

# Special Report on Nonprofit Fundraising Campaigns

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*Covering Capital, Endowment, Comprehensive, or Special Campaigns  
In addition to Charitable Receipts at Nonprofit Organizations in  
the United States and Canada*

*December 2015*

*A Study From*



### *Acknowledgements*

The Nonprofit Research Collaborative (NRC) thanks all respondents who took the survey in July and August 2015. Your willingness to share information about your organization makes it possible for this report to appear.

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Special Report on Campaigns 2015 Nonprofit Fundraising Survey

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## KEY FINDINGS ABOUT CAMPAIGNS



**27%** of organizations reported being in a capital, comprehensive or combined campaign as of summer 2015 and **19%** reported being in a special campaign. This means nearly half of all organizations in this survey had a focused effort to raise funds.



46 percent of organizations actively in a fundraising campaign is a substantially higher number than in summer 2011, when **12%** reported being in a special, capital or comprehensive campaign and 34 percent were planning a campaign but not in one.



On average, organizations planned capital, endowment, or comprehensive campaigns to continue for **4.72** years. Special campaigns averaged **2.23** years.

**\$45M**

Capital, endowment or comprehensive campaigns averaged goals of more than \$45 million. For special campaigns, the average goal was just over \$3 million.



Among organizations in campaigns, 59% in the group with less than \$3 million in expenditures saw increased fundraising receipts as of mid-2015. In the group with \$3 million or more in expenditures, 74% of organizations in campaigns saw a growth in funds raised as of mid-2015.



**Education** organizations are more likely than all other subsectors to be in or to have previously conducted capital, endowment, or comprehensive campaigns.



**About one-quarter (28%)** of organizations in this study say they are planning campaigns but were not, as of summer 2015, in an active capital, endowment, or comprehensive campaign.

## KEY FINDINGS ABOUT FUNDRAISING RESULTS

### SUMMER 2015



Organizations continue to use diversified fundraising approaches. In the first half of 2015, between one-third to just over half of the participating organizations saw increases in fundraising receipts from the *most often used fundraising vehicles*, including major gifts, foundation grants, and direct response/mail.



Major gifts receipts rose at **55%** of surveyed organizations, above the 45 percent reporting increases a year ago.

**59%**

of respondents saw fundraising receipts increase from January through June 2015, compared with the same time last year. This is an increase from 52 percent in 2014, and similar to results in 2013, which saw 58 percent of respondents reporting an increase in fundraising receipts.



Charitable receipts rose at **71 percent of Education** organizations, much higher than the 58 percent seeing increases as of mid-2014. This subsector had the highest percentage of survey participants reporting growth in charitable gifts received.



**63% of Human Services** organizations saw charitable receipts increase, much greater than the 48 percent reported last year. This is the first time that more than half of Human Services charities have seen an increase as of mid-year since we began tracking in 2011.

## INTRODUCTION

In summer 2015, the Nonprofit Research Collaborative asked detailed questions about organizations' involvement with capital, endowment, comprehensive, or special campaigns, including questions about if and when any were last run, current engagement with running or planning campaigns, and details about campaigns.

The first section of this report details the NRC's findings about campaigns, including:

Just under half (46 percent) of organizations were currently in a campaign, either capital/endowment/comprehensive (27 percent) or special (19 percent).

Educational organizations and the very largest sized organizations are more likely to have run campaigns in the past, be in a campaign currently, or plan on running one in the near future.

Nearly two-thirds (65 percent) of all responding organizations had launched a capital, endowment, or comprehensive campaign at some point in the past, prior to any current campaigns.

The second section of this document shares results about charitable receipts in early 2015, including comparisons across regions, subsectors, and size groupings based on organizational expenditures. Among the findings:

Nearly six in ten (59 percent) charitable organizations in the United States and Canada saw charitable receipts increase during the first half of 2015, compared with the same six months in 2014. This is an increase over mid-2014 in which only 52 percent of charitable organizations saw an increase, and returns to mid-2013 levels that saw 58 percent of reporting organizations with increased charitable receipts. None of these changes was statistically significant, however.

The remainder of the report shares information typically released with the NRC's mid-year report. This section includes deeper detail about fundraising methods used for annual fundraising. We compare changes reported by all charities by type of fundraising method or tactic: board giving, special events, major gifts, and so on. This section also includes analysis by subsector for various frequently used fundraising methods.

Findings are based on 1,071 survey responses from charities, including 88 from Canada.

## SECTION I: CAPITAL, ENDOWMENT, COMPREHENSIVE, AND SPECIAL CAMPAIGNS

The NRC asked detailed questions about organizations' involvement with capital, endowment, comprehensive, or special campaigns, for example, if and when one was last run, current engagement with currently running or planning a campaign, and details about campaigns. NRC provided the following definitions to survey respondents.

- **Capital** campaigns raise money to meet a specific financial goal within a specified time period for one or more major projects that are out of the ordinary, such as the construction of a facility or the purchase of equipment.
- **Endowment** campaigns raise money to create or supplement an endowment fund of an organization. The endowment fund is a permanently restricted asset where the principal or corpus is protected, and the income from which may be spent for general or restricted use of an agency, institution, or program and is controlled by a donor's restrictions or the organization's governing board.
- **Combined** or **Comprehensive** campaigns incorporate efforts to raise money for capital, for endowment, and for annual operations in the same period of time.
- **Special** campaigns raise money for a project requiring special funding but usually not requiring a capital campaign.

Among the key findings about campaigns:

- On average, a capital campaign runs for just under five years and the average goal is about \$45 million.
- Special campaigns are, on average, shorter (2.23 years) and smaller (goal of \$3 million on average).
- Organizations in this study were more likely to use fundraising consultants to help structure a capital/endowment or comprehensive campaign (42 percent) rather than for special campaigns (11 percent).
- In both types of campaigns, an average of 6 percent to 9 percent of the campaign goal was budgeted for uncollectible pledges, in the cases where anything at all was budgeted for this eventuality.

The following table details some of the different factors about fundraising campaigns. While capital campaigns are underway currently in more organizations, special campaigns have occurred at a higher share of organizations in the past five years.

**Table 1: Key factors of campaigns**

	<b>Capital, Endowment, or Comprehensive</b>	<b>Special</b>
<b>Percentage of organizations that are</b>		
Currently in a campaign	22%	10%
Both currently in one and planning the next	5%	9%
<b>Sub-Total: In a campaign (in or in and planning)</b>	<b>27%</b>	<b>19%</b>
Planning a campaign but not in one	29%	20%
Neither	44%	61%
<b>Average projected length of the campaign</b>		
	<b>4.72 years</b>	<b>2.23 years</b>
Median	4 years	2 years
Outlier: Religion organizations average (n=8)	15.13	
<b>Average campaign goal (to nearest \$100,000)</b>		
	<b>\$45,465,000</b>	<b>\$3,063,000</b>
Median	\$10,000,000	\$350,000
<b>Type of counsel used to assess size of campaign</b>		
Fundraising or capital campaign consultant	42%	11%
Staff augmentation (contractors working with existing staff)	14%	12%
None, used staff and/or board only	44%	77%
<b>Percentage of organizations allowing for uncollectible pledges</b>	66%	47%
Percentage of campaign goal budgeted for uncollectible pledges, when reported	8.3%	6.5%
Median	10%	10%
<b>Percentage of organizations that had a campaign of this type in the past</b>	<b>65%</b>	<b>58%</b>
Of those, the most recent campaign was		
Within last five years	30%	78%
Between five and ten years ago	40%	15%
More than ten years ago	30%	7%

## Capital campaigns associated with raising more

Organizations in a capital campaign were more likely to have raised more as of mid-2015 than they had in 2014. (This, after all, is the point of a campaign — to raise more funds). However, the result was less clear-cut for organizations in special campaigns. For that group, there is no statistically significant difference between 59.8 percent with an increase when not in a campaign and 67.8 percent with an increase among those both planning and in a campaign.

**Table 2: Differences by change in charitable receipts mid-2015 compared to mid-2014 by whether the organization was in a capital, endowment, or comprehensive campaign**

Row	Campaign Status	DECREASED charitable receipts	UNCHANGED charitable receipts	INCREASED charitable receipts
A	Currently in a campaign (n=148)	16.2%	17.6%	<b>66.2% C, D</b>
B	Both in a campaign and planning the next one (n = 33)	3.0%	18.2%	<b>78.8% A,C,D</b>
C	Planning a campaign (n=194)	23.2%	18.0%	58.8%
D	Neither (n = 301)	22.9%	19.9%	57.1%

**Bold** = value is higher than for the rows indicated.  $p < .05$

Note, however, that organizations that are not in a special campaign were likely to see a drop in funds raised compared with the prior year. This finding cannot be interpreted clearly as we did not ask when the most recent special campaign concluded, so it is possible that for some of these organizations, 2014 was a 'good year' for fundraising because a special campaign generated additional funds.

**Table 3: Differences in charitable receipts mid-2015 compared to mid-2014 by whether the organization was in a special campaign**

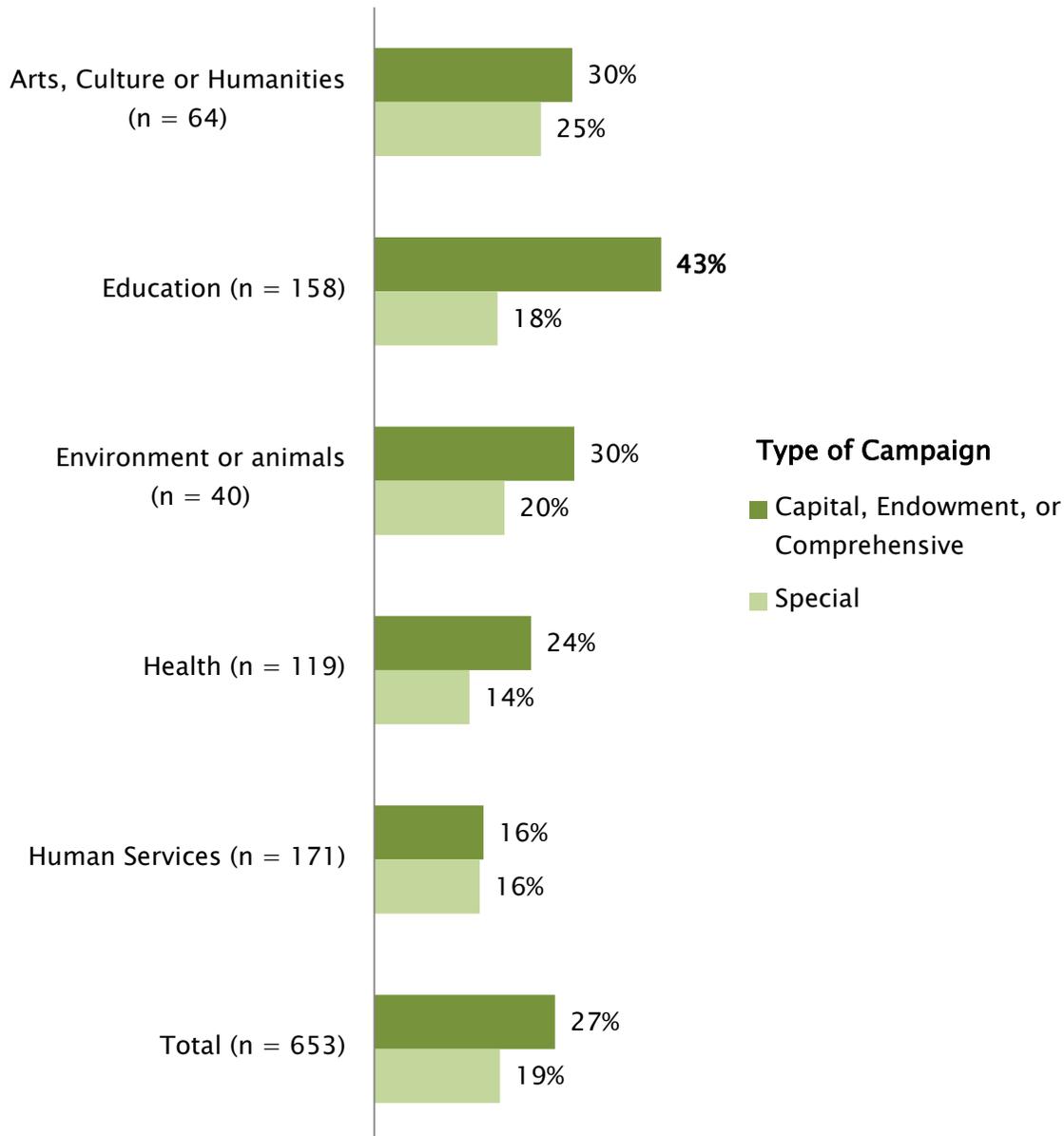
Row	Campaign Status	DECREASED charitable receipts	UNCHANGED charitable receipts	INCREASED charitable receipts
A	Currently in a campaign (n=73)	16.4%	21.9%	61.6%
B	Both in a campaign and planning the next one (n=59)	15.3%	16.9%	67.8%
C	Planning a campaign (n=129)	24.8%	14.7%	60.5%
D	Neither (n = 408)	<b>43.8% A,B,C</b>	19.1%	59.8%

**Bold** = value is higher than for the rows indicated.  $p < .05$

## Education organizations dominate campaigns

About 4 in 10 Education organizations reported being in a campaign or being in one and planning the next (43 percent). This compares with 84 percent of responding Human Services organizations that are not in a campaign.

**Figure 1: In a campaign, including those plus planning the next while finishing this one, by subsector (selected where N>30) and type of campaign**

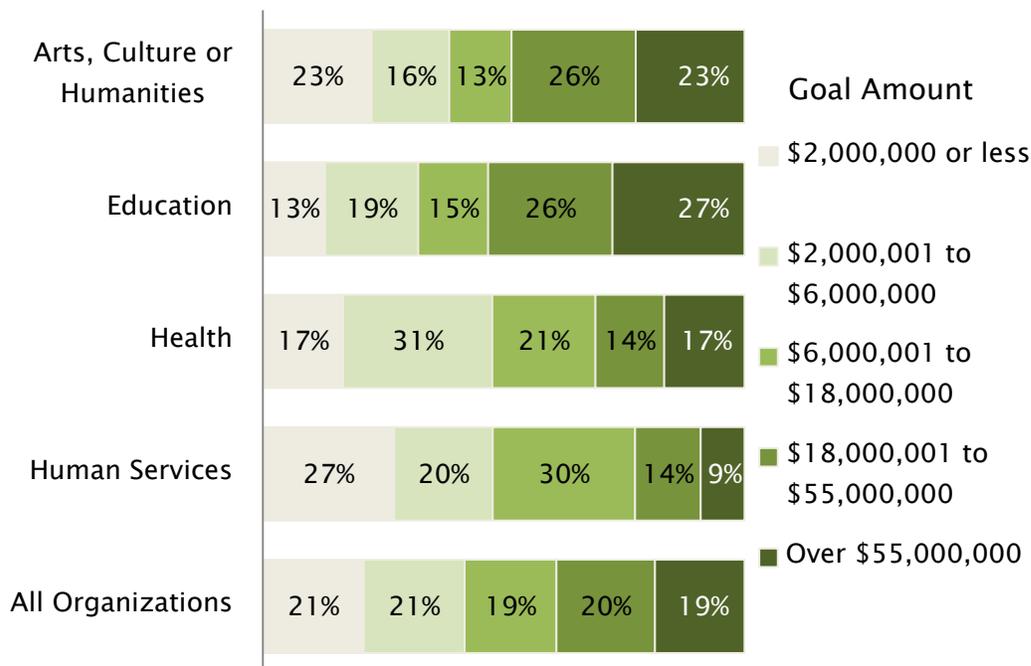


**Bold** = higher value than other subsectors for the same type of campaign

For all types of organizations except religious organizations, the length of capital campaign varied little, from an average of 3.5 years for Human Services charities up to an average of 5.2 years for Education organizations. Religious organizations (of which there were only 8) had an average campaign length of 15 years and included one with a campaign of 100 years.

Campaign goals ranged from less than \$2 million to more than \$50 million across all types of organizations examined (where n>30). While not different with statistical significance, about one-quarter of Arts, Culture & Humanities organizations and Human Services organizations had goals of \$2 million or less, compared with a lower percentage of Education or Health charities.

**Figure 2: Percentage of respondents by type of organization and campaign goal**



Education organizations are most likely to use a consultant for counsel in assessing the size of a campaign. More than half (56 percent) of responding Education organizations (56 percent) used a consultant for a capital, endowment or comprehensive campaign, compared with about 40 percent of Arts, Health, or Human Services organizations and even lower percentages of other types of charities.

Not surprisingly, the average size of campaigns increases in proportion to organization size. Some statistically significant differences:

- Of the **largest organizations** (with expenditures of \$10 million and greater), **34 percent indicated campaign goals of more than \$55 million**, which is significantly greater than the percentages with this goal for smaller organizations.
- Of the **smallest organizations** (with expenditures less than \$250,000), **82 percent indicated campaign goals of \$2 million or less**, which is greater than the percentages with this goal among larger organizations?
- Of the **small- to medium-size organizations** (with expenditures between \$250,000 and \$999,999), **45 percent indicated campaign goals of \$2 million or less**, which is significantly greater than the percentages with this size of goal among larger organizations?

**Table 4: Average size campaign goal for type of campaign, by size of organization**

Rounded to the nearest \$100.

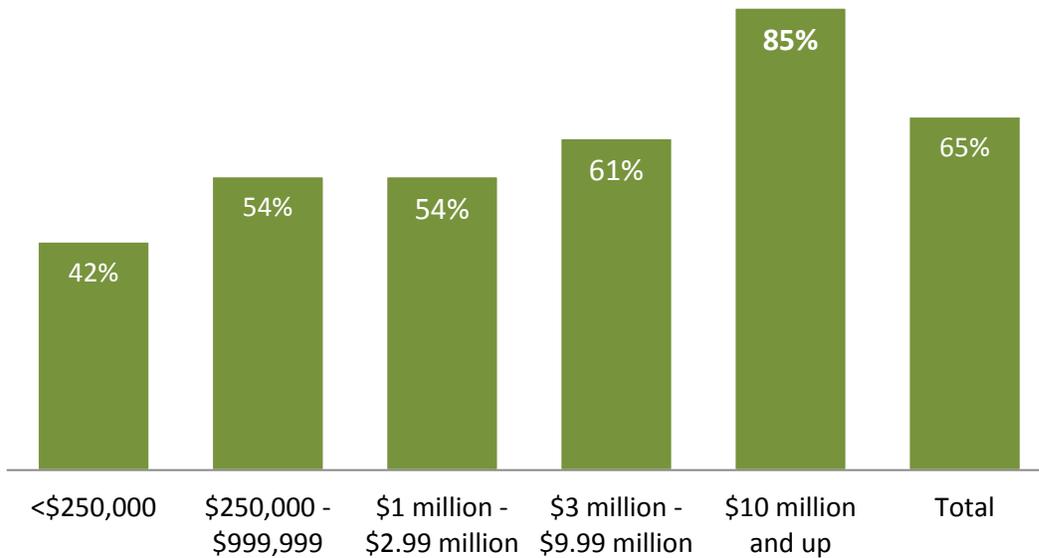
Row	Organization size (based on expenditures)	Average Campaign Goal	
		Capital, Endowment, or Comprehensive	Special
A	<\$250,000	\$2,614,500	\$831,700
B	\$250,000 – \$999,999	\$5,056,000	\$316,400
C	\$1 million – \$2.99 million	\$10,006,500	\$2,661,500
D	\$3 million – \$9.99 million	\$30,606,900	\$2,658,200
E	\$10 million and greater	<b>\$84,625,300</b>	\$6,168,200
		<b>A,B,C</b>	
Total		\$45,464,602	\$3,063,069

Size is based on expenditures. Bold indicates a value that is higher, with statistical significance, than the value in the row(s) indicated. Results are based on two-sided tests with significance level .05.

### Largest organizations most likely to have had previous campaigns

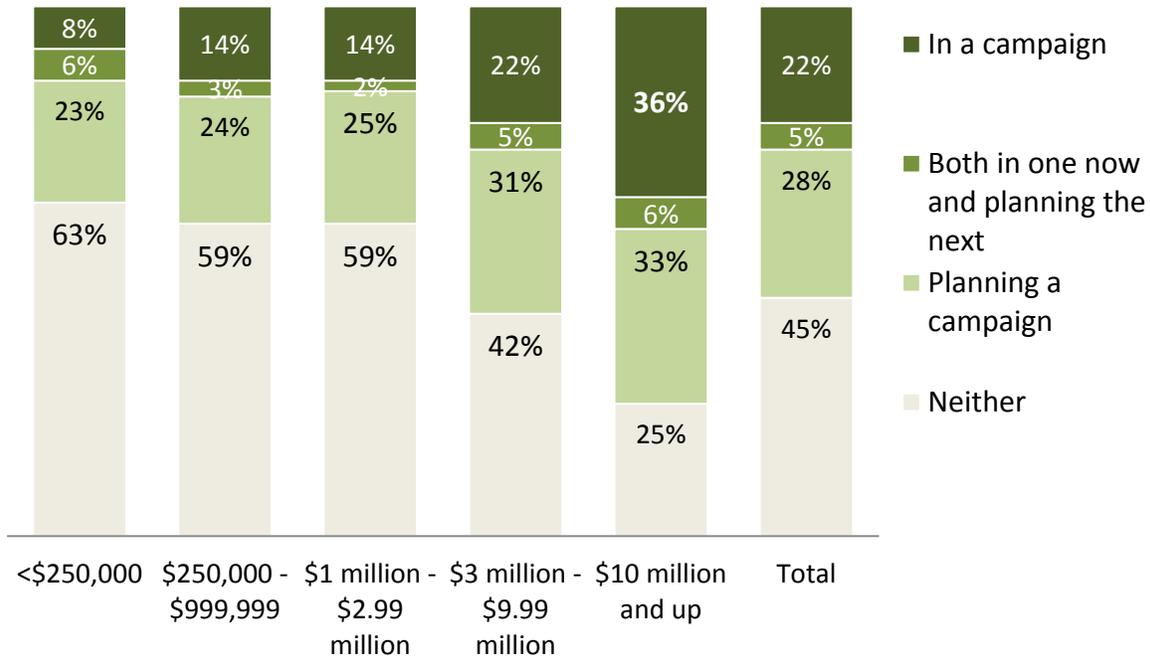
As to be expected, larger organizations have greater capacity to run larger campaigns and have incorporated more resources or tools. For the largest organizations, those with \$10 million or greater annual expenditures, 85 percent have previously had campaigns (not including any current campaign(s)), which is statistically significantly higher than the percentages for other size organizations.

Figure 3: Organization has launched a capital, endowment, or comprehensive campaign prior to any current capital, endowment, or comprehensive campaigns, by size



Looking ahead, about a quarter (28 percent) of organizations in this survey are planning campaigns but not yet (as of summer 2015) in an active capital, endowment or comprehensive campaign. The percentages that are planning a campaign increases slightly, from about a quarter to about a third, as the budget size of the organization switches from less than \$3 million to \$3 million and up.

**Figure 4: Percentage of organizations in various stages of engaging in capital, endowment, or comprehensive campaigns, by size**



Size is based on expenditures. Results are based on two-sided tests with significance level .05.

Smaller organizations (<\$3 million in expenditures) are less likely to be in a campaign, and the result is statistically significant ( $p < .05$ ). Organizations with \$10 million and up in expenditures are more likely than other size groups to be in a campaign currently.

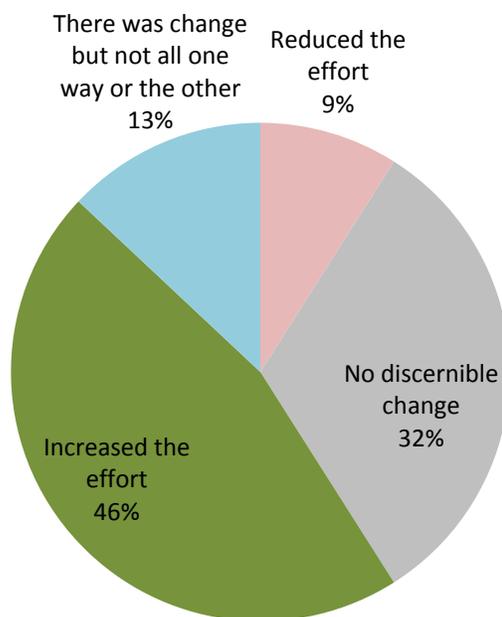
## Planned giving as part of campaigns

In anticipation of large gifts, organizations often recommend planned giving instruments to potential donors. In this section, the NRC looks more closely at planned giving and how it is affected by a campaign. It appears from this survey that when an organization has a planned giving program, it is likely to play a role in the campaign and that focus on planned gift policies — as a good practice in fundraising generally — can help support increased gifts received for the organization.

### *Organizations in campaigns most likely to ramp up planned giving effort*

When an organization has a planned giving program, it is possible that a capital, endowment or comprehensive campaign will either ramp up activity for the planned giving staff or slow it down, as emphasis shifts to current gifts for the campaign. In this survey, 262 respondents with campaigns underway in their organizations reported about the “change in effort” for planned giving activities during the campaign. A plurality (the largest portion but not a half) said that effort for planned giving increased during the campaign, compared with just 9 percent who reported a drop in effort. Analysis by subsector showed no differences in these percentages. Analysis by size, other than showing that smaller organizations do not typically have planned giving efforts in their operations, showed no differences in these results.

**Figure 5: How the capital campaign impacts the level of effort for planned giving**



Note: The question included budget for planned giving and time directed toward planned giving as measures of effort.

*Planned gift policies linked with increased receipts signal good fundraising practice*

Respondents were asked if their organizations created new or updated existing policies regarding planned giving during the planning phase of a campaign. Table 5 shows how organizations with decreased, unchanged, or increased charitable receipts answered.

Organizations that revised or set new planned gift policies as part of the planning for the current campaign were more likely than other organizations to see an increase in total charitable receipts (all sources, not just planned gifts) in the first six months of 2015.

**Table 5: During the planning phase of the campaign, organizations made decisions about policies for counting planned gifts toward the campaign goal, by change in charitable receipts mid-2015 compared to mid-2014**

	Change in charitable receipts, Jan - Jun 2014 to Jan - Jun 2015		
	DECREASED	UNCHANGED	INCREASED
Yes, organization set new policies, including revising prior policies (n = 127)	13%	12%	<b>76%</b>
No, but organization had policies previously used already in place (n = 72)	21%	25%	54%
No, and organization does not have policies currently (n = 101)	21%	19%	60%

Results are based on two-sided tests with significance level .05.

Number(s) in **bold** indicate statistically significant differences.

This finding does not prove that setting policies makes a difference in amounts received. Instead, it and other findings from the Nonprofit Research Collaborative suggest that organizations with \$3 million or more in expenditures are most likely to have the resources to implement some of the best practices in fundraising. In fact, further analysis from this survey shows that the organizations most likely to have set new policies are the larger charities (expenditures of \$3 million and up), where more than half (52 percent) of those in a campaign completed such a review. This is more than double the 25 percent of organizations with budgets less than \$3 million that are in a campaign and completed a review of planned gift policies as part of campaign planning.

### *Two-thirds of respondents count revocable gifts toward campaign goal*

The majority of organizations with policies to include planned gifts in the campaign plan to use the following types:

- Irrevocable planned gifts (e.g., trusts) likely to be received after the end of the campaign (80 percent plan to use)
- Revocable planned gifts (e.g., bequests in wills, insurance beneficiary designation) likely to be received after the end of the campaign (67 percent)
- Beneficiary designation on commercial annuities or life insurance (72 percent)
- Donation of shares of securities or stock (94 percent) — 97 percent of education organizations plan to include this type of gift

### *Blended gifts reported at nearly three-quarters of those in campaigns*

For organizations using planned gifts in their capital, endowment, or comprehensive campaigns, nearly three-quarters (71 percent) of responding organizations expect to receive blended gifts, which are gifts that would be partially contributed during the campaign with cash or securities and partially deferred such as through an estate plan or trust. A couple statistically significant insights:

- The percentage of education organizations that expect to receive blended gifts (84 percent) was statistically significantly higher than the percentage of human services organizations that expect these gifts (52 percent).
- Eighty-three (83) percent of the largest organizations (more than \$10 million in expenditures) expect blended gifts, whereas 48 percent of the smallest organizations (less than \$250,000) expect to receive these gifts.

“We have traditionally struggled with finding grant money and since we are in a capital campaign several of our regular program grantors have transitioned to providing capital grants. We are challenged to replace this funding.”

Medium-size, Western, Environment/Animals organization  
Increased charitable receipts  
On track to meet 2015 fundraising goals

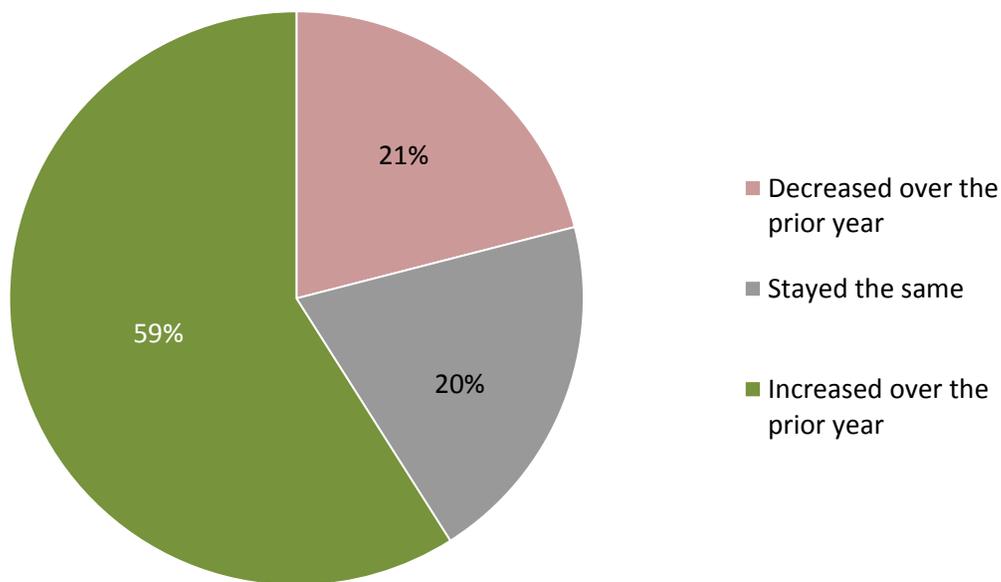
## SECTION II: EARLY 2015 RESULTS AND PROJECTIONS

This section presents overall results, results by region, by size (determined by expenditures), and by subsector.

### 59% of charities reported growth in charitable receipts

By June 2015, 59 percent of responding charitable organizations reported an increase in charitable receipts in the first six months of 2015 compared with the same period in 2014.

**Figure 6: Percentage of responding organizations reporting change in charitable receipts, mid-2015 compared with mid-2014**



At this point in 2014, 52 percent of responding charities reported growth in funds received January through June. In mid-2012, the share reporting growth was just 46 percent.

**Table 6: Percent of responding organizations with increased fundraising receipts, January – June**

Year	Percentage
2015	59 %
2014	52 %
2013	58 %
2012	46 %

## No difference by region of the United States or between the United States and Canada

There were no significant differences in the direction of change when results were analyzed across all four regions of the United States and Canada.

**Figure 7: Percentage of responding organizations reporting change in charitable receipts, mid-2015 compared with mid-2014, by region and including Canada**



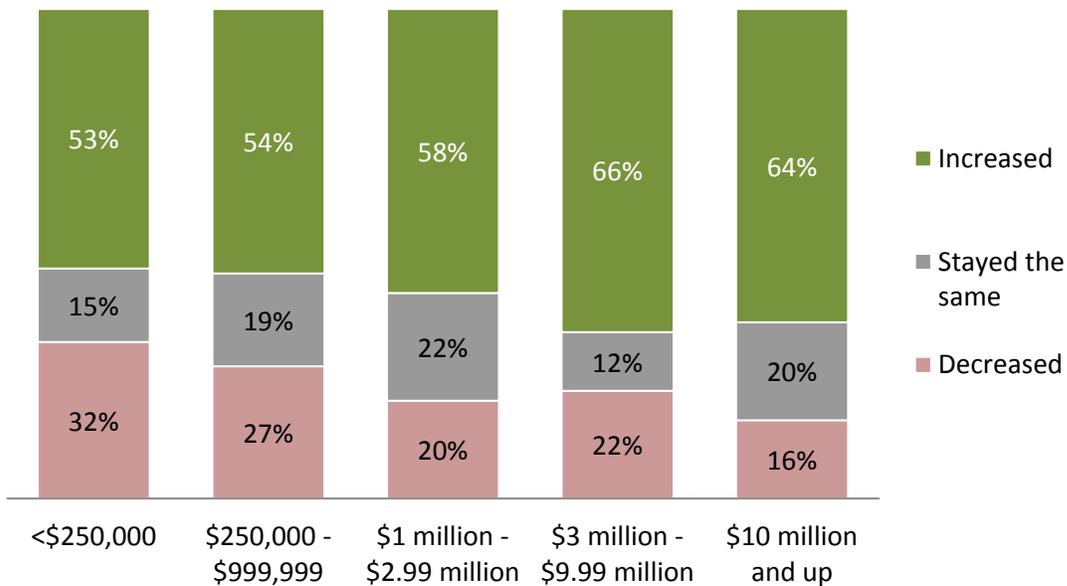
### *Larger organizations more likely than smaller to see increases*

As has been the case in prior waves of the Nonprofit Fundraising Survey since 2010, larger organizations (based on expenditures) were more likely to see growth in charitable receipts than were smaller organizations. Organizations with total expenditures more than \$1 million were more likely to see increased funds raised as of mid-2015.

“This year has been more successful because we invested in our development team. We hired a Development Director who had a great amount of experience working in nonprofit fundraising. This has made a huge difference and allowed us to cultivate and strengthen donor relationships.”

Large, Southern, Human Services organization  
 Increased charitable receipts mid-2015 compared to mid-2014  
 On track to meet 2015 fundraising goals

**Figure 8: Percentage of responding organizations reporting change in charitable receipts, mid-2015 compared with mid-2014, by size**

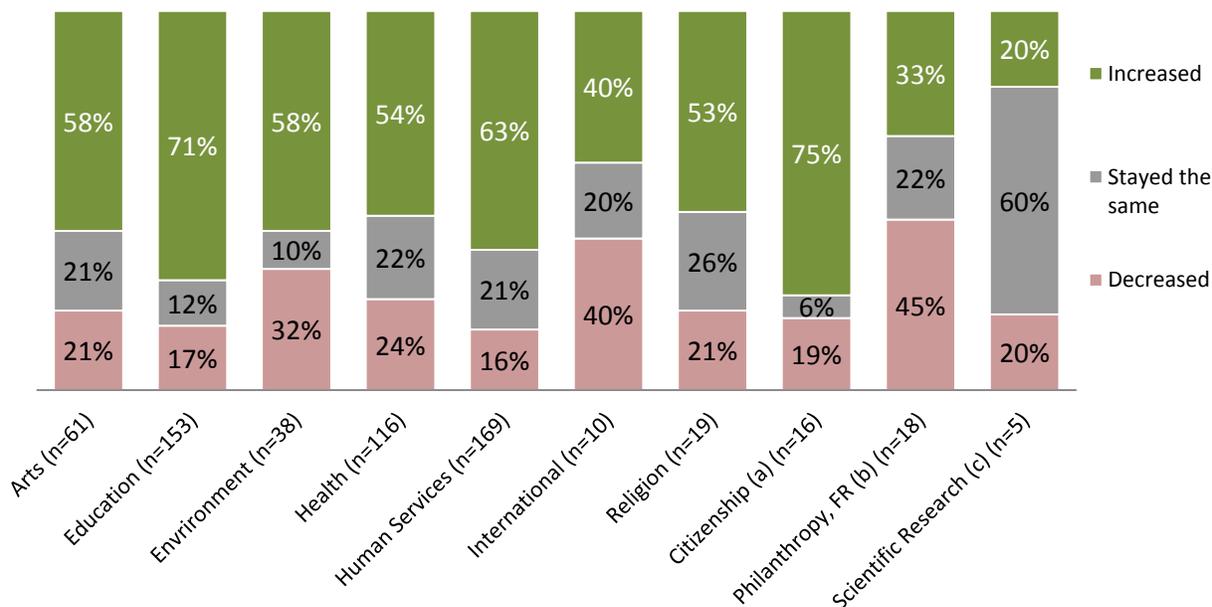


NOTE: The NRC uses expenditures as a marker for size because annual expenses tend to be more stable, compared with gifts, which can fluctuate with major amounts received from grant funders, bequests, or other single large gifts.

***Education and Human Services organizations report highest growth among subsectors***

In the Education subsector, 71 percent of responding organizations said fundraising receipts increased by mid-2015, compared to 58 percent for the same time last year. Sixty-three (63) percent of responding Human Services organizations reported increased charitable receipts, compared to only 48 percent for the same time last year. See Figure 9.

**Figure 9: Percentage of responding organizations reporting change in charitable receipts, mid-2015 compared with mid-2014, by subsector**



(a) Citizenship/Civic Improvement

(b) Philanthropy, Fundraising, Voluntarism, or Grantmaking

(c) Scientific or Social Scientific Research

NOTE: In categories where the number of respondents is less than 30, results should be interpreted with caution.

**CATEGORIES:**

**Arts, Culture or Humanities**

**Citizenship/Civic Improvement** including voter registration, civil rights advocacy, community or economic development, veterans not related specifically to health or human services, and mutual benefit organizations

**Education** including pre-school, K-12, higher education, libraries tutoring programs, vocational education

**Environment or animals** including zoos and aquariums, conservation or habitat preservation, humane societies, advocacy on behalf of animals or the environment

**Health** including providing care, research focused on health or disease, and support and advocacy for people living with health related conditions. Includes mental health, dental or oral health

**Human Services** including youth development, senior services not focused on health, helping to meet basic needs such as for housing, food, or employment services, legal aid, general social services, sports and recreation. Also includes disaster preparedness or response

**International Aid, Relief, Development**

**Philanthropy, Fundraising, Voluntarism, or Grantmaking** including community foundations, independent sponsors of donor advised funds, United Ways, Jewish Federations, volunteer matching services, etc.

**Religion** including houses of worship, media ministries, organizing bodies of faith groups (synod, diocese, etc.)

**Scientific or Social Scientific Research.**

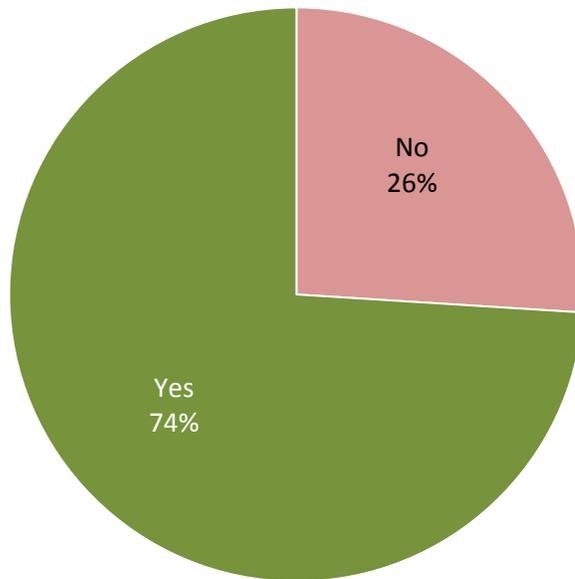
*Citizenship/Civic Improvement; Philanthropy, Fundraising, Voluntarism, or Grantmaking; and Scientific or Social Scientific Research were previously categorized together as Public Society Benefit organizations.*

## Nearly three-quarters on track to meet goals, as of mid-2015

Seventy-four (74) percent of organizations reported that they are on track for fiscal year 2015, which is slightly up from 70 percent in mid-2014, and closer to the 77 percent who reported that in mid-2013.

### Figure 10: Is organization on track to meet this year's fundraising goal?

Responses shown only for organizations that reported having a fundraising goal



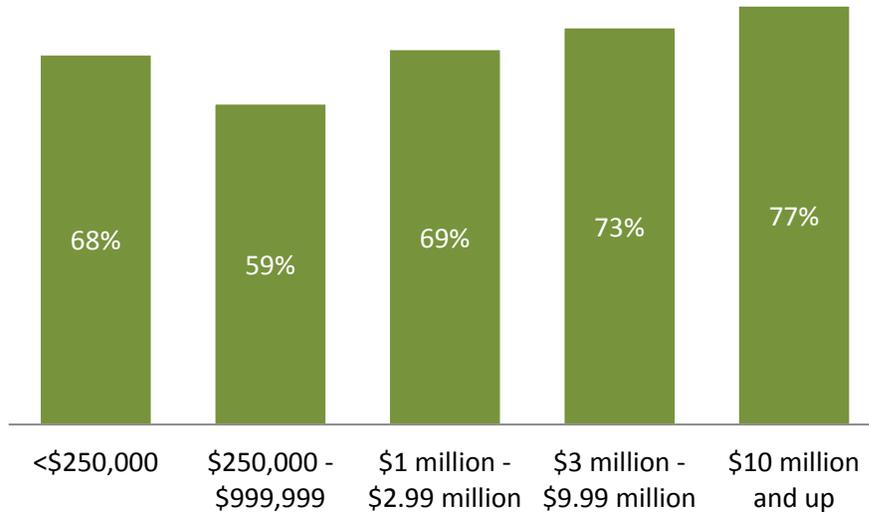
### *Small organizations more likely to be struggling to meet goal*

As with overall fundraising results, it appears that size is a good predictor of whether an organization is on track to meet this year's fundraising goals. Larger organizations (with budgets more than \$3 million) are more likely to be on track.

“We will be a bit behind for the year. Our budget has increased since the previous year, and we will exceed previous year donations but be behind projected donations. Individual giving has not increased as much as expected and...we have learned that a couple of our regular foundation donors have decreased amounts for this year, or are not funding us this particular year.”

Small, Western, Environment/Animals organization  
Decreased charitable receipts mid-2015 compared to mid-2014  
Not on track to meet 2015 fundraising goals

Figure 11: Percentage of responding organizations that are on track to meet fundraising goal for fiscal year 2015, by organizational size



Size is based on expenditures.

Organizations that are on track to meet goals often credit

- Hard work,
- Leadership engagement,
- Unexpected, or unexpectedly large, gifts, and
- Strong results from annual fund, special events, and major gifts.

Organizations that are not on track mention

- Lack of leadership, difficulties in the local economy
- Shortfalls in special event results
- Declining gift amounts from institutional donors (corporations and foundations), or
- Having an unrealistic goal set by the board.

These thoughts are illustrated in the images on the next page.

Figure 12: Compare words provided to explain meeting goals or not meeting goals

*Organizations are on track to meet goals*

Two Large **Capital Campaign** **Bequest** Working Hard  
Sources **Fiscal Year**  
Higher **Increased** Strong **Fund**  
**Raising** FY Ended **Gifts**  
Special Events **Meet** Aggressive **Support**  
New President **Development** Specific Campaign  
**Annual Fund** Donor Relationships **Appeal Income**

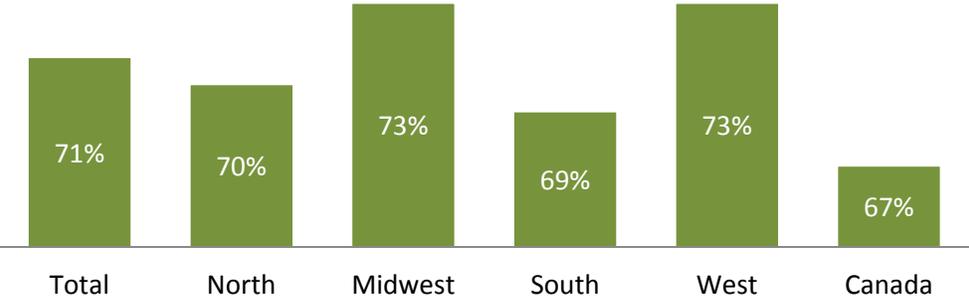
*Organizations not on track to meet goal*

**Board Member** Multi-year **Economy** Completed Capital  
Campaign Fewer **Development** Negative  
Impact Organizational **Funding** Income Mail  
Unrealistic **Goal** Gala **Giving** Slightly **Staff**  
Corporate Support **Leadership** Ongoing **Major**  
**Donor** Focus **Significantly** Touch **Special Events**

*Canadian and Southern organizations more likely to be struggling to meet goal*

Canadian charities indicated that a downturn in the economy, primarily gas and oil industries, has negatively affected their growth. Though not statistically significant, only 67 percent of responding Canadian charities feel they are on track to meet their fiscal year 2015 goals, compared to an average of 72 percent for responding U.S. charities. However, U.S. charities in the South are less likely to be on track to meet their fundraising goal for the year in comparison to the rest of the U.S. regions.

**Figure 13: Percentage of responding organizations that are on track to meet fundraising goal for fiscal year 2015, by region**



Differences are not statistically significant.

“Our corporate support (both direct funding and sponsorship of events) is down due to the difficult economy we face in Alberta. We are also seeing a decrease in the average gift from donors [who] make smaller gifts.”

Medium- to large-size, Canadian, Health organization  
 Decreased charitable receipts mid-2015 compared to mid-2014  
 Not on track to meet 2015 fundraising goals

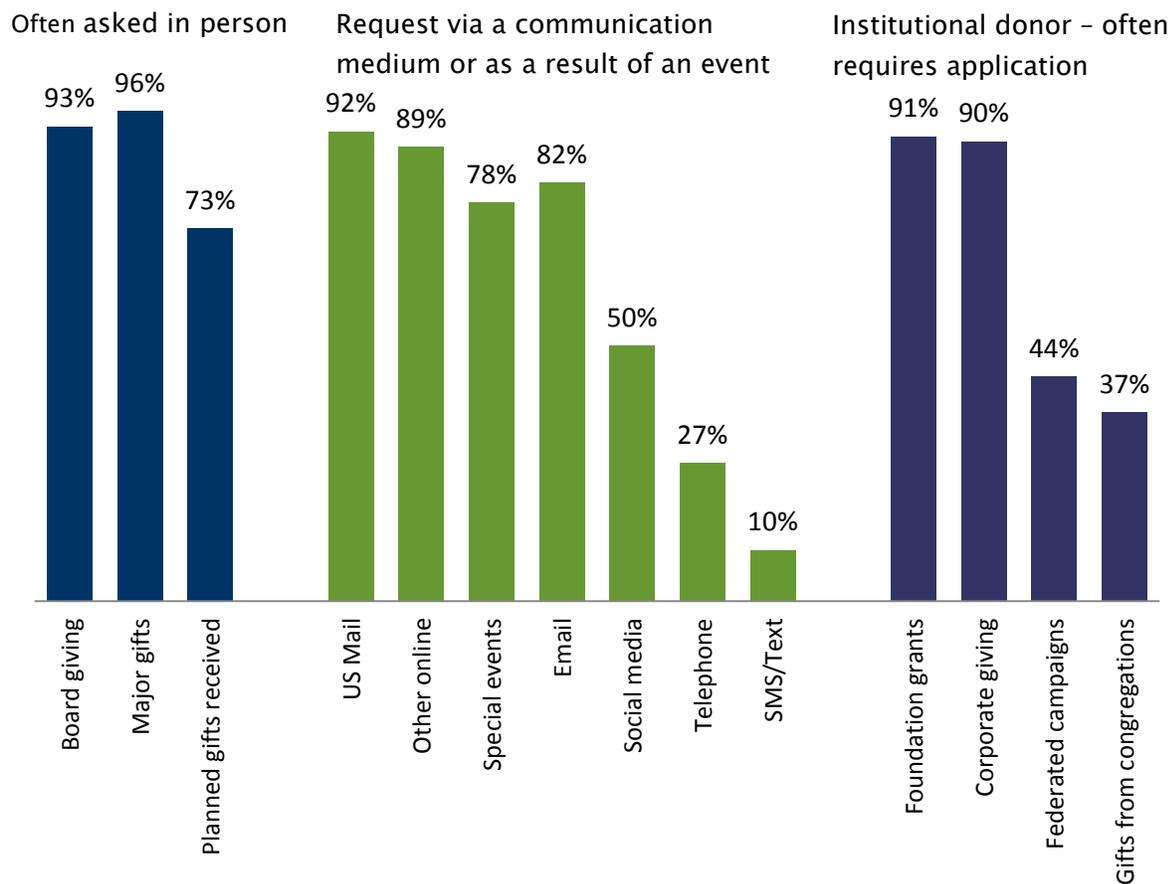
“Our organization’s main fundraising model is a work-place giving campaign. Our local economy is still struggling with layoffs, wage freezes, loss of benefits, as well as increased daily living costs. This makes for a challenging environment to inspire people and encourage philanthropy. Our campaign has been declining the last three years.”

Medium-size, Southern,  
 Philanthropy/Fundraising/Voluntarism or Grantmaking organization  
 Decreased charitable receipts mid-2015 compared to mid-2014  
 Not on track to meet 2015 fundraising goals

## SECTION III: FUNDRAISING METHODS

Similar to last year, at least three quarters (73 percent) of organizations in this survey use each of several methods to raise funds: corporate and foundation giving; board and major gifts; U.S. Mail, special events and a few others. Some less often used methods continue to include gifts from congregations, distributions from federated campaigns, and telephone requests. A very small number of responding organizations use SMS/text messaging.<sup>1</sup>

**Figure 14: Percentage of responding organizations that use each of 14 fundraising methods**

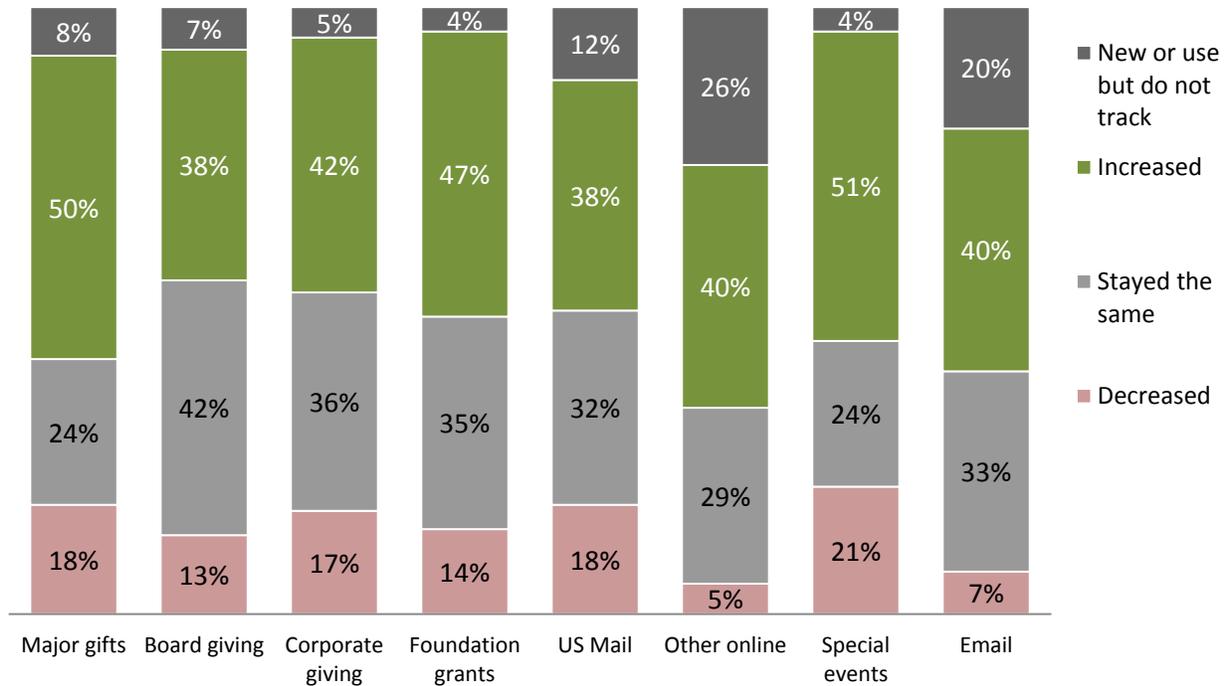


NOTE: “Planned gifts received” indicates dollars received by the organization as a result of a prior planned gift commitment. This wave of the survey did not ask about new planned gift commitments.

<sup>1</sup> We can speculate that the percentage of organizations that use SMS/texting as a fundraising method remains small for several reasons, which could include that the technology is still relatively new and has not yet proven itself as a successful method; staff resources are limited or unavailable to dedicate special efforts in this area; organizations represented in this sample may be more traditional or not Millennial-run.

All but one of the most frequently used methods of fundraising saw very slight growth in increased receipts from that method; the exception was special events where receipts stayed the same. This is similar to the somewhat stagnant change in increased receipts in mid-2014.

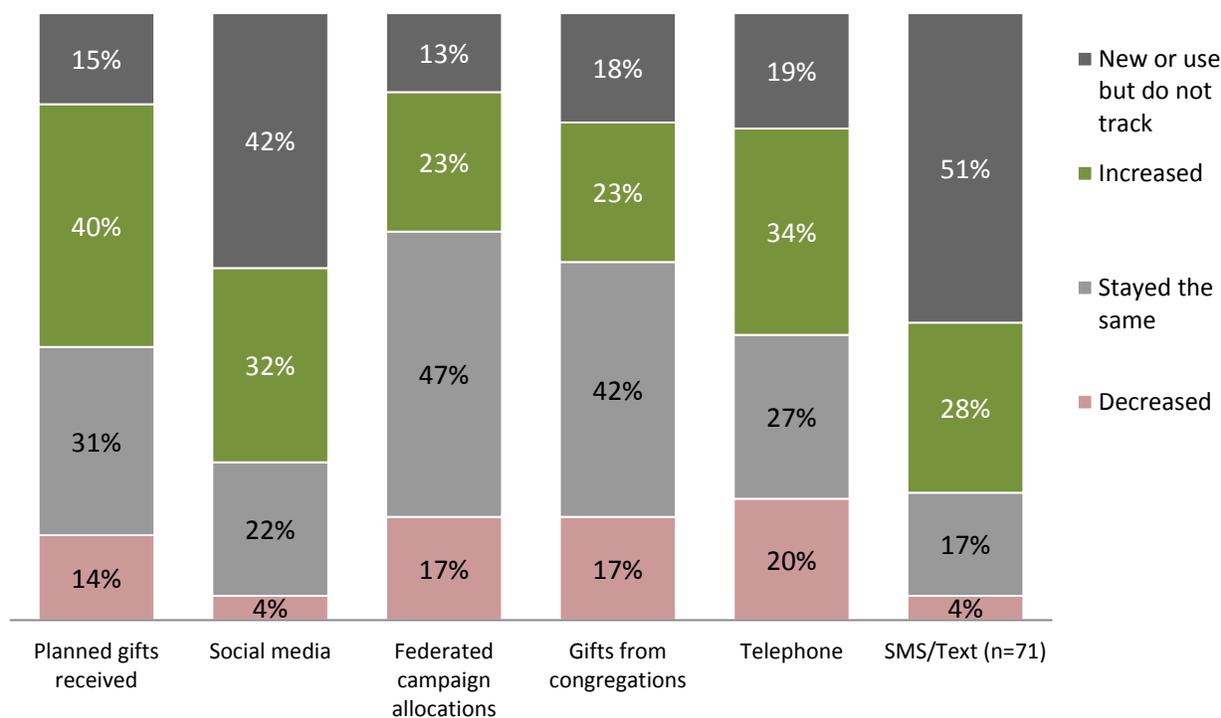
**Figure 15: Percentage of organizations reporting change in charitable receipts mid-2015 compared with mid-2014, by fundraising method – most frequently used**



NOTE: Percentages based on organizations that used the method in 2015 and 2014.

Even within the less frequently used fundraising methods, all but one saw more growth — even if just by one percentage point — this year than what was reported in mid-2014. The exception, gifts from congregations, saw less growth in increased charitable receipts from that method this year compared to this same time last year; however, it did see increased growth in the number of respondents who indicated that the method is either new or used but not tracked.

Figure 16: Percentage of organizations reporting change in charitable receipts mid-2015 compared with mid-2014, by fundraising method – less frequently used



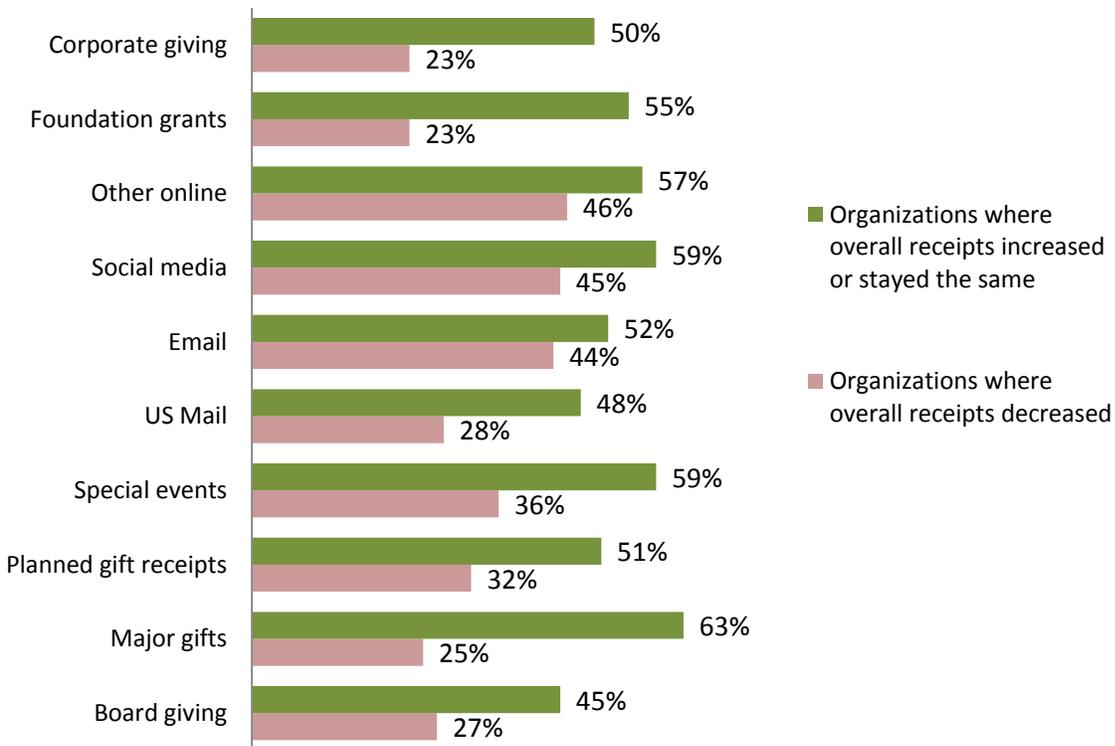
### Additional analysis by specific methods

To provide more points of comparison for fundraising practice, the NRC tried to tease apart factors that could affect increases in funds received by different vehicles. The first finding is that among organizations seeing an overall decline in giving, all methods are challenging. A second finding is that religious organizations — unusually and for the first time — are seeing more growth in online giving than are other sub-sectors. A third result is that major gifts and corporate gifts increased for more survey participants this year (mid-2015) than in the year before (mid-2014). Fundraising revenues grew in a majority of organizations in each size category.

### *Organizations that do not see an increase in fundraising results find every method a challenge*

Among the more than 350 organizations that did not see an increase in funds received from January through June 2015, there is no one method or cluster of methods that is less successful. And the organizations where results are stable or increasing see no one method to be more successful than any other.

**Figure 17: Percentage of respondents reporting an increase in funds raised, by fundraising method and by whether the organization’s overall charitable receipts increased, mid-2015 compared to mid-2014**



NOTE: Based on organizations that use the method and that track results.

As was found last year, these findings suggest that it is not the fundraising vehicle(s) that influence whether an organization is raising more or not. In most cases, less successful organizations could consider other aspects for improvement, which may include organizational capacity, donor engagement, or the organization’s overall case for support. There are also possible external factors that can explain lower fundraising results. For example, some of the comments in the open-ended questions indicate very difficult economies in some parts of the U.S. and Canada.

***Some subsectors more likely than others to see increase by some methods***

In studying how fundraising methods might affect overall results, analysts tested responses from several subsectors by method. Both fundraising via social media and other online methods showed greater rates of growth, and both within the Education subsector. Arts saw an increase in social media; and religion saw growth in “online other.” Human services organizations had greater success than other subsectors receiving gifts from congregations.

**Table 7: Fundraising methods\* that were more or less successful by subsector**

. = no statistically significant difference

++ = \$ from method increased (difference is statistically significant)

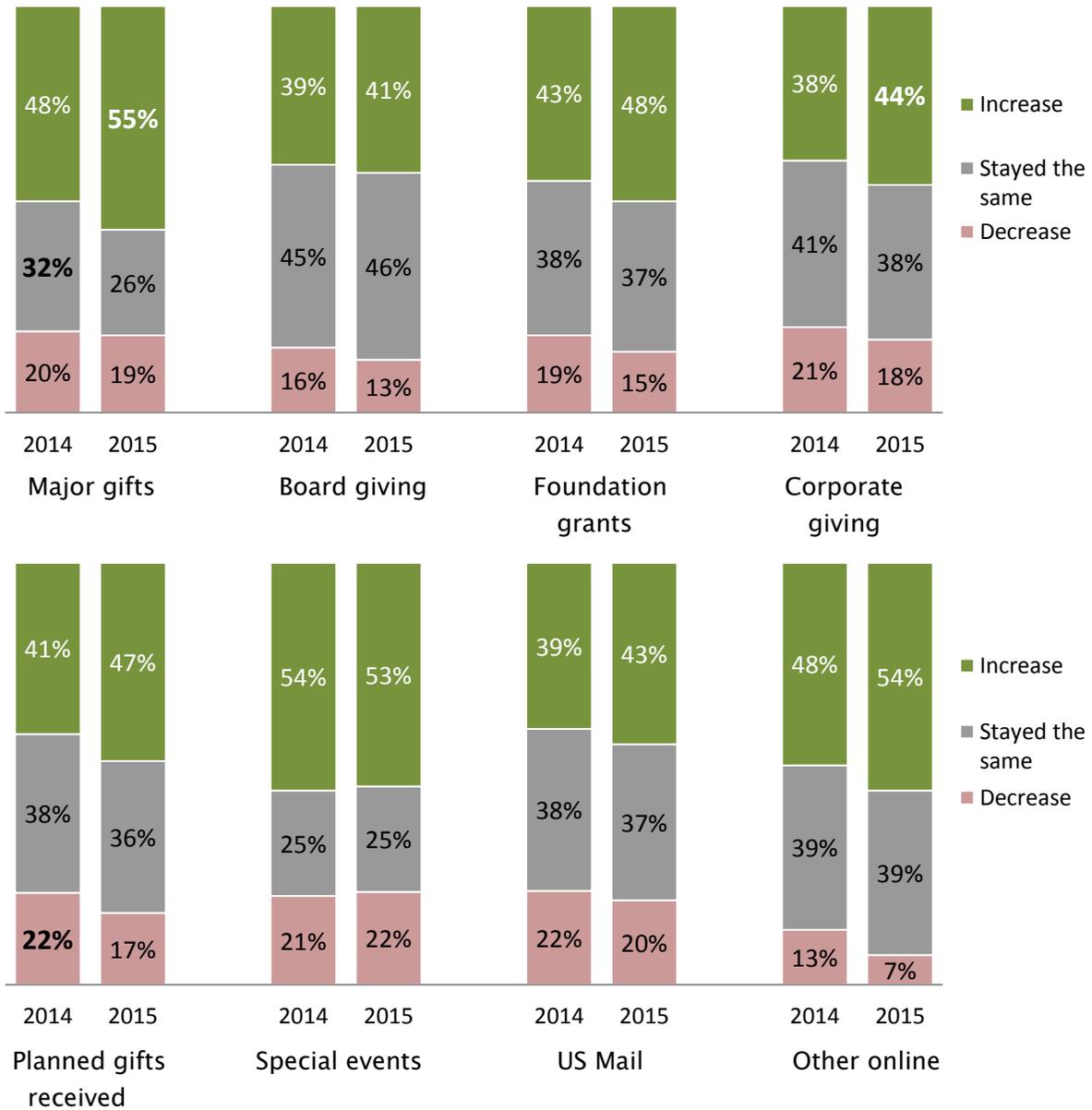
	Arts	Education	Environ/ Animals	Health	Human Services	Religion	Citizenship /Civic Eng.	Phil., FR, Voluntrs
Face-to-face requests								
Board giving	.	.	.	.	.	.	.	.
Major gifts	.	.	.	.	.	.	.	.
Planned gifts received	.	.	.	.	.	.	.	.
By vehicle								
US Mail	.	.	.	.	.	.	.	.
Email	.	.	.	.	.	.	.	.
Online other	.	++	.	.	.	++	.	.
Special events	.	.	.	.	.	.	.	.
Social media	++	++	.	.	.	.	.	.
Institutional donors								
Foundation grants	.	.	.	.	.	.	.	.
Federated campaign allocations	.	.	.	.	.	.	.	.
Corporate giving	.	.	.	.	.	.	.	.
Gifts from congregations	.	.	.	.	++	.	.	.

Number of responses insufficient to analyze International Aid, Relief, Development or Scientific and Social Scientific Research.  
Insufficient responses to compare telephone or SMS/Text vehicles.

***Comparison of most frequently used methods, mid-2014 and mid-2015***

Among the most frequently used methods of fundraising, some of the methods showed statistically significant changes from mid-2015 compared with mid-2014. Statistically significant changes in major gifts, corporate giving, and planned gifts received are indicated in bold.

Figure 18: Changes in funds raised by method, mid-2015 compared with mid-2014

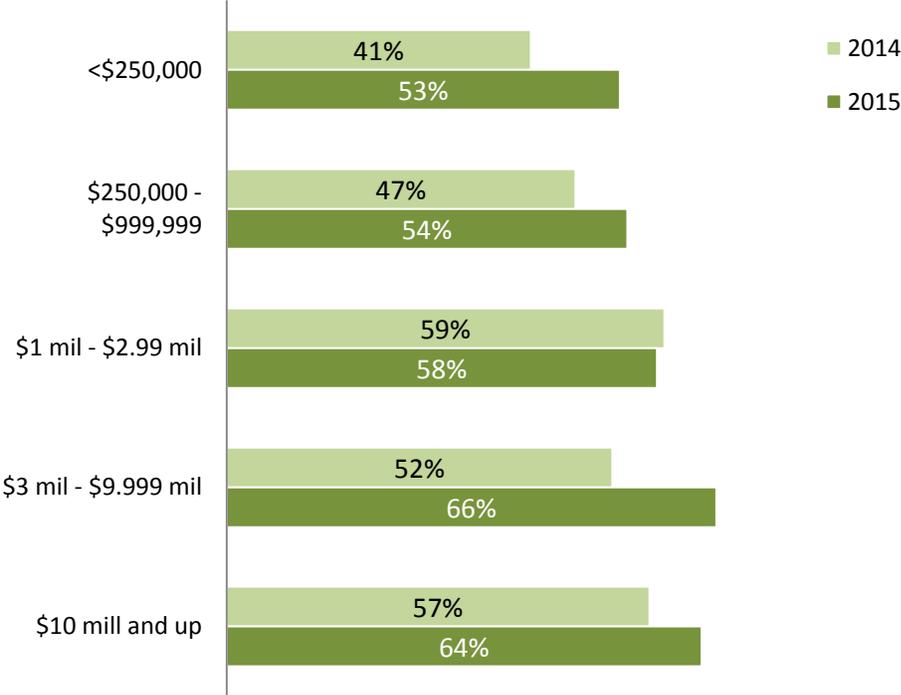


**Bold** indicates statistically significant difference between results for 2014 and 2015.

*By size, most categories see a lift in the share of organizations reporting higher fundraising revenue*

With the exception of mid-size organizations (those with annual expenditures between \$1 to \$3 million), a greater share of organizations saw increases in fundraising revenue in mid-2015 compared with mid-2014. None of the differences between 2014 and 2015, however, were statistically significant.

**Figure 19: Share of responding organizations seeing an increase in fundraising revenue mid-2015 compared with mid-2014, by size**



## CONCLUSION

Regarding capital, endowment, comprehensive or special campaigns, best practices and strategies vary among different sized organizations and across subsectors. Average campaign length varies from 4.72 years for capital, endowment or comprehensive campaigns down to 2.23 years for special campaigns. Campaign goals vary by size of organization but average \$45 million for capital campaigns and just over \$3 million for special campaigns, with smaller organizations having lower goals.

Charitable organizations in the United States and Canada report a slight upswing in the percentage seeing increases in fundraising revenue received for the first six months of 2015 compared to the same time period one year ago. The majority (59 percent) of responding organizations reported an increase in charitable receipts received by mid-2015.

There were no major changes in growth for any of the fundraising vehicles used, both those most frequently used like major gifts, foundation grants, or corporate gifts and those less frequently used like telephoned requests or via SMS/texting.

The NRC began tracking mid-year results in 2010. Since then, the mid-year percentage of organizations reporting increased charitable receipts has been lower, by an average of 9 percentage points, than the year-end results collected by NRC. Mid-year 2014, 52 percent of responding organizations reported increased charitable receipts; by the end of 2014, 63 percent of responding organizations reported increased gifts for the year. This trend suggests that 2015 is also likely to end with solid gains for a majority of organizations.

Some of the strongest results for mid-2015 were reported by Education organizations, with 71 percent seeing growth in funds raised, and by Human Services organizations, with 63 percent seeing an increase. Health organizations were somewhat less likely to see an increase in funds raised as of mid-2015, with just 54 percent reporting growth in funds raised.

## METHODOLOGY

The survey invitation was sent by email and through social media postings beginning on July 17, 2015. The online-only survey response remained open through August 20, 2015.

Invitations were sent by email and using social media to several distinct groups:

- Prior participants in NRC surveys
- Individuals who have signed up to receive communications from NRC (sign up is at [www.npresearch.org](http://www.npresearch.org))
- All members of the Association of Fundraising Professionals (AFP)
- All members of Association of Philanthropic Counsel
- Individuals on the email lists maintained by Partnership for Philanthropic Planning and by CFRE International
- An email list maintained by the National Center for Charitable Statistics
- Client organizations of consulting firms that are members of Giving USA
- A contact list for Melissa S. Brown & Associates

Email reminders were sent at least once, and sometimes twice or three times, to people on the email lists. In addition, members of the NRC used notices in newsletters and via social media outlets to recruit additional survey participants. By source of list, response numbers are as shown.

List source	Number Received	Source as a percentage of all responses received	Sample size*	Approximate response rate
Association of Fundraising Professionals	484	45.2%	Convenience	
Association of Philanthropic Counsel	13	1.2%	Convenience	
CFRE International	182	17.0%	Convenience	
Giving USA	59	5.5%	Convenience	
NRC	74	6.9%	773	10%
Partnership for Philanthropic Planning	109	10.2%	Convenience	
Urban Institute/NCCS	139	13.0%	Convenience	
Social media, web links	6	0.6%	Convenience	
Melissa S. Brown & Associates	5	0.5%	Convenience	
Total	1,071	100%		

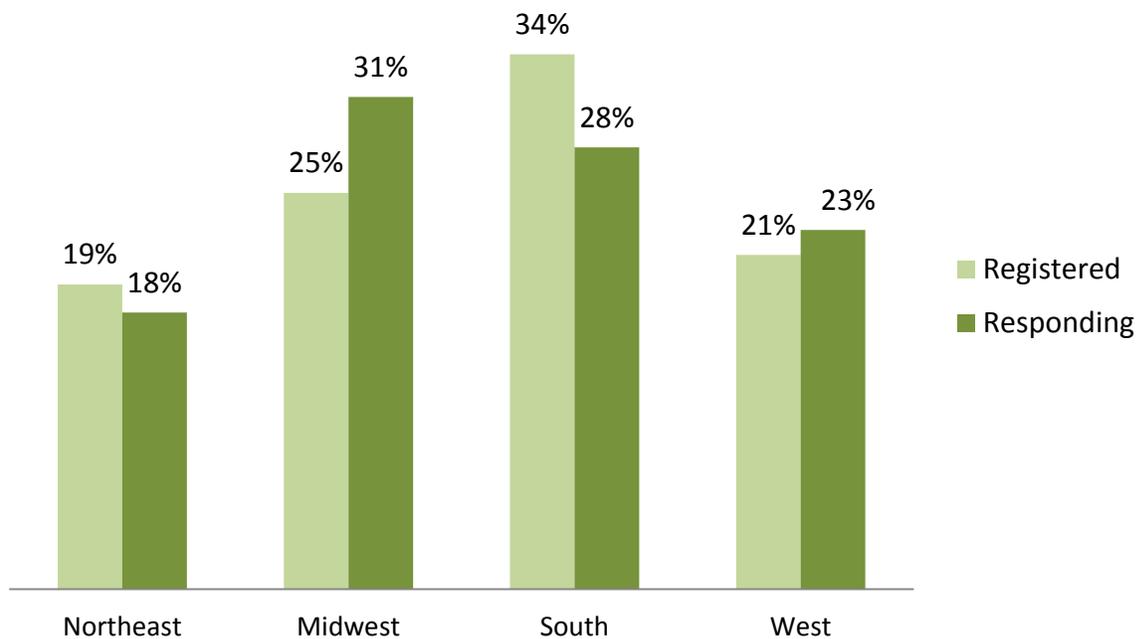
\* Where a sponsor used a mailing list with a known number, we report the response rate based on recipients of the invitation.

The *Summer 2015 Nonprofit Fundraising Survey* received 1,071 non-duplicated responses representing organizations with more than \$8 billion in annual expenditures (including estimates from Canadian respondents about total expenditures).

In this file of responding charities, regions defined by the Census Bureau are roughly equally represented based on the number of registered charities within each.

**Figure 20: Percentage of responding charities by Census region compared with registered charities IRS and Business Master File, July 2013**

(The sum is 100 by region—that is, add North, South, Midwest, and West for any of the categories of charity to get 100. All light green bars together = 100, for example.)



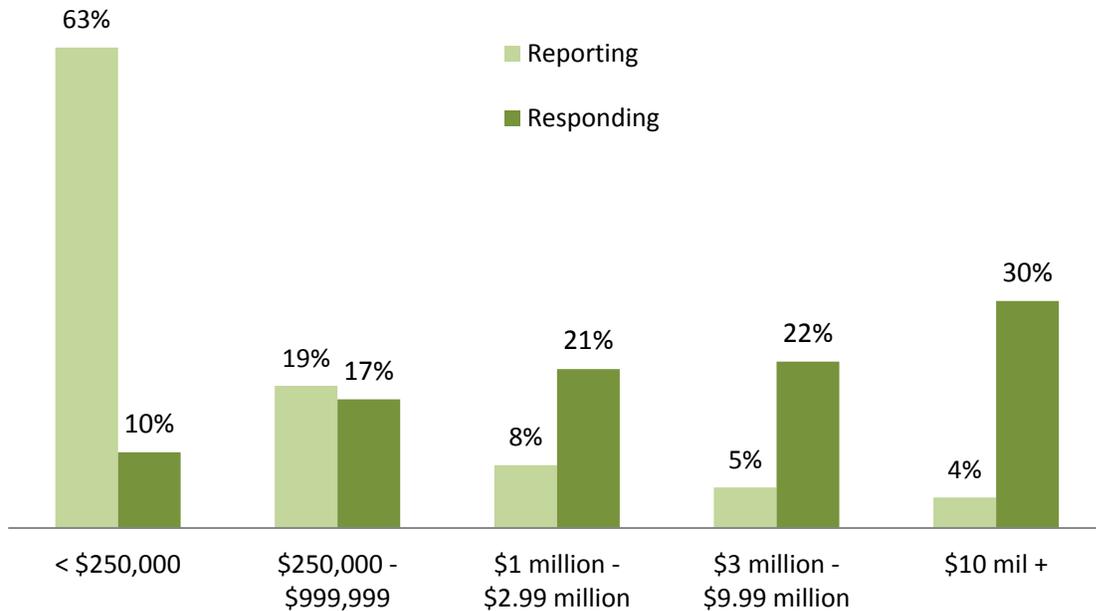
Registered = In the IRS Business Master File as of mid-2012. Regions are as defined by the U.S. Bureau of the Census.

Responding = Response provided in this survey.

With 88 responses from Canadian charities, this survey reached <0.1 percent of the eligible participants in that country. The number of respondents in the U.S. is also 0.1 percent of the charities for which expense data are available (366,851 for 2012), although there are more than twice that many (more than 1 million) registered.

This study asked participants to report their organizations' annual operating budget by category (< \$250,000 through > \$10 million). We compared these responses to data about expenditure amounts on IRS Forms 990. Thus only reporting charities, which provide expenditure information to the IRS, could be coded for size using official data.

**Figure 21: Responding charities expenditure total, compared with reporting charities filing IRS forms**

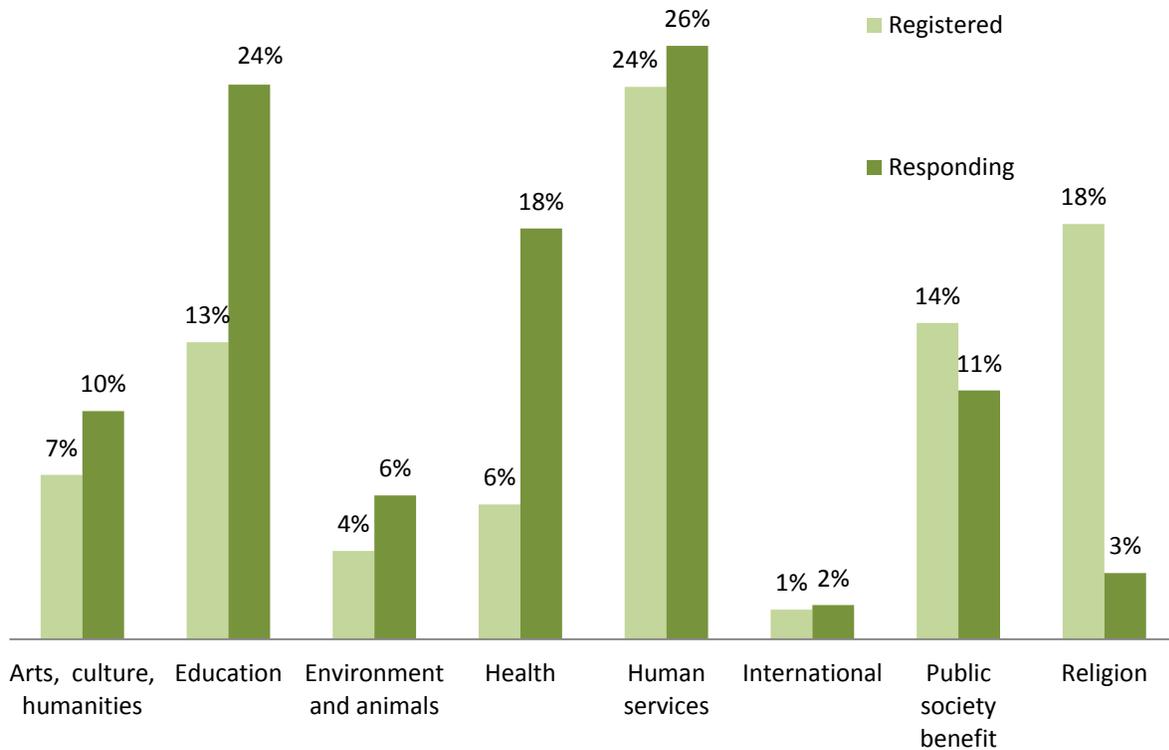


Reporting = filing an IRS Form 990 or Form 990EZ or 990-N ePostcard. Only non-religion registered charities with revenue of \$5,000 or more are required to report. Expenditure information for non-reporting charities is not available at a national level for registered nonprofit 501(c)(3) organizations. Canadian respondents not included in this graph.

Respondents over-represent the larger charities (\$1 million and up in revenue) and under-represent the smallest organizations (less than \$250,000 in revenue).

Responding charities more or less mirrored the registered charities by subsector or major category under the National Taxonomy of Exempt Entities (NTEE). However, religious organizations and public-society benefit charities are under-represented, and education and health organizations are disproportionately high in this set of respondents.

**Figure 22: Responding charities by subsector compared with charities registered with the IRS**



Registered = In the IRS Business Master File as of mid-2013. Charities in the BMF are coded by major category of the National Taxonomy of Exempt Entities (NTEE). Major categories are grouped here into “subsectors” as defined by the National Center for Charitable Statistics. See <http://nccs.urban.org/classification/NTEE.cfm> for more information.  
 Responding = Response provided in this survey

### Statistical significance

The respondents form a convenience sample. There is no margin of error or measure of statistical significance using this sampling technique, as it is not a random sample of the population studied. Chi-square tests were used throughout the analysis to compare differences between larger responding organizations and smaller responding organizations. Results included here are statistically significant using that approach.

## ABOUT THE NONPROFIT RESEARCH COLLABORATIVE

Several organizations formed the NRC. These entities have a decade or more of direct experience collecting information from nonprofits concerning charitable receipts, fundraising practices, and/or grantmaking activities. The collaborating partners are:

- [Association of Fundraising Professionals](#), which surveyed members for an annual state of fundraising study from 2002 through 2010.
- [Association of Philanthropic Counsel](#), an international professional association of consultants whose members survey nonprofit organizations as part of their services.
- [CFRE International](#), which encourages research that helps fundraising professional achieve the highest standards of professional competence and ethical practice.
- [Campbell Rinker](#), which publishes the bi-monthly Donor Confidence Report and conducts numerous studies among nonprofit donors and nonprofit professionals.
- Giving USA Foundation, which has published the [Giving USA Annual Report on Philanthropy](#) for 60 years.
- The [Partnership for Philanthropic Planning](#), which conducts research, education, advocacy, community dialogue and the setting of standards and best practices in philanthropic planning.
- The [National Center for Charitable Statistics at the Urban Institute](#), which tracks the finances and activities of nonprofit organizations and prepares and other publications and resources.

The collaborative effort reduces the burden on charities, which receive fewer requests for survey participation. Survey respondents will form a panel over time, allowing for trend comparisons among the same organizations. This approach provides more useful benchmarking information than repeated cross-sectional studies.

The Nonprofit Research Collaborative (NRC) conducts surveys twice a year. Melissa S. Brown & Associates manages the NRC. She can be reached at [Melissa@NPREsearch.org](mailto:Melissa@NPREsearch.org) or at 530-690-5746.