

# The Challenges and Opportunities of Rural Philanthropy in America

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- Focus of research: giving in rural America
  - Giving by rural and non-rural residents;
  - Giving by high-income rural and non-rural residents;
  - Motivations for and impediments to giving.
- Definition of Rural: “Small towns with a population of less than 20,000 or completely rural.”
- Demographic characteristics. Rural residents tend:
  - To be older;
  - Be high school but not graduates;
  - Be poorer in general.
- Rural Philanthropy:
  - More than 7,500 endowed foundations are located in rural America, but their assets represent only 3 percent of all foundation assets nationwide;
  - Per capita foundation giving comparing urban states and rural states: Average \$156 urban vs. \$41 rural;
  - Rural communities tend to be characterized by a lack of infrastructure organizations;
  - Community development contributions are up to 21 percent more in urban areas than in rural areas (in particular for the case of religious organizations: 11% rural vs. 22% urban);
  - A focus on the South shows that while the South has 34 percent of nation’s poverty, it receives less than 14 percent of its foundations assets.
- Data sets for rural philanthropy:
  - Center on Philanthropy Panel Study (COOPS) 2005 dataset
    - Sample size = 8,002 (7,950 analyzed)
      - 1,455 (18.3%) of households live in rural areas
      - 117 (9.5%) of rural householders are higher income (i.e. at least \$100,000 income in 2004)
  - Center on Philanthropy regional studies dataset
    - Georgia 2008, Kansas City 2008, Memphis 2008, Arizona 2007, Michigan 2007, Indiana 2007, Illinois 2006, New Hampshire 2005, and St. Louis 2003.
    - Sample size = 6,257
      - 1,279 (20.4%) of householders live in rural areas.
- [All Donors] Total Amount of Charitable Giving
  - 18.3% live in rural areas and give
    - 14.6% (\$34M) of all donations

- 10.6% (\$10M) of secular giving
    - 17.3% (\$24M) of religious giving
  - Share of charitable giving by location by subsectors in COOPs 2005
    - Total: 14.6% rural vs. 85.4% non-rural
    - Religious: 17.3% rural vs. 82.7 non-rural
    - Secular: 10.6% rural vs. 89.4% non-rural
- [All Donors] Share of Total Giving
  - 72 percent of total giving from rural donors distributed to religious organizations (vs. 59 percent of non-rural donors)
  - Educational organizations received the second largest share of gifts (6%) from rural donors (vs. 5 percent of non-rural donors).
- [All Donors] Average and Median Giving by Subsectors
  - Total (p<0.05): \$1,788 (average) and \$610 (median) rural vs. \$2,102 (average) and \$800 (median) non-rural;
  - Religious (p<0.01): \$1,752 (average) and \$900 (median) rural vs. \$1,884 (average) and \$700 (median) non-rural;
  - Secular (p<0.001): \$664 (average) and \$225 (median) rural vs. \$989 (average) and \$360 (median) non-rural;
- [All Donors] Share of Income Giving
  - Rural donors donated a higher percentage of income to charity than non-rural donors
    - Total: 3.0% rural vs. 2.6% non-rural
    - Religious: 2.9% rural vs. 2.3 non-rural
    - Secular: 1.1% rural vs. 1.2% non-rural.
- [High Income Respondents] Total Amount of Charitable Giving
  - 9.5% of higher income households are rural, but they give
    - 10% (\$10.5M) of all donations from higher income householders
    - 13% (\$7.1M) of religious giving
    - 7% (\$3.4M) of secular giving
  - Share of charitable giving by location by subsectors in COOPs 2005
    - Total: 10% rural vs. 90% non-rural
    - Religious: 13% rural vs. 87 non-rural
    - Secular: 7% rural vs. 93% non-rural
- [High Income Respondents] Share of Total Giving
  - 70 percent of total giving from rural higher income donors was distributed to religious organizations (vs. 52 percent of non-rural higher income donors)
  - Educational organizations received the second largest share of gifts (8%) from rural donors (vs. 11 percent of non-rural higher income donors).
- [High Income Respondents] Average and Median Giving by Subsectors
  - Although there was no statistically significant difference, average overall rural giving was higher than average non-rural giving from higher income donors (\$4,477 vs. \$3,830)
    - Total: \$4,477 (average) and \$2,150 (median) rural vs. \$3,830 (average) and \$1,800 (median) non-rural;

- Religious: \$3,962 (average) and \$1,500 (median) rural vs. \$2,908 (average) and \$1,200 (median) non-rural;
- Secular: \$1,629 (average) and \$600 (median) rural vs. \$1,991 (average) and \$830 (median) non-rural;
- [High Income Respondents] Share of Income Giving
  - Total: 2.7% rural vs. 2.2% non-rural
  - Religious: 2.6% rural vs. 1.7 non-rural
  - Secular: 1.0% rural vs. 1.1% non-rural.