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LILLY FAMILY SCHOOL OF PHILANTHROPY

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Giving USA 2020: Charitable giving showed solid growth, climbing to \$449.64 billion in 2019, one of the highest years for giving on record

New Giving USA report shows strength of Americans' charitable support and provides baseline, context for current uncertain philanthropic environment

CHICAGO [June 16, 2020] —American individuals, bequests, foundations and corporations gave an estimated \$449.64 billion to U.S. charities in 2019, placing it among the highest years ever for charitable giving, according to findings in *Giving USA 2020: The Annual Report on Philanthropy for the Year 2019*, released today.

Total charitable giving rose 4.2% measured in current dollars (2.4% adjusted for inflation) over the revised total of \$431.43 billion contributed in 2018. Measured in current dollars, giving in 2019 reached the highest dollar total to date. Adjusted for inflation, total giving reached the second highest level on record, just slightly below the all-time high dollar amount achieved in 2017. *(Please see below for a more detailed breakdown of the numbers for each philanthropic source and sector.)*

Giving USA, the longest-running and most comprehensive report of its kind in America, is published by Giving USA Foundation, a public service initiative of The Giving Institute. It is researched and written by the Indiana University Lilly Family School of Philanthropy at IUPUI.

“The solid growth of giving in 2019 brought total giving close to the record level set in 2017, which means that the past three years are the three highest years on record. Clearly, Americans

prioritize generosity as a key part of their lives,” said Rick Dunham, chair of Giving USA Foundation and founder and CEO of Dunham + Company. “Giving increased substantially in 2019, ending the decade on a high note. While it’s too soon to tell what that will mean in the uncharted territory we all find ourselves in today, these estimates provide an important baseline for understanding where giving stood at the outset of the current crisis. As importantly, *Giving USA’s* decades of data provide insight into how giving trends have been changing in recent years, offering context in these uncertain times.”

Positive economic conditions resulted in growth in giving from three out of the four sources. Economic growth also led to increases in giving to all but one of the nine major types of recipient charitable organizations. Six of nine of these charitable subsectors reached their highest ever totals in 2019, adjusted for inflation.

“In 2019, the growth in total giving was driven by an increase in giving by individuals, which remains by far the biggest source of giving. Interestingly, in recent years we’ve seen a consistent and growing trend in giving by foundations comprising a larger share of total giving than it did 15 years ago,” said Amir Pasic, Ph.D., the Eugene R. Tempel Dean of the Lilly Family School of Philanthropy. “This change may reflect larger trends such as in the distribution of wealth and in asset growth across a decade of stock market expansion.”

The overall U.S. economy was relatively strong in 2019, lifted by the robust performance of many of the economic factors that affect giving, such as a 28.9% increase in the S&P 500 and 4.1% growth in the GDP, both in current dollars. Giving by individuals and giving by corporations were buoyed by the growth in the stock market. Giving by foundations also grew, but at a slightly lower rate.

“Donors’ giving patterns evolve in response to changes in economic and social forces. In 2019, we saw solid, broad-based growth in almost all aspects of charitable giving, and especially in giving by individuals due to strong growth in the S&P 500 and personal income,” said Una Osili, Ph.D., associate dean for research and international programs at the Lilly Family School of Philanthropy. “While giving trends vary by donors’ income and wealth, since the Great Recession, we have seen giving become more concentrated toward the top end of the income and wealth spectrum. We will continue to monitor how current events affect giving patterns.”

Highlights and Numbers for 2019 Charitable Giving by Source:

↑ **Giving by individuals** totaled an estimated \$309.66 billion, rising 4.7% in 2019 (an increase of 2.8%, adjusted for inflation). Giving by individuals achieved the second-highest total dollar amount on record, adjusted for inflation, and was less than 70% of total giving for only the second time ever.

↑ **Giving by foundations** increased 2.5%, to an estimated \$75.69 billion in 2019 (a flat growth rate of 0.7%, adjusted for inflation), reaching its highest-ever dollar amount. Giving by foundations has grown in nine of the last 10 years, and represented 17% of total giving for the

second year in a row, the largest share on record. Data on giving by foundations are provided by Candid.

= **Giving by bequest** was an estimated \$43.21 billion in 2019, and was essentially flat with a growth rate of 0.2% from 2018 (a decline of 1.6%, adjusted for inflation). Giving by bequest often fluctuates substantially from year to year.

↑ **Giving by corporations** is estimated to have increased by 13.4% in 2019, totaling \$21.09 billion (an increase of 11.4%, adjusted for inflation). This significant growth is indicative of this type of giving, which is highly responsive to changes in corporate pre-tax profits and GDP, and its year-over-year trend lines tend to be more turbulent as a result.

“It is encouraging to see that not only did America's corporate and foundation contributions increase, but also that its citizens continue to account for the substantial majority of giving,” said Ted Grossnickle, chair of The Giving Institute, and senior consultant and founder of Johnson, Grossnickle + Associates.

“In 2019, giving to nearly all of the subsectors grew, reflecting the wide interests and causes that Americans care about,” said Laura MacDonald, vice-chair of Giving USA Foundation and founder of Benefactor Group. “With the growth in giving from donor-advised funds, planned giving programs, and the evolution to online giving platforms and giving days, there are more varied opportunities than there were 10 years ago for nonprofits to engage with current and prospective donors.”

Highlights and Numbers for 2019 Charitable Giving to Recipients:

↑ **Giving to religion** increased 2.3% between 2018 and 2019, with an estimated \$128.17 billion in contributions. Adjusted for inflation, giving to religion was essentially flat, increasing 0.5% in 2019.

↑ **Giving to education** is estimated to have increased 12.1%, to \$64.11 billion. Adjusted for inflation, giving to education organizations increased 10.1%.

↑ **Giving to human services** increased by an estimated 5.0% in 2019, totaling \$55.99 billion. Adjusted for inflation, giving to human services organizations increased by 3.1%.

↑ **Giving to foundations** is estimated to have increased by 2.5% in 2019, to \$53.51 billion. Adjusted for inflation, giving to foundations was essentially flat, increasing 0.6%.

↑ **Giving to health organizations** is estimated to have increased by 6.8% to \$41.46 billion, an increase of 4.9%, adjusted for inflation.

↑ **Giving to public-society benefit organizations** increased an estimated 13.1%, to \$37.16 billion. Adjusted for inflation, giving to public-society benefit organizations grew 11.1%.

= **Giving to international affairs** is estimated to be \$28.89 billion in 2019, staying relatively flat compared to 2018 with a decline of 0.4%. Adjusted for inflation, giving to international affairs organizations declined 2.2%, after two strong years of growth.

↑ **Giving to arts, culture, and humanities** is estimated to have increased 12.6% to \$21.64 billion. Adjusted for inflation, giving to the arts, culture, and humanities subsector increased 10.6%.

↑ **Giving to environment and animal organizations** is estimated to have increased 11.3%, to \$14.16 billion. Adjusted for inflation, giving to the environment/animals subsector increased 9.4% percent. This marks the category's sixth consecutive year of growth.

“Giving to education, to arts, culture and humanities organizations, to public-society benefit organizations, and environment and animal organizations all saw double-digit growth in 2019, even when adjusted for inflation,” said Patrick M. Rooney, Ph.D., executive associate dean for academic programs at the Lilly Family School of Philanthropy. “The 2019 results for recipient organizations are in line with the trends we have seen over time. Generally speaking, when there is broad-based economic growth, it is reflected in increased giving to all of the various subsectors; however, giving to religion is usually the least affected by economic shifts.”

Giving to individuals, which is 2% of total giving, is estimated to have increased 2.2% (0.4% in inflation-adjusted dollars) in 2019, to \$10.11 billion. The bulk of these donations are in-kind gifts of medications to patients in need, made through the patient assistance programs of pharmaceutical companies' operating foundations.

Unallocated giving was -\$5.54 billion in 2019. This amount can be considered the difference between giving by source and recipient subsector in a particular year. It includes the difference between itemized deductions by individuals (and households) carried over from previous years. The tax year in which a gift is claimed by the donor (carried over) and the year when the recipient organization reports it as revenue (the year in which it is received) may be different.

NOTES TO EDITORS

Members of the media can request 40-year data tables that show sources of contributions by year in current and inflation-adjusted dollars, and allocation of gifts by type of recipient category, also in current and inflation-adjusted dollars. Data also are available showing total giving as a percentage of GDP, individual giving as a percentage of disposable income and corporate giving as a percentage of corporate pre-tax profits.

The requested citation for *Giving USA* is *Giving USA 2020: The Annual Report on Philanthropy for the Year 2019*, a publication of Giving USA Foundation, 2020, researched and written by the Indiana University Lilly Family School of Philanthropy. Available online at www.givingusa.org.

About Giving USA Foundation™

Advancing the research, education and public understanding of philanthropy is the mission of Giving USA Foundation, founded in 1985 by The Giving Institute. Headquartered in Chicago, the Foundation publishes data and trends about charitable giving through its seminal publication, *Giving USA*, and shorter *Special Reports*, released periodically, providing in-depth explorations on today's charitable giving topics. Published since 1956, *Giving USA* is the longest running, most comprehensive report on philanthropy in America.

About *Giving USA*

For 65 years, *Giving USA: The Annual Report on Philanthropy in America*, has provided comprehensive charitable giving data that are relied on by donors, fundraisers and nonprofit leaders. The research in this annual report estimates all giving to charitable organizations across the United States. *Giving USA* is a public outreach initiative of Giving USA Foundation and is researched and written by the Indiana University Lilly Family School of Philanthropy. Giving USA Foundation, established in 1985 by The Giving Institute, endeavors to advance philanthropy through research and education. Explore *Giving USA* products and resources at www.givingusa.org.

About The Giving Institute

The Giving Institute, the parent organization of Giving USA Foundation, consists of member organizations that have embraced and embodied the core values of ethics, excellence and leadership in advancing philanthropy. Serving clients of every size and purpose, from local institutions to international organizations, The Giving Institute member organizations embrace the highest ethical standards and maintain a strict code of fair practices. For information on selecting fundraising counsel, visit www.givinginstitute.org.

How to Obtain *Giving USA 2020*

Key findings, data tables and more from *Giving USA 2020: The Annual Report on Philanthropy for the Year 2019* are available for download at www.givingusa.org. The full Annual Report will be available in 2-4 weeks.

Customers can select from a number of *Giving USA 2020* products, including the full report, available in paperback or digital download packages; a condensed version of the report called *Key Findings*; a comprehensive presentation PowerPoint slide deck with talking points; data tables; and the free *Infographic*.

Giving USA Foundation periodically publishes in-depth reports (*Special Reports*) on different aspects of charitable giving and fundraising trends. Visit www.givingusa.org for available topics.

About the Indiana University Lilly Family School of Philanthropy

The Indiana University Lilly Family School of Philanthropy at IUPUI is dedicated to improving philanthropy to improve the world by training and empowering students and professionals to be innovators and leaders who create positive and lasting change. The school offers a comprehensive approach to philanthropy through its academic, research, and international programs and through The Fund Raising School, Lake Institute on Faith & Giving, the Mays Family Institute on Diverse Philanthropy and the Women's Philanthropy Institute. For more information, visit philanthropy.iupui.edu.

Giving USA Methodology

Giving USA estimates primarily rely on econometric methods developed by leading researchers in philanthropy and the nonprofit sector and are reviewed and approved by members of the *Giving USA* External Review Panel. Members of the External Review Panel include research directors from national nonprofit organizations, as well as scholars from such disciplines as economics and public affairs, all of whom are involved in studying philanthropy and the nonprofit sector.

The Indiana University Lilly Family School of Philanthropy prepares all of the estimates in *Giving USA* for Giving USA Foundation. *Giving USA* develops estimates for giving by each type of donor (sources) and for recipient organizations categorized by subsectors (uses). Most of *Giving USA's* annual estimates are based on econometric analyses and tabulations of tax data, economic indicators and demographics. Data for giving by foundations come from Candid (formerly the Foundation Center).

Following the same approach used by leading public and private institutions that develop economic statistics, *Giving USA* researchers update data found within *Giving USA* each year. This is because current *Giving USA* estimates are developed before final tax data, some economic indicators and some demographic data are available. The estimates are revised and updated as final versions of these data become available. Final estimates are usually developed two or three years after their initial release.

For more specific details on *Giving USA's* methodology, please refer to the "Brief summary of methods" section within *Giving USA 2020* or contact the Indiana University Lilly Family School of Philanthropy at adrldavi@iupui.edu or 317-278-8972.