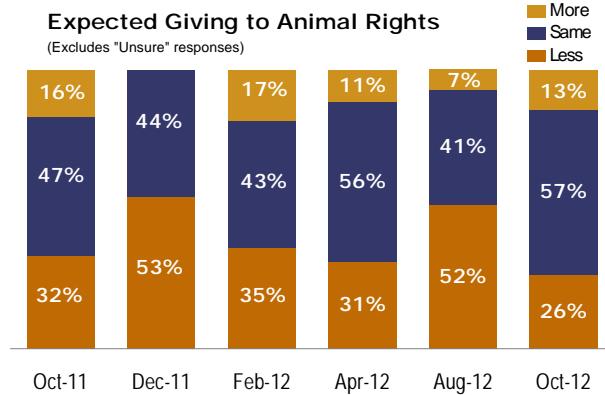
The sections below highlight the stated plans donors have for giving to each of the following nonprofit categories:

- † 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 DCI for Animal Rights organizations has shown the most stability of all sectors over the past six months. The Index dropped by 0.3 points this issue to 90.6.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Animal Rights	83.2	83.9	83.5	90.8	90.9	90.6
6-mo Avg.	82.4	82.4	83.5	86.1	88.4	90.8



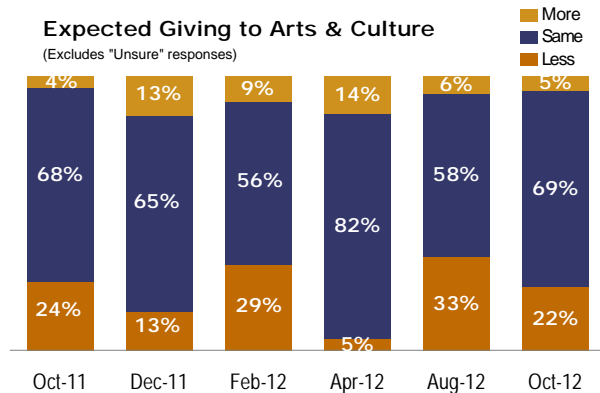
Nonetheless, expected giving to the sector has shifted significantly. Today, 26% plan to give less to the sector throughout 2012, 57% plan to give the same amount, and 13% plan to give more.

Arts, Culture, and Humanities

At 98.0, the Index for Arts and Culture charities has decreased by 3.2 points since August.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Arts & Culture	90.1	92.1	87.8	97.7	101.2	98.0
6-mo Avg.	88.2	89.1	90.0	92.5	95.6	99.0

Volatility in expected giving to Arts charities persists. Presently, 22% of donors plan to give less to the sector and 69% plan to give the same amount.

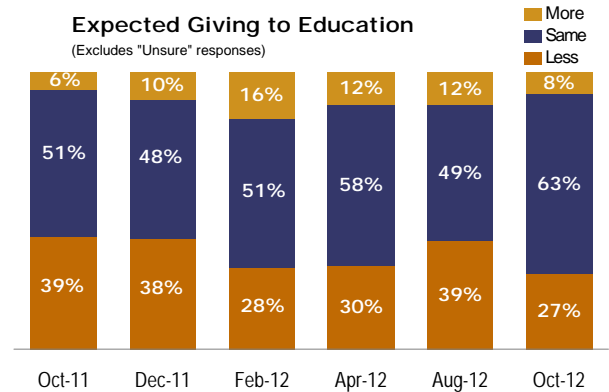


Educational Institutions & Programs

The DCI for Educational Institutions has fallen to 95.5, a 2.6 point decrease from August.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Education	87.4	94.4	90.8	94.9	98.1	95.5
6-mo Avg.	87.5	88.8	90.9	93.4	94.6	96.2

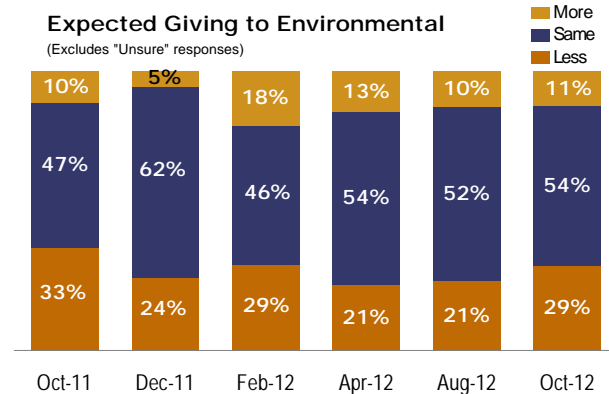
This issue, 63% expect to give the same amount to Education during 2012. More than one in four (27%) plan to give less and 8% expect to give more.



Environmental Protection

Down 1.2 points, the Index for Environmental charities stands at 94.6.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Environmental	88.2	89.6	83.3	90.3	95.8	94.6
6-mo Avg.	86.8	87.6	87.0	87.7	89.8	93.6



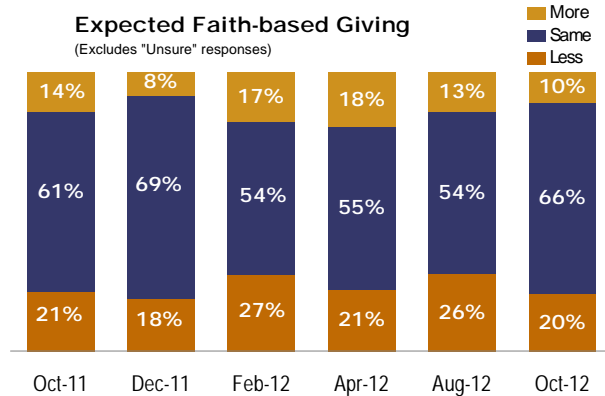
Over half of all donors to Environmental causes (54%) report plans to give the same amount to the sector this year as last. Nearly three in ten (29%) report plans to give less.

Faith-based Charities

Confidence among donors to Faith-based organizations has fallen 7.7 points from 100.7 in August to 93.0 today. This is the largest drop for any sector this issue.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Faith-based	90.1	94.0	88.0	92.2	100.7	93.0
6-mo. Avg.	89.5	89.6	90.7	91.4	93.6	95.3

Currently, 66% of donors plan to give the same amount to the sector this year, while 20% plan to donate less and 10% plan to donate more.

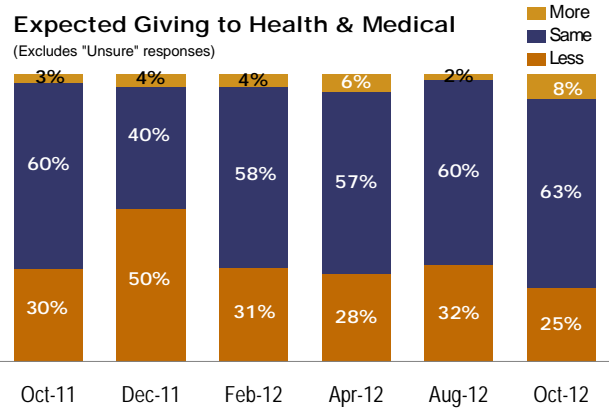


Health and Medical Charities

The current DCI for Health and Medical charities is 90.1, a decrease of 4.6 points since August.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Aug '12	Oct '12
Health & Med.	90.7	84.1	90.5	94.7	94.7	90.1
6-mo. Avg.	87.5	87.3	88.4	89.8	89.8	93.2

In October, one in four donors (25%) report plans to give less to the sector this year; 63% report plans to give the same dollar amount.

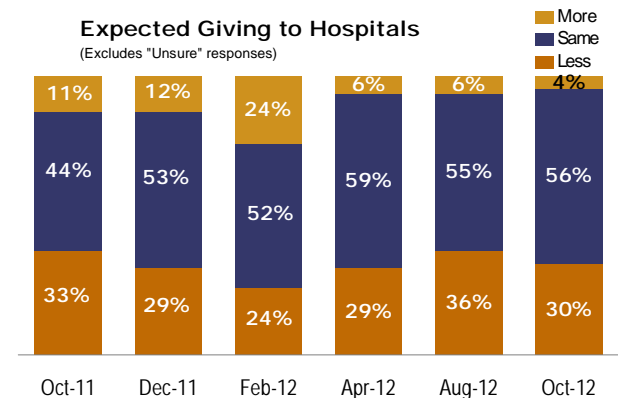


Hospitals & Hospital Foundations

The Index for Hospitals and Hospital Foundations has dropped 3.8 points from 95.8 to 92.0.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Hospitals	85.9	94.9	90.8	92.2	95.8	92.0
6-mo. Avg.	85.9	87.4	90.5	92.6	92.9	93.3

Three in ten donors report plans to give less to Hospitals throughout 2012, while 56% report plans to give the same amount.



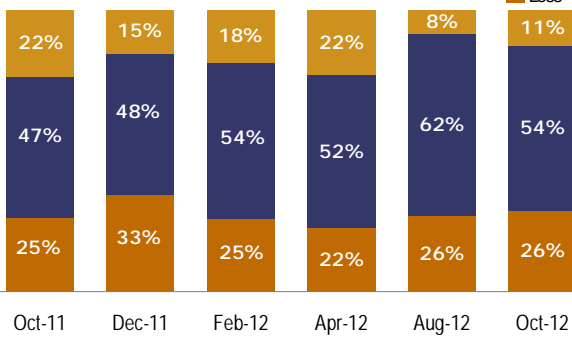
Int'l Relief & Sponsorship

Down 4.2 points since last issue, the DCI for International Relief charities stands at 94.6.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Int'l Relief and Development	94.2	97.4	90.3	97.4	98.8	94.6
6-mo. Avg.	92.4	93.9	94.0	95.0	95.5	96.9

Expected International Relief Giving

(Excludes "Unsure" responses)



Today, 54% plan to give the same amount to International Relief charities throughout 2012. One in four (26%) continue to say they will give less and 11% say they will give more.

Places of Worship

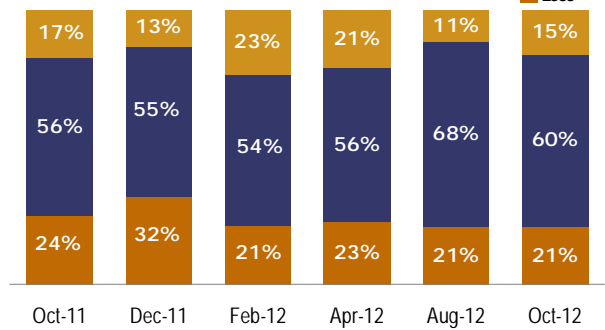
The Index for Places of Worship has declined 5.4 points to 90.6, the second largest drop for any sector this issue.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Places of Worship	87.7	92.5	88.4	92.5	96.0	90.6
6-mo. Avg.	87.3	87.9	89.5	91.1	92.3	93.0

Three in five donors to Places of Worship (60%) expect to give the same dollar amount in 2012 as in 2011. One in five (21%) still expect to give less this year.

Giving to Places of Worship

(Excludes "Unsure" responses)



Political & Advocacy

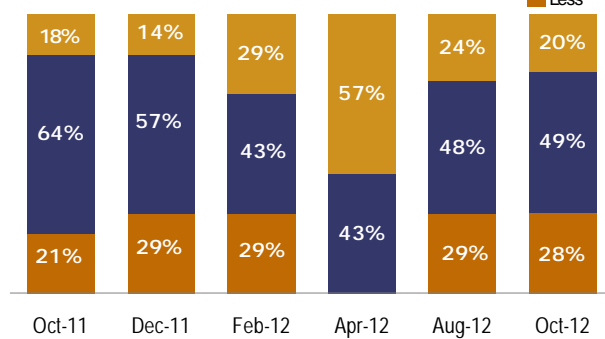
Confidence among Political donors has fallen 2.7 points since August to 98.4.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Political and Advocacy	91.3	93.5	85.4	94.0	101.1	98.4
6-mo. Avg.	91.9	89.7	90.1	91.0	93.5	97.8

At present, one in five donors to Political and Advocacy groups (20%) expect to give more to the sector this year versus last. Half (49%) plan to give the same amount.

Expected Political Giving

(Excludes "Unsure" responses)

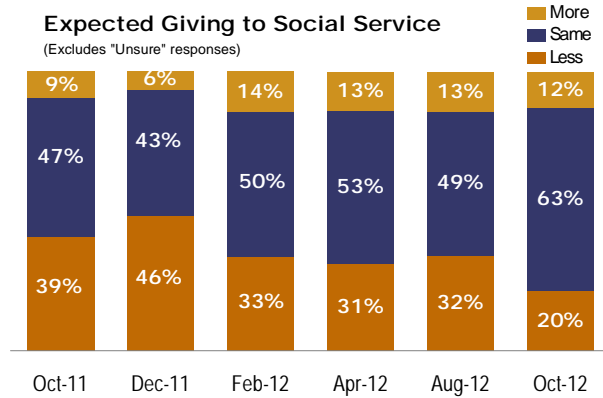


Social Service

At 97.1, the DCI for Social Service organizations has decreased by two points since last issue.

Sector	Oct '11	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12
Social Svcs	88.2	95.5	91.2	95.8	99.1	97.1
6-mo. Avg.	88.1	89.6	91.6	94.2	95.4	97.3

More than three in five Social Service donors (63%) expect to give the same dollar amount this year as last, while 20% plan to give less and 12% plan to give more.



Methodology

This Donor Confidence Report poll was conducted November 13-17, 2012 among 458 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 August 2012 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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