

## Donor Confidence Report

Issue 9, February 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 February 2010 poll is 506. Details about the study methodology, audience may be found on the final page of this report.

### Donor Confidence Inches Higher

Campbell Rinker's overall Donor Confidence Index (DCI) now stands at 88.4, posting a marginal increase of 1.1 points since the December '09 poll. The benchmark of 100 for the Index was established in February 2008.

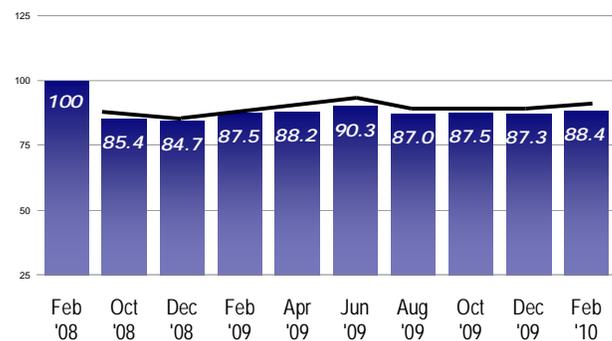
The Index takes into account donors' self-reported expectations about their giving, their view of the nonprofit sector, the nation's economic health, and several other factors.

The performance of the Index within various sectors is shown in the table below, ranked by the change since December '09 with the overall Index listed first.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10	2-Mo Chg
Overall	88.2	90.3	87.0	87.5	87.3	88.4	▲ 1.1
Int'l Relief and Development	88.9	90.3	92.2	88.7	90.3	93.7	▲ 3.4
Environmental	88.3	90.9	82.9	79.2	86.4	89.1	▲ 2.7
Political and Advocacy	90.8	93.0	85.6	91.5	87.7	90.1	▲ 2.4
Faith-based	92.9	87.0	90.1	92.2	93.1	94.9	▲ 1.8
Animal Rights	85.3	91.9	87.2	87.0	85.2	86.8	▲ 1.6
Place of Worship	89.4	90.4	88.6	91.6	90.7	91.1	▲ 0.4
Arts, Culture and Humanities	89.1	93.2	83.3	91.9	91.3	91.7	▲ 0.4
Hospitals & Hosp. Fnd.	87.8	89.7	87.9	85.6	89.0	89.3	▼ -0.3
Education	88.9	91.2	87.9	90.9	89.7	88.5	▼ -1.2
Social Service	90.0	89.1	87.9	86.7	90.8	89.3	▼ -1.5
Health and Medical	86.4	91.0	86.2	88.5	91.3	87.8	▼ -3.5

The Index has risen among donors to seven of the individual nonprofit sectors Campbell Rinker measures, while four have fallen.

Positive or negative opinions from any single donor will impact the Index for all sectors they have supported.



### Analysis

In this poll, conducted on March 3-5, 2010, individual American donors appear to be holding their collective breath. The slight gain in the Index over the December poll does little to reassure the nonprofits that donors are feeling more confident in the new decade. By and large, the tepid pace of economic recovery combined with a renewed push by national leadership for record levels of federal spending seem to have donors playing a waiting game.

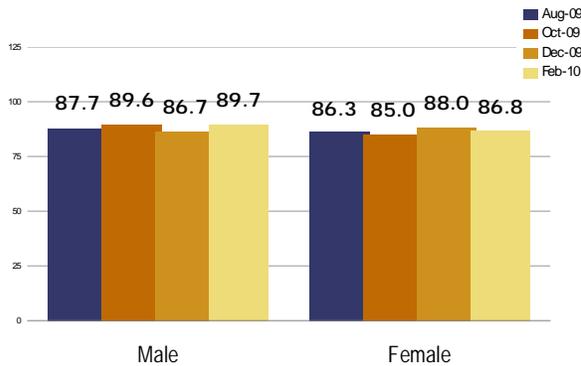
(Note that while this report is being published *after* the President signed \$987 billion in health care legislation, the poll occurred before Congress cast the final vote).

Donors are quite unsure of how these factors might play out over the long haul, and they respond with uncertainty about their future giving. Only 52% of donors in this poll who gave less in 2009 than in 2008 fully expect their giving to return to previous levels; one in ten say no, and 38% are unsure. One third of donors age 66+ expect their giving will never go back to 2008 levels.

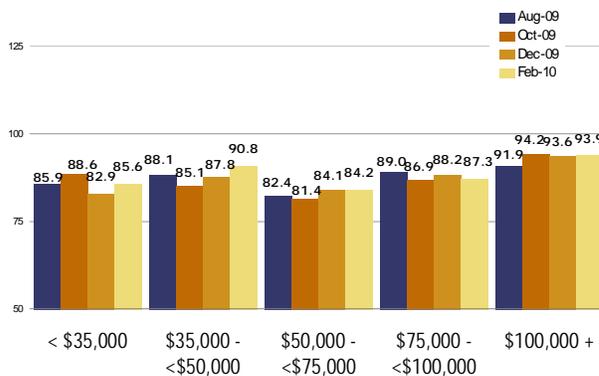
The DCI peaked in June '09 at a level of 90.3 after its inception in October, '08.

### Donor Confidence by Demographics

Once again, men exhibit a slightly higher level of donor confidence than women. Currently, the Index among men stands at 89.7, three points higher than the Index of 86.8 among women. Only in December '09 have we found women to be more confident than men.

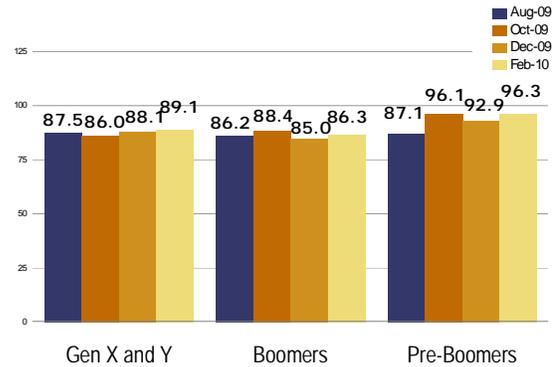


Giving households earning \$100,000+ annually continue to post a significantly higher confidence Index compared to households with lower income levels. The score for these donors is now 93.9, over nine points higher than the Index among those earning \$50,000-\$74,999 annually. Strikingly, both the annual income groups under \$50,000 generate higher Index scores than these middle income earners.



Pre-boomers continue to exhibit very high confidence levels. As of February, this group has a Confidence Index of 96.3. Donors in Generation X and Y are much less optimistic

with an index of 89.1, while Boomers have the worst outlook with an Index of 86.3.

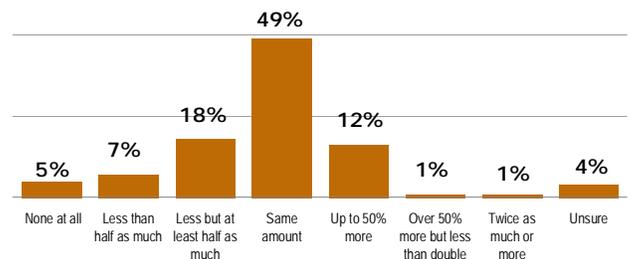


### Likelihood for Consistent Giving from '09 to '10 Rises

Campbell Rinker asked U.S. donors whether they expected to give the same amount, more, or less in 2010 compared with 2009.

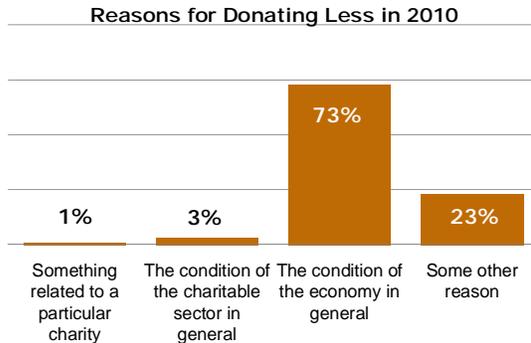
Nearly half of all donors, 49%, expect to give the "same amount" this year as in 2009, and 30% expect to give less (in some category). This is a five percent shift from "less" to "same" category compared to the December poll, a move that drives some of the strong sector level improvements in the Index noted on the previous page. (In December, 44% expected to give the same amount and 35% planned to give less).

Expected 2010 Giving (February 2010)



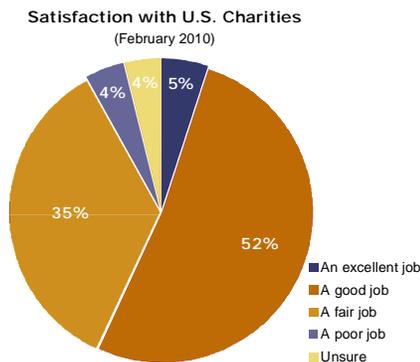
### Donors who Plan to Give Less Still Cite Economy as Cause

Approximately three in four donors who plan to give less in 2010 (73%) knock the economy as the reason. Just four percent plan to give less as a result of anything related to the nonprofit sector.



### Nonprofit Approval Stays High

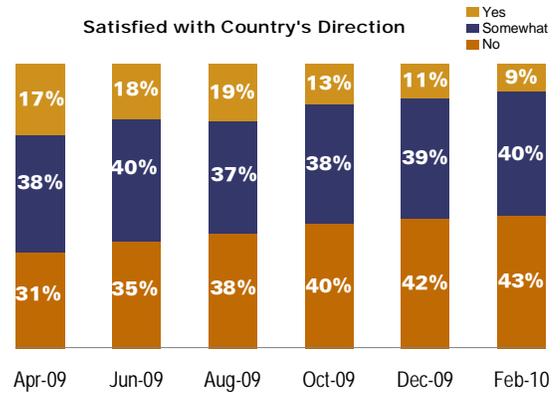
Similar to what we've seen in previous months, 57% of those polled rate their satisfaction with U.S. charities as either "excellent" or "good".



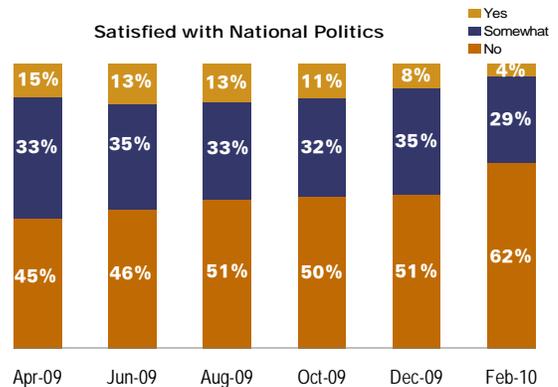
### Satisfaction with Direction of Country, Politics Erodes Further

The proportion of donors dissatisfied with the country's direction has risen by another percentage point since December 2009 to 43%. The percentage of donors who are satisfied with the country's direction is at its lowest point since President Obama took office. The

level of dissatisfaction is more acute among older respondents, where none of the respondents report that they are satisfied regardless of political affiliation.

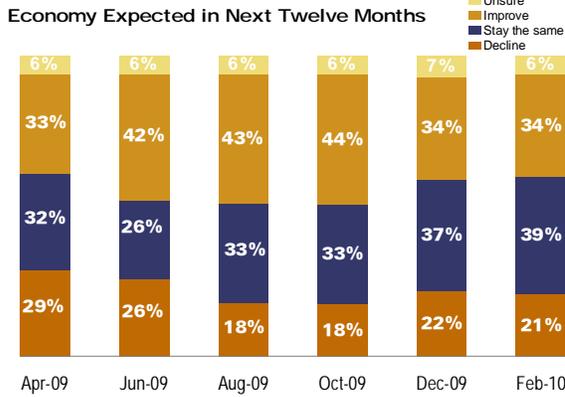


Today, more than six in ten donors are dissatisfied with the political system at the national level, spiking nearly ten percent since December. This is also the lowest satisfaction rating since December of 2008, and is undoubtedly influenced by news reports concerning action on health care reform taking place in Congress.

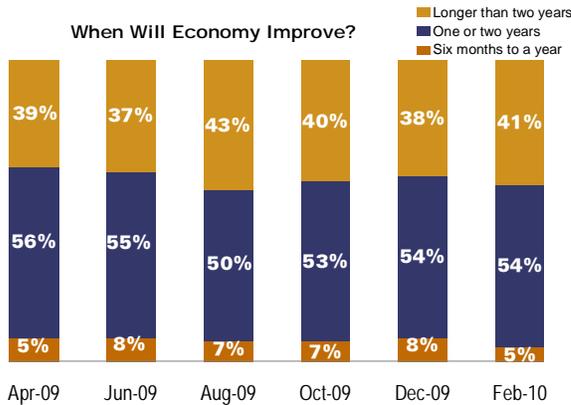


### Expectations for Economic Gains

The percentage of donors who expect the economy to remain the same throughout 2010 increased from 37% in December to 39% now, reinforcing the impression that American donors remain cautious about the economy.



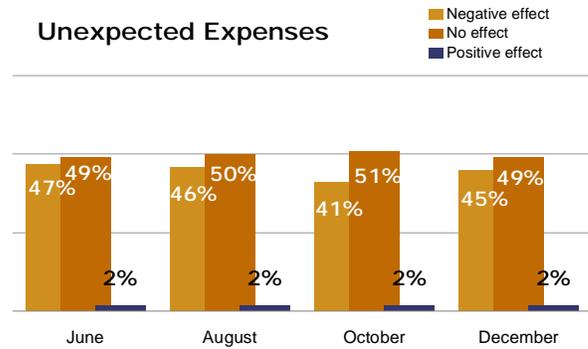
Since April '09, a 95% majority has consistently indicated they believe the economy will require one or more years to improve.



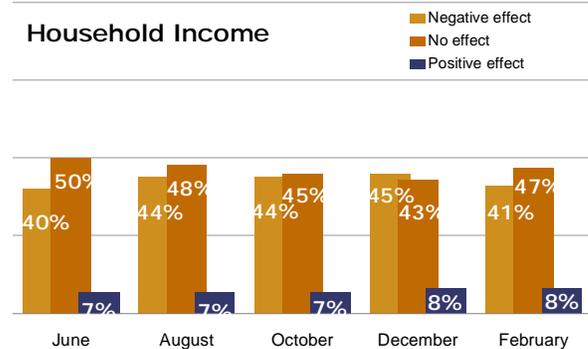
**Unexpected Expenses and Lost Income Delay Giving**

Unexpected expenses and changes in household income continue to have the greatest negative effect on giving. Nine in 20 donors (45%) say unexpected expenses have a negative impact on their giving, while four in ten (41%) say their household income has negatively impacted their giving.

**Unexpected Expenses**



**Household Income**



In this edition of the Donor Confidence poll, 62% of donors report being employed full-time in one or more jobs, 13% are retired, 10% are employed part-time in one or more jobs, five percent are unemployed, and five percent are homemakers. Few were disabled or reported themselves in other categories.

**Sector Spotlights**

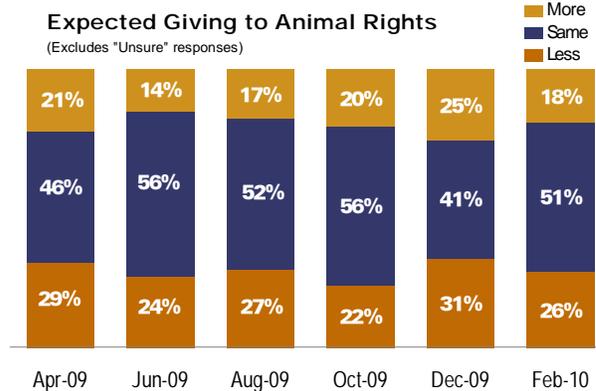
Campbell Rinker asked donors to indicate which of 11 nonprofit sectors they had supported in the last year. Within these results, ratings from one donor may contribute to the DCI in more than one of the nonprofit sectors highlighted below.

- † 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

In February, the DCI among donors to Animal Rights charities rose by 1.6 points. This increase marks a rebound for this group from a low in December.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Animal Rights	85.3	91.9	87.2	87.0	85.2	86.8
6-mo Avg.	87.6	88.0	88.1	88.7	86.5	86.3



As of February 2010, less than two in ten donors (18%), plan to give more to Animal Rights organizations. A majority (51%) now say they plan to donate the same amount to this sector as last year – an increase of 10%.

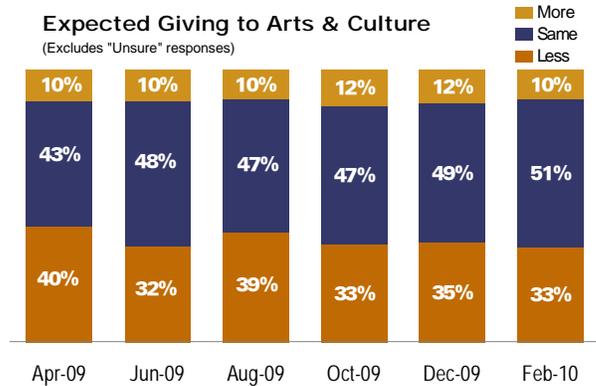
### Arts, Culture, and Humanities

The DCI among Arts donors has remained fairly constant over the past six months, varying between 91.3 and 91.9. This group's Index score currently stands at 91.7.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Arts & Culture	89.1	93.2	83.3	91.9	91.3	91.7
6-mo Avg.	88.7	89.0	88.5	89.5	88.8	91.6

Expected giving to Arts and Culture has seen little movement over the last six months. One in three donors to this sector (33%), still plan to give less this year, while a majority of 51% plans to give the same amount as in 2009.

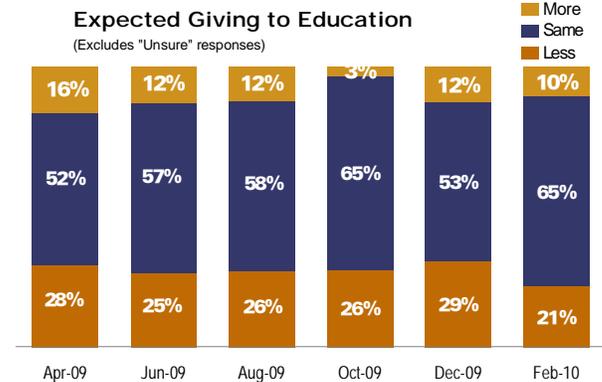
Expected Giving to Arts & Culture (Excludes "Unsure" responses)



### Educational Institutions & Programs

The DCI for Educational Institutions dropped further by 1.2 points in February to 88.5. This poll marks the second straight decline in this sector.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Education	88.9	91.2	87.9	90.9	89.7	88.5
6-mo Avg.	88.4	89.0	89.3	90.0	89.5	89.7



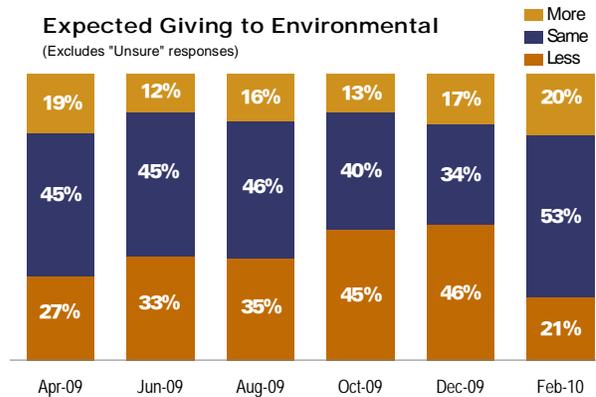
Two in three Education donors plan to donate the same amount in 2010 as they did in 2009. Two in ten, 21%, plan to give less and 10% plan to give more.

### Environmental Protection

The Index for donors to Environmental organizations has made additional gains since December, rising by 2.7 points.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Environmental	88.3	90.9	82.9	79.2	86.4	89.1
6-mo Avg.	88.4	87.8	87.4	84.3	82.8	84.9

Expected giving to Environmental charities also shows signs of improvement. While 46% had plans to give less in '09 than they gave in '08, just 21% now say they will give less to this sector in 2010 compared to '09. Another 20% plan to give more. The proportion of donors expecting to give the same this year as last is now at its highest mark ever for this sector.



### Faith-based Charities

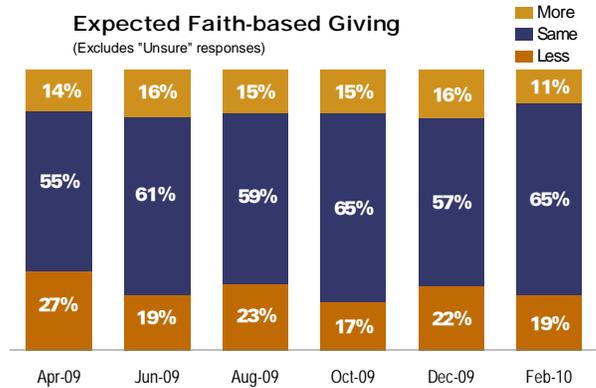
The Confidence Index among donors to Faith-based charities has risen by 1.8 points since December, and currently stands at 94.9. Once again, donors to this sector continue to display the most positive outlook of any sector.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Faith-based	92.9	87.0	90.1	92.2	93.1	94.9
6-mo. Avg.	92.1	90.1	90.0	89.8	91.8	93.4

Approximately two in three Faith-based donors say they will give the same amount in 2010 as in 2009.

### Expected Faith-based Giving

(Excludes "Unsure" responses)



### Health and Medical Charities

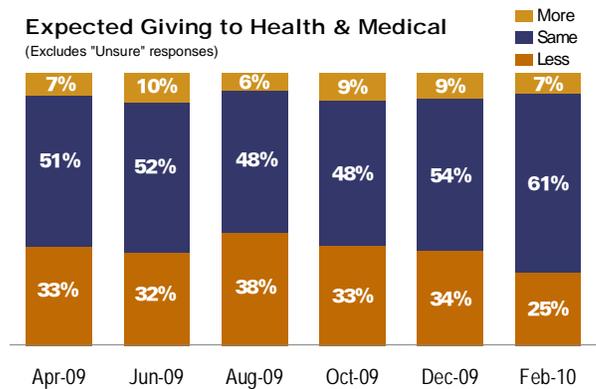
The DCI for Health and Medical charities has fallen by 3.5 points since December. This is the largest decline for any sector in this edition of the poll, though the less volatile six-month rolling average for this sector shows a slight rising trend.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Health and Medical	86.4	91.0	86.2	88.5	91.3	87.8
6-mo. Avg.	87.3	87.8	87.9	88.6	88.7	89.2

A solid majority of six in ten donors (61%), say they will give the same amount to Health and Medical charities this year. One in four (25%) plan to give less – a positive nine percentage point decline from December '09, when 34% indicated plans to give less.

### Expected Giving to Health & Medical

(Excludes "Unsure" responses)

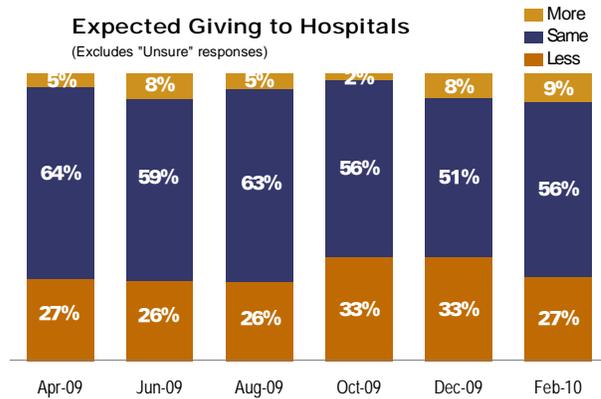


### Hospitals & Hospital Foundations

Donor confidence among givers to Hospitals and their Foundations increased slightly over the past two months, up 0.3 points since December.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Hospitals	87.8	89.7	87.9	85.6	89.0	89.3
6-mo. Avg.	88.4	89.0	88.5	87.7	87.5	88.0

Similar to results for Health and Medical charities, the proportion planning to give less to this sector has dropped by six percent (from 33% in December to 27% today).



### Int'l Relief & Sponsorship

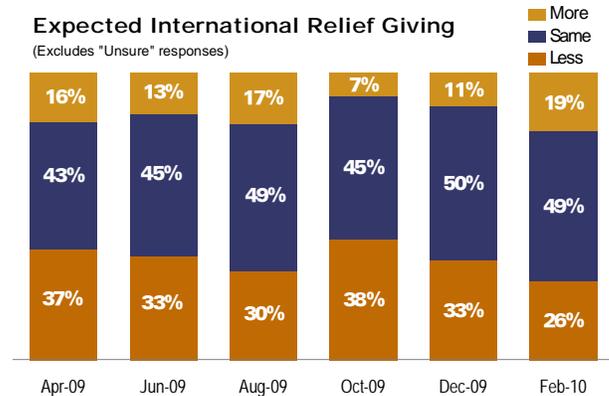
The Index for International Relief and Development donors has increased by 3.4 points since the end of last year.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Int'l Relief and Development	88.9	90.3	92.2	88.7	90.3	93.7
6-mo. Avg.	91.8	89.5	90.5	90.4	90.4	90.9

*While confidence tends to track higher in this sector compared to others, donor expectations fluctuate widely from one poll to the next.*

### Expected International Relief Giving

(Excludes "Unsure" responses)



In February, 26% plan to give less to this sector, while 19% plan to give more.

### Places of Worship

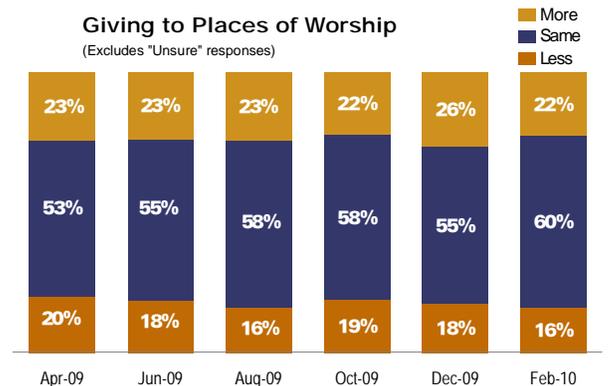
Confidence among donors to places of worship is holding mostly steady at 91.1. This Index score represents a 0.4 point increase from December.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Places of Worship	89.4	90.4	88.6	91.6	90.7	91.1
6-mo. Avg.	90.4	90.0	89.5	90.2	90.3	91.1

Since February 2009, a consistent 22-23% of donors plan to donate more to this sector this year compared to last. Six in ten say they will give the same in 2010 as in 2009.

### Giving to Places of Worship

(Excludes "Unsure" responses)



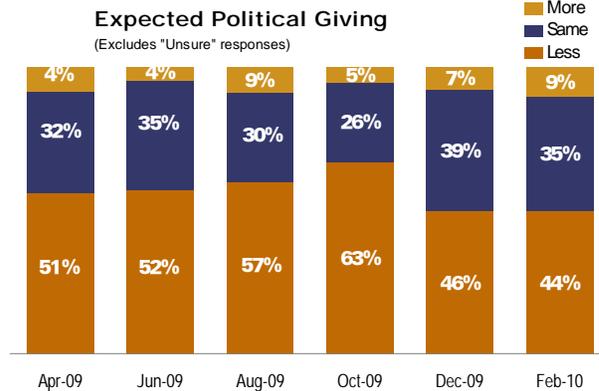
### Political & Advocacy

The Donor Confidence Index for Political and Advocacy groups is another sector that

experiences frequent fluctuations. The score for this group rose by 2.4 points in February.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Political and Advocacy	90.8	93.0	85.6	91.5	87.7	90.1
6-mo. Avg.	88.4	89.6	89.8	90.0	88.3	89.8

About one in three political donors, 35%, plan to give the same amount to this sector this year as last. This sector consistently contains the highest percentage of donors who plan to give less this year compared to last year. In an encouraging sign, the proportion of donors who say they plan to give more to this sector this year has doubled – from 4% to 9% - since April, 2009.



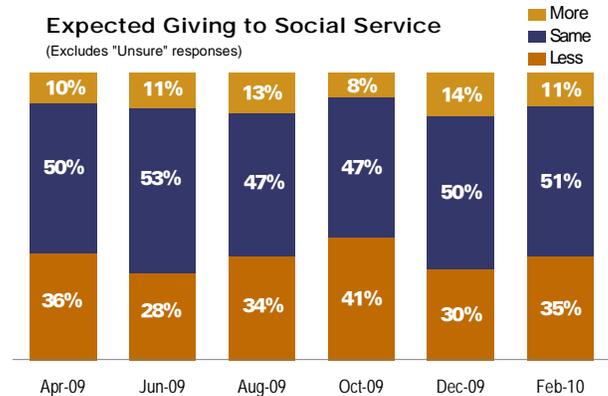
### Social Service

The DCI for Social Service donors decreased by 1.5 points this month to 89.3. Despite this drop, the Index for social service nonprofits shows a fairly consistent trend.

Sector	Apr '09	Jun '09	Aug '09	Oct '09	Dec '09	Feb '10
Social Svcs	90.0	89.1	87.9	86.7	90.8	89.3
6-mo. Avg.	88.9	88.6	89.0	87.9	88.5	88.9

Currently, 51% of Social Service donors expect to donate the same amount to this sector as last year. One in ten, 11%, plan to donate more.

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



### Methodology

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 2007. Respondents were required to be at least 18 years old. Of the 3,312 responding donors, 726 self-identified as Christian and 85 self-identified as adherents to non-Christian faiths.

This Donor Confidence Report poll was conducted March 3-5, 2010 among 506 Internet respondents who had responded to the original February 2008 questionnaire.

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, their 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 February 2010 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
85	±10.6%
100	±9.8%
200	±6.9%
300	±5.7%
500	±4.4%

The information contained in this publication is for information purposes only. Campbell Rinker does not provide financial advice. While the material in this publication is based on responses from actual donors, Campbell Rinker does not make any recommendation or endorsement as to any course of action, plan, or advice which might be taken or given as a result of this information.