

To: Board of Visitors  
Executive Committee  
Center Advisory Boards

From: Eugene R. Tempel, Executive Director

Date: July 23, 2008

Subject: Center on Philanthropy Activities

I planned to use this summer letter to our Board of Visitors to update you on the Center's activities during the months of June and July. At that time I had no idea that important changes were in the works. By now you have learned that I accepted the position of President of the Indiana University Foundation, to be effective September 1, and that Patrick Rooney, the Center's Director of Research, will become its Interim Executive Director at the same time. These changes happened quickly during the last few weeks. I have spoken to many of you by phone and others via email about what this means for the future of the Center on Philanthropy.

Patrick has been at the Center nine years. He has served as COO and as Director of Research. He has interacted with academics and practitioners. He has grown the research enterprise at the Center to a \$2 million annual operation. He is nationally known as one of the key spokespersons on issues related to the field. Please know that the Center is in good hands, and we have assembled an able team of leaders that will carry the Center's mission forward with excellence. The Center is fortunate to have an outstanding and seasoned staff who will continue on the trajectory that we outlined in our strategic plan. I am confident that they, along with a strong board and committee leadership, will achieve all of those ambitious goals. IUPUI Chancellor Charles Bantz will lead the search for the next executive director of the Center, and an outside search firm will be contracted to conduct a national search for the ideal person to lead the Center's next phase. The Board of Visitors, with David Grange as chair, will be involved in this process. I want to thank all of you for your extraordinary leadership and support during my time at the Center. The Center is in a very strong position and the groundwork has been laid for a successful future.

So let's begin again with updates about the Center's activities over the past two months. They included the release of *Giving USA 2008*, Gail Freeman's hosting of a Center event in New York City, the first offering of a new course on faith and fundraising, special recognition for our research staff, and exciting announcements from the Lake Institute on Faith & Giving. I'll start with the June release of *Giving USA 2008*.

*Giving USA 2008*, the annual yearbook on philanthropy researched and written by the Center and published by the Giving USA Foundation, found that charitable giving in the United States is estimated to be \$306.39 billion in 2007, exceeding \$300 billion for the first time in history. Our partnership with the Giving Institute to research and write *Giving USA* is a hallmark of our work at the Center. *Giving USA* is heavily used by nonprofit leaders, fundraising practitioners, scholars here and elsewhere, in courses at The Fund Raising School, and in our other public outreach

efforts. The published report is available now via the Giving USA Foundation web site: [www.givingusa.org](http://www.givingusa.org).

*Giving USA* shows that almost every subsector saw gains in donations in 2007. The estimates indicate that giving rose last year by 3.9 percent (1.0 percent adjusted for inflation). Overall, it indicates that a strong start to the economy in 2007 helped lift giving despite worries at year's end. The increase in 2007 is attributable largely to stock market performance in the first half of the year, overall growth in the economy as measured by gross domestic product, and increases in corporate and personal income as reported at the end of the year. Charitable giving was 2.2 percent of gross domestic product for 2007.

This year's report also includes results from a survey of 366 charities about their fundraising practices and the impact they believe national events had on giving in 2007 and will have in 2008. The survey concentrated on charities in the public-society benefit subsector. These include combined purpose funds that reallocate gifts received to other charitable recipients, community and economic development organizations, research institutes, and organizations registering voters or working on civil rights issues. Surveyed charities have concerns about the economy and the stock market and the impact they will have on giving in 2008, but are not particularly concerned about the presidential election's effects on giving. Presidential campaigns raised \$580.4 million in 2007, according to the Federal Election Commission. That is less than one-quarter of one percent of the \$306 billion raised for charitable purposes.

According to George C. Ruotolo Jr., CFRE, chair of Giving Institute: Leading Consultants to Non-Profits, "*Giving USA 2008* shows that a strong start to the economy in 2007 helped lift giving despite worries at year's end from gasoline prices or the housing and mortgage crises. Just as important as the 3.9 percent overall increase is the finding that every subsector (except private foundations) is projected to have seen increases in 2007. This last occurred in 2001."

Upon the data's release, the Center and our colleagues at the Giving USA Foundation responded to a number of media requests that prompted local, national and international coverage in *The New York Times*, *The Wall Street Journal*, *The Washington Post*, the *Chicago Tribune*, *BBC News*, *Agence France-Presse*, and the *Indianapolis Star*. A story from *The Associated Press* also appeared in *USA Today* and many other media outlets across the country.

I am pleased to announce that the Center's research team received the *John Grenzebach Research Award for Outstanding Published Scholarship* from the Council for Advancement and Support of Education (CASE) for its *American Express Charitable Gift Survey*, published last fall. This comprehensive analysis of individual giving reveals why only one in ten donors chooses to give online. Each year CASE presents these research awards for work on current trends and issues in higher education alumni relations, communications, fundraising and marketing. The authors were recognized during the CASE Summit for Advancement Leaders, July 13-15, in New York City. Patrick Rooney accepted the award on behalf of the team.

The Lake Institute continues to develop its programs and initiatives in significant ways. First, the Lake Institute jointly created and taught a course entitled *Faith and Fundraising* with The Fund Raising School. The course addressed issues of sustainability and giving specific to religious

organizations. While sustainability may take different forms depending on the particular institution or organization, many religious bodies now realize they must reexamine their approach to money matters. The course encouraged participants to rethink the ways they talk or do not talk about money from a religious perspective, while helping them to reevaluate their understanding of fundraising and employing more sophisticated techniques and best practices. Twenty-five participants came from 13 states, representing 23 different programs and 13 different religious traditions; nine were pastors of congregations; six were national church or denominational executives; two were associated with church-related institutions of higher education; and eight were associated with religious or faith-based nonprofits. Their feedback suggested just how needed such training is for today's religious professionals. One comment in particular reflects a common theme among many: "The course has been immensely helpful to me; the church has never either expected or offered me this kind of training. I have felt stymied in fulfilling my current responsibilities by this lack of knowledge, experience, and confidence. I appreciate the instructors' openness to questions and the opportunity for individual consultation about specifics for our context."

The Lake Institute also released its first book, *The Wisdom of Generosity: An American Reader in Philanthropy*, by William J. Jackson, Professor of Religious Studies at IUPUI and the Thomas H. Lake Scholar. This collection presents the depth of American generosity, roaming over 400 years of our history. Drawing upon a variety of genres--myths, proverbs, poems, letters, short stories, news stories, first-hand stories, folktales, sermons, essays, and brief biographies--this collection documents the religious dimensions and various manifestations of philanthropy that have evolved to play a critical role in the everyday life of Americans. *The Wisdom of Generosity* reveals philanthropy's integral connection with American history and illustrates how Americans are still striving to fulfill their original promises. The forward was written by Jean Case, co-founder of AOL and President of the Case Foundation.

The Lake Institute announced that Thomas J. Davis, Professor and Chair of Religious Studies at IUPUI will serve as the second Thomas H. Lake Scholar. During his three-year appointment, Professor Davis will pursue a program of research, teach a class, and produce a book. The working title of his book is *Jimmy Carter: A Life of Faith and Good Works*. This project will result in a philanthropic biography of former U.S. President Jimmy Carter, who has aggressively pursued a life of "voluntary action for the public good." This work will not only explore the religious motivation of Carter in his quest to serve the public good, but it will also examine how one navigates the problems of serving the public good, motivated by religious impulses, while yet recognizing the dangers inherent in thrusting religious motivations into public concerns. Finally, Bradley Koch was named as the first Lake Dissertation Fellowship awardee. His dissertation focuses on the concepts of the Prosperity Gospel and Economic Prosperity. The Prosperity Gospel makes specific claims about what God expects of human beings financially, thus providing an unprecedented opportunity to test some of the earliest, yet unresolved, questions in sociology about the relationship between religious beliefs and economic behaviors and outcomes.

The Center is grateful that Gail Freeman and Freeman Philanthropic Services hosted a reception on June 12 in New York City. Alumni, donors and friends of the Center gathered with a view of the Empire State Building to hear from outgoing board chair Gail Freeman and Center alumna

Smita Vadakekalam (MA '01) about current Center activities. Receptions like these serve as special opportunities to connect with individuals around the country and engage them in the Center's work. We appreciate Gail and her staff for their hospitality. Following the reception, some of these same guests also attended Fund Raising Day in New York, presented by the Greater New York Chapter of Association of Fundraising Professionals, America's largest one-day conference on philanthropy. At the conference, the Center hosted an exhibit to share and distribute information about its academic programs, The Fund Raising School, and Center research.

We were hosted by another close constituent in Chicago. Ellen Gignilliat, an IU Foundation board member, hosted the Center and 25 guests at the Women's Athletic Club in Chicago for a program on Women, Faith and Philanthropy. Welcoming remarks were made by Laurie Burns McRobbie, Indiana University's First Lady, a faculty member in the IU School of Informatics and an active community leader on women's issues. Bill Enright, Director of the Lake Institute, provided an overview of religious giving traditions and discussed the relationship between faith and generosity. Debra Mesch, SPEA Professor and Philanthropic Studies Faculty, outlined the Center's research about what we know about women and philanthropy. I concluded the program by leading the participants through the completion of their own individual philanthropic autobiographies. We look forward to replicating this program in other cities as well as expanding offerings of this seminar in Chicago.

Again, thank you for all of your support and well wishes on my move to the IU Foundation. I will continue to be involved with the Center and look forward to our work together. I welcome your comments and suggestions on the continued work of the Center.