



STATE OF CENTRAL IOWA

Philanthropic
Giving Report

JANUARY 2024

A COLLABORATIVE STUDY BY

ISAACSON/SYVERSON
CONSULTING



About the Study

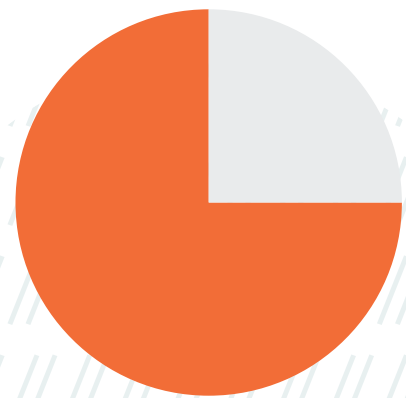
The Central Iowa nonprofit landscape continues to shift. And as demand for services continues to increase, it's critical for nonprofits to understand what motivates their donors. The second annual State of Central Iowa Philanthropic Giving Study was conducted to track donor trends to inform the nonprofit community as they fundraise to support their organizations' missions.

Isaacson-Syverson Consulting and market research experts, Compendium Insights. The survey was sent to 166 philanthropic individuals and corporate and foundation representatives located in central Iowa. The survey garnered a 39% response rate, a very high rate which signals strong engagement. Data was collected from October 23 – November 27, 2023.

The 2024 State of Central Iowa Philanthropic Giving Study was conducted by local fundraising professionals,

Nationally, 72% of charitable giving dollars come from individuals, 21% from charitable foundations and 6%

from corporations. The motivation behind individual giving decisions is often times different from corporate and foundation giving decisions, thus the survey was crafted to reflect these differences and the data below represents responses from each unique giving group – individual, corporate and foundation. It's also important to note, that for the first time in recent history, the percentage of American households who give charitably is down 4% from the previous year, a shift nonprofits should not take lightly.



Nationally, nearly $\frac{3}{4}$ of charitable giving comes from individuals.

Giving USA 2023

Influences on Giving

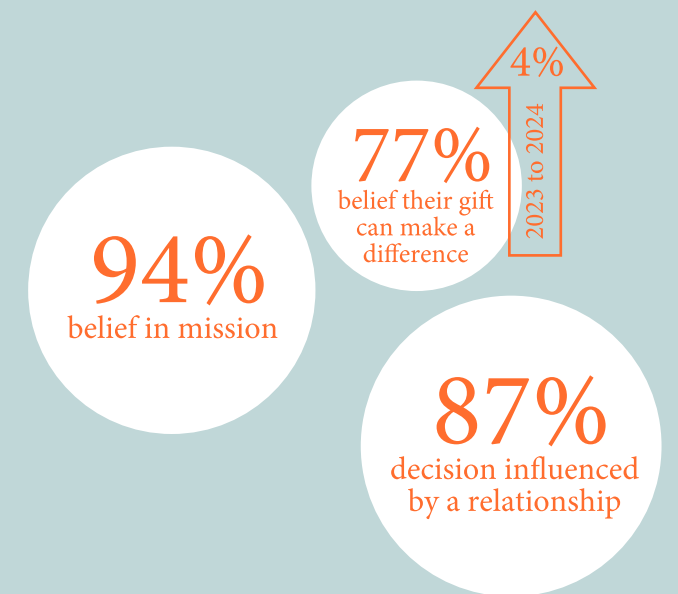
It's important for nonprofits to understand what inspires donors to give. The number one influence in giving for individuals, corporations, and foundations continues to be belief in the nonprofit organization's mission. For individual donors, 94% of gifts are influenced by belief in the mission, and 77% are motivated by believing their gift can make a difference – up 4% from 2023.

Alignment with a corporation or foundation's strategic objectives continues to be an important factor. 77% of corporate and foundation representatives stated that their giving is always influenced by alignment of the nonprofit mission with their overall objectives. This data point remained consistent year-over-year, emphasizing the need for nonprofits to assess a company's philanthropic priorities before making an ask.

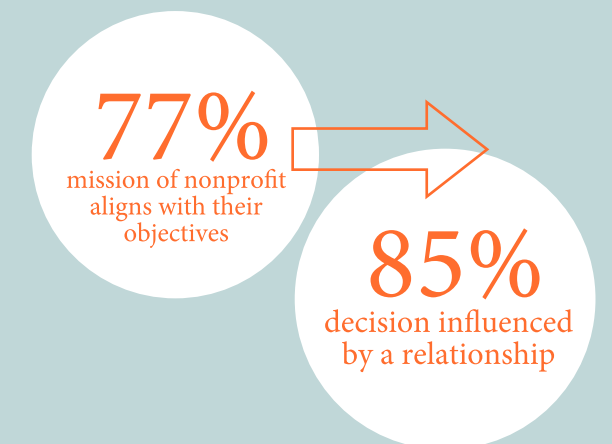
It's also important to note that **who** makes the ask has an impact on a charitable contribution.

For 87% of individuals, their decision is sometimes influenced by a relationship with a board member or nonprofit employee. Similarly, 85% of corporate respondents stated that a contribution is sometimes influenced by a relationship.

INDIVIDUAL GIVING INFLUENCES



CORPORATION / FOUNDATION GIVING INFLUENCES



Philanthropic Focus & Level of Support

The study also sought to understand the focus area within the nonprofit sector where donors are choosing to direct their charitable dollars. Overall 92% of all donors indicated their areas of focus have not changed from 2022 to 2023. Individuals who responded to the survey most often focus their giving on arts & culture, followed by community betterment, education, children's services, and conservation and recreation efforts.

Corporations, however, have more of a focus on basic needs such as food insecurity and poverty/income equality. That said, corporate support for community betterment and quality of life projects increased sharply in 2023.

Similarly, foundations are directing their funding primarily toward basic needs and education. Diversity, equity & inclusion saw increased focus in 2023 and now equals foundational focus along with poverty, arts & culture, and community betterment.

The outlook looks bright for the amount of giving to nonprofits this calendar year.

For individual donors, 40% intend to increase their giving compared to only 27% who planned on an increase in 2023.

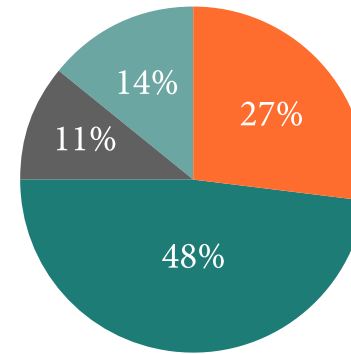
And while corporate giving was more stagnant last year, 31% plan to increase their contributions compared to 7% in 2023. When assessing their philanthropic budgets, corporate responses indicate market conditions as the major factor in giving tendencies.

Lastly, the outlook for foundation support is also stronger than 2023 with a 44.5% increase planned versus 27% the prior year. Foundation representatives noted that as endowments increase, so does their philanthropic support.

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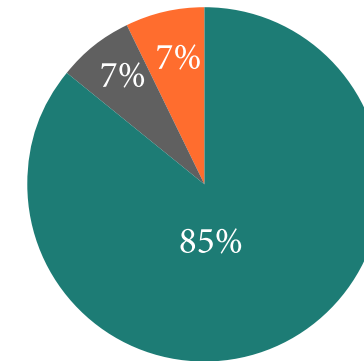


2023 INDIVIDUAL GIVING INTENT



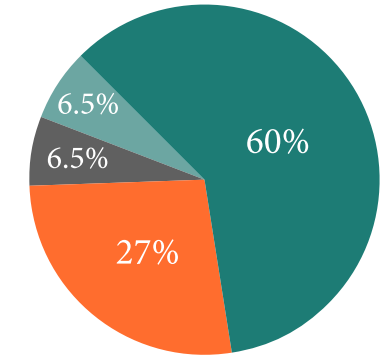
- intend to increase giving
- intend to stay the same
- intend to decrease giving
- unsure of giving amount

2023 CORPORATE GIVING INTENT



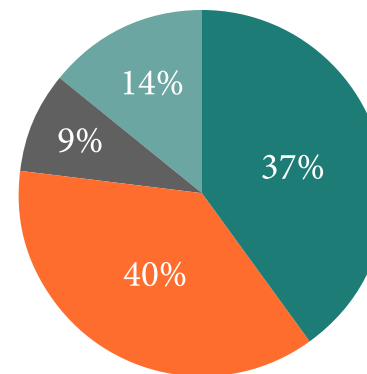
- intend to increase giving
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- intend to decrease giving
- unsure of giving amount

2023 FOUNDATION GIVING INTENT



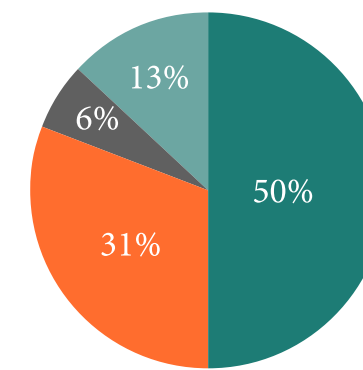
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2024 INDIVIDUAL GIVING INTENT



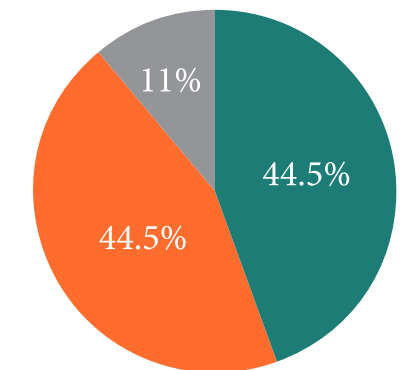
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2024 CORPORATE GIVING INTENT



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2024 FOUNDATION GIVING INTENT

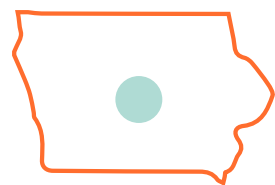
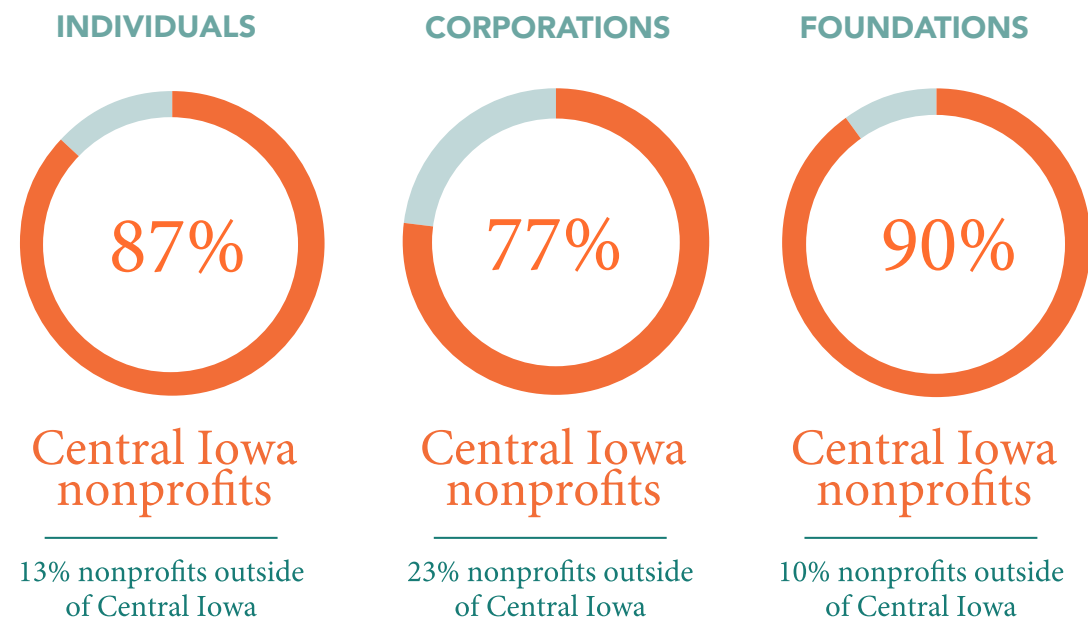


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Gift Distribution

A local focus in charitable support continues to be significant amongst Central Iowa donors. While 82% of the organizations supported by individuals, corporations and foundations in 2022 were local, that number increased to 88% in 2023. Of the nonprofits that individuals supported last year, 87% were in Central Iowa. Similarly, 77% of corporate support was distributed in Central Iowa. These numbers were largely unchanged from the prior year with the foundations seeing the only significant change with an increase in Central Iowa focus at 90% (+17%).

Giving to Central Iowa v. National Nonprofits



Central Iowans are giving locally.
January - December 2023

Foundations and corporations clearly prefer to diversify their charitable giving, with 89% of foundations and 75% of corporations indicating they supported 21 or more nonprofit organizations in 2023. Individual donors, not surprisingly, give to a smaller number of organizations, with 60% giving to 10 or fewer nonprofits. That said, 14% of individuals still report they gave to over 21 groups in 2023.

Number of Nonprofits Supported

	INDIVIDUALS	CORPORATIONS	FOUNDATIONS
1-5	14%	6%	0%
6-10	46%	0%	0%
11-15	17%	0%	0%
16-20	9%	19%	11%
21+	14%	75%	89%

Communications & Recognition

Knowing *how* donors like to be communicated with is critical for nonprofit organizations. The preferred methods for contact vary between individuals and corporations/foundations. Study results indicate that nonprofits should not waste time and money sending mail to their corporate and founda-

tion donors, as the vast majority still prefer email communications. It's also important to note that 72% of corporations and foundations appreciate an in-person meeting, a shift as businesses are adjusting to a reduced work-from-home model.

When it comes to individual donors, email and in-person meetings are preferred by nearly two-thirds of respondents. A desire for mailed materials has lessened for individual donors, down 22% from 2022.

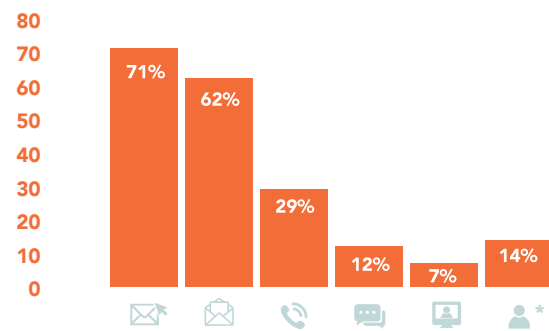
Recognition and donor stewardship continue to be vitally important and vary between individuals, corporate, and foundation donors.

A personalized, timely thank-you letter is most important to individuals.

Many individuals indicate they stop giving to the nonprofit organization if they do not receive a prompt acknowledgement.

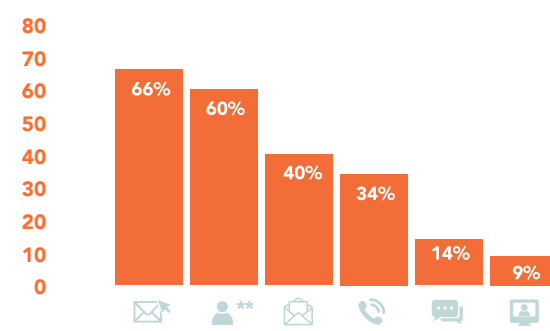
Recognition in the nonprofit organization's newsletter, social media, and/or email communications is the number one desire of corporations and foundations, followed closely by naming recognition and signage.

INDIVIDUAL DONORS 2022



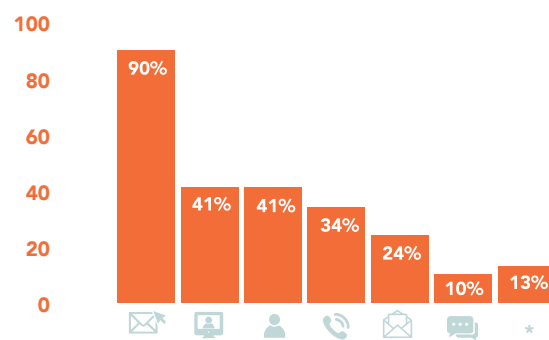
*Write-in responses=In-person meeting

INDIVIDUAL DONORS 2023



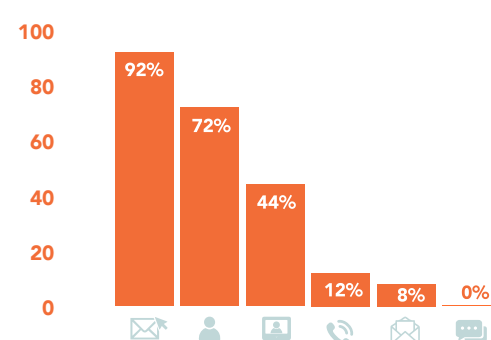
**Added as a response option in 2023

CORPORATIONS & FOUNDATIONS 2022



*Other (Online application/In-person)

CORPORATIONS & FOUNDATIONS 2023



'Other' removed as a response option in 2023



Donor Communication Preferences

INDIVIDUALS

Email, in-person or mail



CORPORATIONS

Email, in-person or virtual meeting



FOUNDATIONS

Email or in-person meetings



Confidence in the Nonprofit Community

While donors overall have a strong outlook of Central Iowa's nonprofit sector, confidence is slightly down from last year's benchmark report. In 2022, 61% indicated that they were "very confident", while in 2023, only 36% felt the same. Of those surveyed between the ages of 35-54, almost half expressed only "moderate confidence" in the current strength of Central Iowa's nonprofit community.

Foundation respondents cited potential "burn out" and the sentiment that nonprofits are often "asked to do too much," while corporate representatives mention gaps in need and too much duplication of efforts in the nonprofit sector.

/// "While I have high confidence in the capacity of our nonprofits, with the implications of our political leadership zeal for tax cuts looming in the next couple of years, the nonprofits will be asked to do much more for community members with greater and greater needs, with much less support from the public sector. Philanthropy and the faith community can only do so much. I'm concerned that the level of burn out of nonprofit leaders and frontline staff that has been building since COVID first impacted our state will coincide with this increase in need for services and decrease in financial support and become the "perfect storm" for our community."
– foundation funder

/// "Highly philanthropic community, but I am not sure of the next generation on their motivations and interests. They have not been cultivated. The usual suspects are always the ones contacted." – individual donor

Donors indicate that organizations are meeting community needs, have strong staff and volunteer leadership, and show fiscal responsibility.

/// "Des Moines is the most philanthropic city I have ever lived in. I am amazed at the support corporations give to the local nonprofits."
– foundation funder

/// "I've been involved in our community for nearly 40 years, and Central Iowa has some of the strongest supported and most well-managed non-profits in the country. During that time the number of nonprofit organizations has grown significantly, as has the size of many nonprofits. These changes have resulted in a lot more people working for non-profits in our community."
– corporate funder

/// "Within reason taking into consideration external circumstances (the economy), we have a community that supports good causes and looks for innovative ways to improve the quality of life for our citizens."
– individual donor

The need for collaboration and streamlining efforts is still a consistent theme across all respondents.

/// "The tail of the pandemic is long. And we still have a lot of duplication in efforts and silos of services. Need for collaboration and connection is strong if the sector is to thrive."
– foundation funder

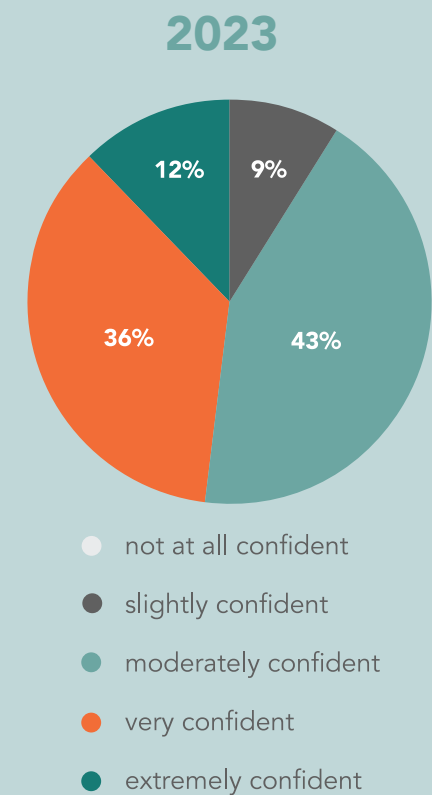
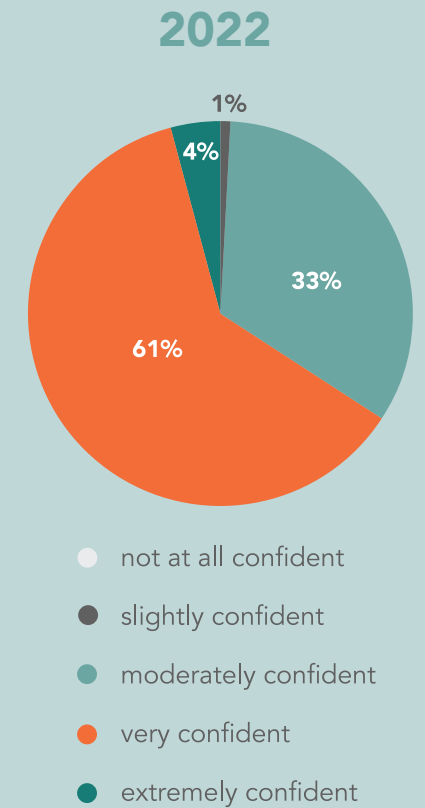
/// "There are far too many nonprofits in Central Iowa doing the same work. It spreads corporations and foundations thin. Organizations who have like missions should be meeting on an ongoing basis to be sure that they are not duplicating efforts or 'mission creeping'."
– corporate funder

There continues to be concern regarding the shift in corporate ownership and the next generation of philanthropists.

/// "We are seeing less privately held companies in Central Iowa, and more publicly traded organizations with outside interest. I believe this will continue to impact our giving climate in Central Iowa."
– corporate funder

/// "I worry about larger companies diversifying their giving and not giving as much back locally. Also, many larger companies are hiring CEOs and executives who aren't from Central Iowa so don't understand our community approach to giving."
– corporate funder

/// "Highly philanthropic community, but I am not sure of the next generation's motivations and interests. They have not been cultivated. The usual suspects are always the ones contacted."
– individual donor



Volunteerism & Philanthropy

This year's survey introduced questions related to volunteerism and the correlation to charitable giving. 85% of total respondents indicated that they do volunteer personal time for their preferred charitable organizations. This was consistent across all groups of donors with those on behalf of a corporation at 94%, individuals at 86%, and foundations at 67%.

When asked how they like to volunteer their time, serving on a board for a nonprofit is universally preferred, however the preferences vary from there.

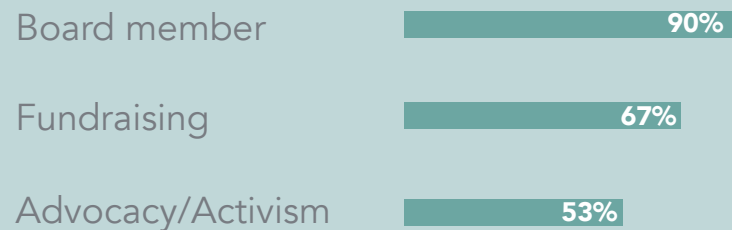
"I think the best way for me to truly connect with an organization is to be a part of the decision making."
 – individual funder

Data shows that volunteering with an organization has a direct impact on philanthropic giving.

83% of those volunteering on behalf of a foundation reported an increase in the amount given, while 60% of those working with a corporation, and 57% of individuals reporting an increase.

How Donors Volunteer Their Time

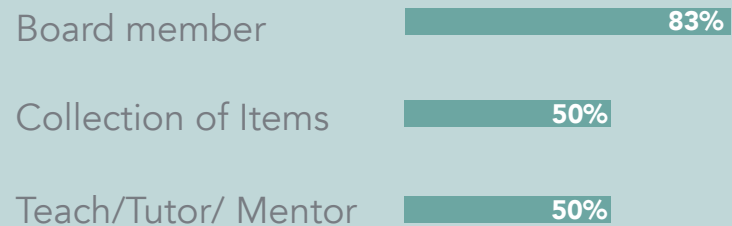
INDIVIDUALS



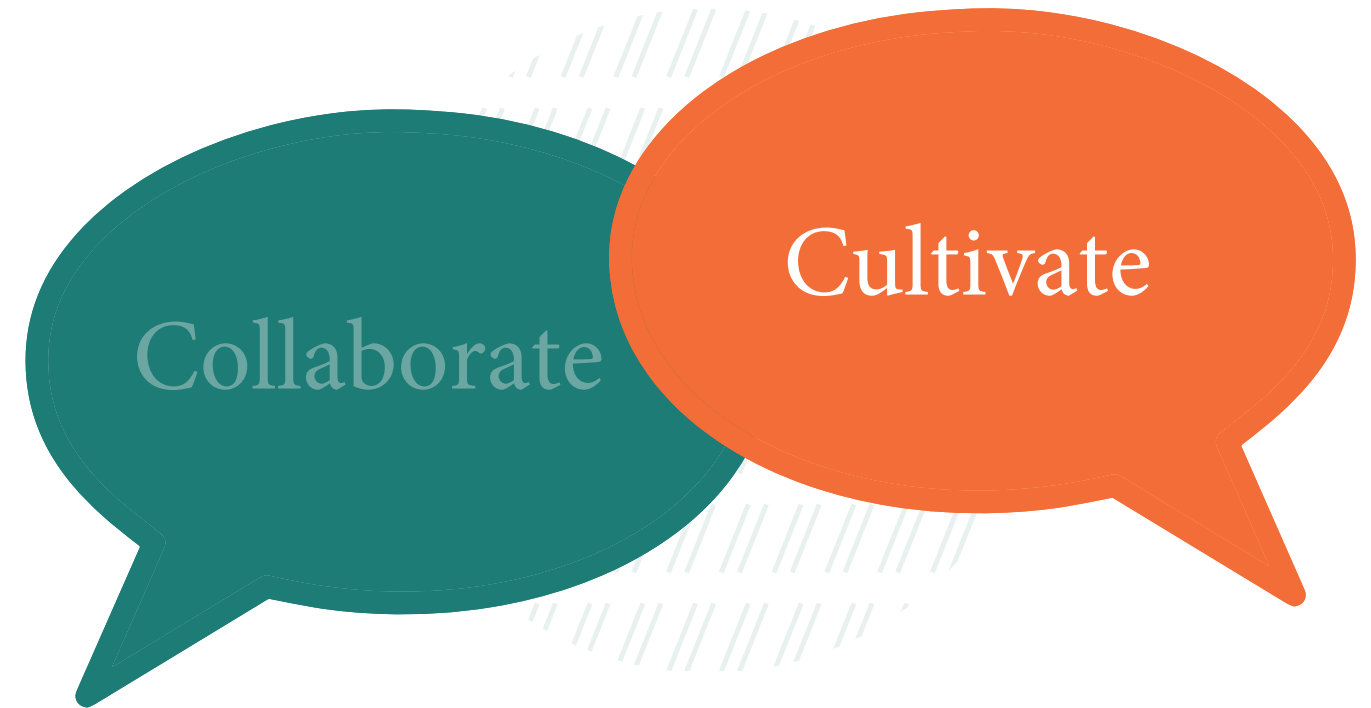
CORPORATIONS



FOUNDATIONS



Advice to the Nonprofit Sector



The two primary themes for 2024 are cultivate and collaborate. Donors want to hear from organizations throughout the year to truly understand the work and the impact their gift is making.

Nonprofits must keep in mind the gift isn't just a transaction for the donor, it's an investment.

Nonprofit staff must take time to build relationships and show donors their investment is worth it.

Additionally, as the transfer of wealth amongst families shifts, it's even more important to cultivate the next generation of donors and leaders. Many donors show concern of the "usual suspects" always being asked. Nonprofits must think carefully about how to authentically cultivate a more diverse donor base.

Furthermore, donors consistently express desire to see concerted, collaborative efforts within the nonprofit sector. Nonprofits are to combine efforts and resources whenever possible. The donor community can sense both discourse and redundancies in the nonprofit community which leads to distrust. Organizations must strive to effectively build awareness and solve problems in a collaborative manner.

What Donors are Saying



INDIVIDUALS

“Continue to tell your story. Be transparent on both your wins and your losses. Have a clear mission and strategy on how your dollars are spent.”

“Keep donors informed about what they are doing that furthers their mission, without asking for donations! The “ask” should happen in subsequent follow ups or updates.”

“We have lost a number of large ‘headquarters’ companies, and a number of long time stalwarts are passing away/ less active. I am simply concerned if others will be stepping up to take their place—big shoes to fill.”

FOUNDATIONS

“You’re appreciated. Make your voices heard to decision makers and help your stakeholders’ and constituents’ voices be heard. Work with other nonprofits to hone a clear, consistent, succinct message that all can deliver to decision makers.”

“Think carefully about your unique value and focus on that.”

“This comment is for our funding community: Be mindful about getting philanthropic dollars to the communities who are most in need of resources AND be creative in thinking about opportunities to support tangible, meaningful impacts.”

CORPORATIONS

“It is important to build relationships with your funder. Remember to visit with and update your funders outside of the times that you are coming to ask for financial support.”

“Continued collaboration with one another, use of evidence-based practices & programs, and continuous building of organization sustainability will be impactful.”

“Engage in collaboration with other nonprofits who do similar work as you regularly. Even those that may sit on the fringes of your work - collaborate and engage in conversation. Funders want to have in depth knowledge of

the work you are engaging in to share with internal stakeholders. Don’t be afraid of these conversations or to be fully transparent with how things are going.”

“Collaborate, collaborate, collaborate. Look for better ways to do the work. Stop and review the work being done and is really making a measurable difference.”

RESPONDENT DEMOGRAPHICS

64 Total respondents completed the survey, 6 declined to respond to age/ gender questions.

Age	
25-34	3%
35-44	28%
45-54	19%
55-64	12%
65+	38%
Gender	
Male	24%
Female	76%



About

ISAACSON-SYVERSON CONSULTING



Isaacson-Syverson Consulting (ISC) is a nonprofit consulting firm committed to helping nonprofit organizations develop the resources needed to advance their missions. ISC provides counsel and guidance to strengthen annual giving, capital campaigns, special projects, and major donor programs. ISC also offers guidance related to strategic planning, volunteer engagement, relationship building, and board performance. Isaacsonsyversonconsulting.com

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COMPENDIUM INSIGHTS



Compendium Insights is marketing research and insights consulting firm, focused on collaborating with clients to uncover answers and translate those discoveries into meaningful, actionable insights that make a difference. Compendium specializes in conducting custom research – utilizing fresh and goal-oriented approaches, for local, regional and national organizations. Compendiumpartners.com

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