

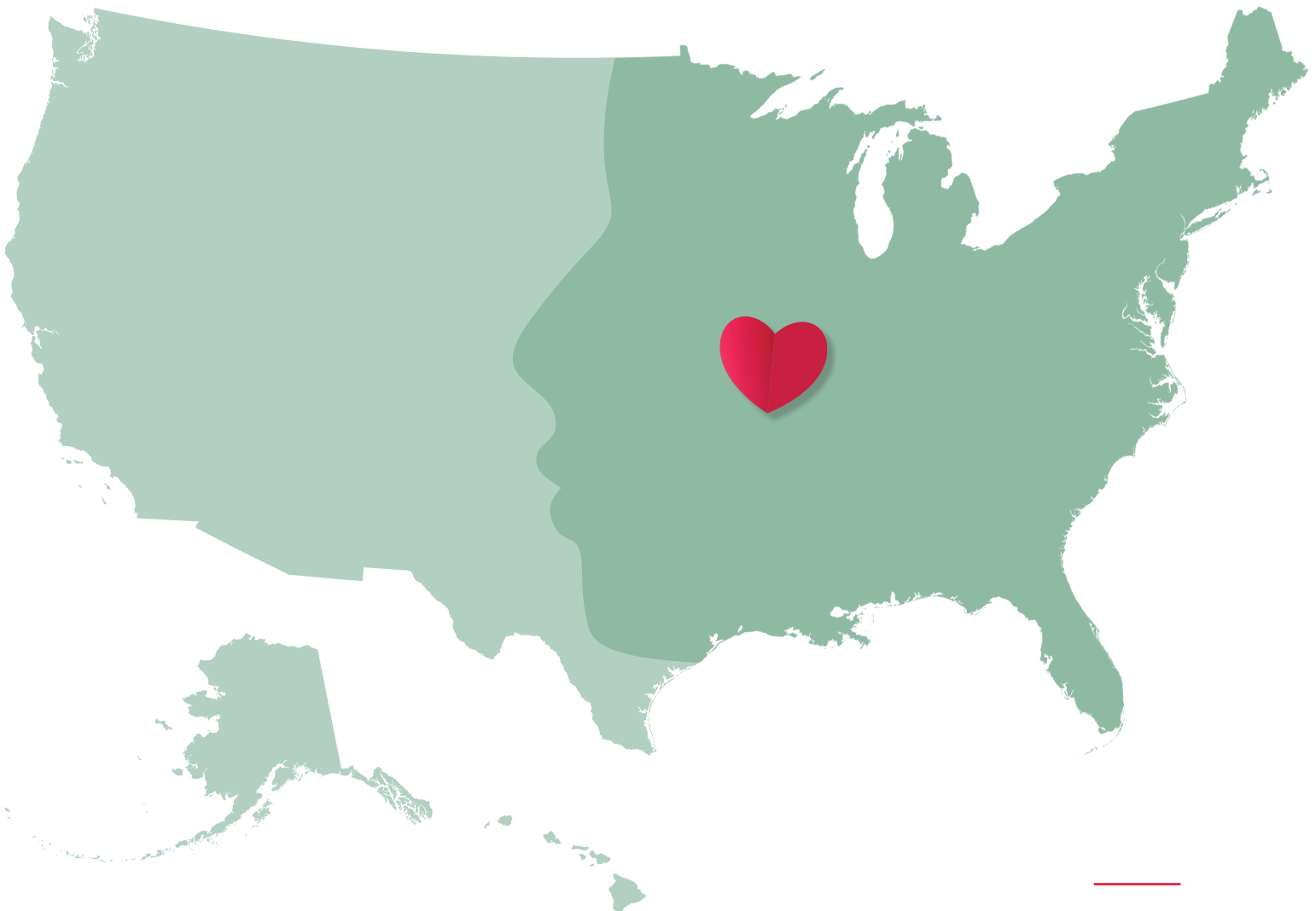


**IUPUI**  
INDIANA UNIVERSITY  
Lilly Family School of Philanthropy

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# WHAT AMERICANS THINK ABOUT PHILANTHROPY AND NONPROFITS

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**APRIL  
2023**

## ACKNOWLEDGEMENTS

### **About the 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 undergraduate, graduate, certificate and professional development programs, its 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. Learn more at [www.philanthropy.iupui.edu](http://www.philanthropy.iupui.edu).

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The analyses presented here are made possible by the work of many people, including the following at the Indiana University Lilly Family School of Philanthropy:

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With special thanks to Bill Stanczykiewicz, EdD; Xiao Han, MA; Anna Pruitt, PhD; Sasha Zarins, MS; Tasha Gibson, MDiv; Adriene Davis Kalugyer; and Heidi Newman.

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This report is based on research funded by the William and Flora Hewlett Foundation. The findings and conclusions contained within are those of the authors and do not necessarily reflect positions or policies of the William and Flora Hewlett Foundation.

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# Introduction

The United States is “diversifying even faster than predicted” across multiple facets of society (Frey, 2020), especially race, ethnicity, and age. The 2020 census revealed increased diversity in every state and larger ethnic, racial minority, young, and aging populations across the country (Henderson, 2021). These demographic changes have implications for the nonprofit sector at every level, including building a more diverse donor base, addressing representation in the leadership of nonprofits, and managing complex needs and interests on the service side of the nonprofit equation.

As such, building an inclusive nonprofit sector is an important priority. Inclusivity begins by identifying the fact that philanthropic behavior is a shared human tradition across cultures and time, and that there are many traditions of giving and generosity that have been underrepresented and underappreciated for years, especially those among Black Americans (Freeman, 2020). In recent years the nonprofit sector has issued calls for increased inclusivity and to make additional progress on moving toward a more equal society.

Despite philanthropy’s long, deep traditions and importance to many Americans, recent data trends have surfaced that have rekindled concerns about the health of the sector. Two such challenges are the declining number of donors and the general decline in trust in all institutions (see Indiana University Lilly Family School of Philanthropy, 2021; Trust in public institutions: Trends and implications for economic security, 2021).

Public conversations about philanthropy have sparked considerable debate about not only the health of the sector, but also about its future. One 2002 study found that there was a growing gap between public expectations of the nonprofit sector and the realities within it (Carson, 2022). Arguably, the gap has only widened in the last 20 years. Both internal and external critics have questioned the field’s trustworthiness, transparency, and accountability. There is a broad decline of the trust held in nonprofits over time by the public, according to multiple measures. Within the field, there are challenges to several key operational practices, including whether grantmaking foundations should sunset or remain perpetual, and debating the need for more accountability within donor-advised funds.

The public perception of nonprofits can have an impact on how individuals choose to interact with these organizations as donors, volunteers, and recipients of services – and more broadly, how these organizations are regulated by the government. Many of the current concerns about philanthropy and the nonprofit sector echo the research and findings from the Filer Commission, despite the sector having grown substantially in scope, scale, and size over the past 50 years.

In 1973, the Commission on Private Philanthropy and Public Needs (known today as the Filer Commission) was established to study philanthropy and to recommend measures to improve the health and relevance of the philanthropic sector. The Filer Commission found that the voluntary sector was a large and vital part of American society, but it was undergoing economic strains even more severe than the economy as a whole, which itself was undergoing intense struggles with stagflation (high inflation with uneven economic growth) in the 1970s. Levels of private giving were found to be decreasing back in the 1970s while the costs of providing nonprofit activities were increasing and broadening, which was leading to government playing a more active role in providing services that had traditionally been the purview of the private nonprofit sector. The commission concluded that while our society has long encouraged “charitable” nonprofit activity by excluding it from certain tax obligations, giving involved an immense amount of time, money, and diverse relationships between donors, donations, and recipients that were not keeping pace at the time (Commission on Private Philanthropy and Public Needs Records, 1964-1980, n.d.).

Fifty years later, difficult economic times, the rising cost of providing services, and potential legislative changes are similarly impacting the philanthropic landscape. Nevertheless, philanthropy and the nonprofit sector remains a steadfast pillar that fulfills vital roles in American society. The most visible one is the provision of public goods and services that are not provided by the government (public sector) or easily accessible to all through the marketplace (private sector). The nonprofit sector includes about 1.8 million nonprofits, whose gross value represents about 5.6 percent of annual Gross Domestic Product (GDP)<sup>1</sup>, and contributed \$1.5 trillion to the economy in 2022 (Independent Sector, 2023) while employing 12.3 million Americans, equaling 10.2 percent of private sector employment in 2016 (U.S. Bureau of Labor Statistics, 2018).

Our report seeks to examine the general attitudes and perceptions of philanthropy and the nonprofit sector, including assessing the extent to which current debates within the field play out in public today.

After summarizing the key questions and findings addressed in this report, we provide an overview of the data and methods used in the study and discuss background information on the major critiques of philanthropy. The body of the report dives deeper into the key questions and findings before concluding with a discussion of the impact of these findings for practitioners and scholars.

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<sup>1</sup> Donations to nonprofits represent approximately 2 percent of annual gross domestic product (GDP) (see Giving USA 2022).

**Our report provides a fresh look at the health of the independent sector today and specifically examines the following three questions:**

## **KEY QUESTIONS**

- 1.** How does the American public perceive of philanthropy and the nonprofit sector?
  - 2.** Does the American public see the philanthropic sector as trustworthy, transparent, and confident to solve societal issues?
  - 3.** What does the American public know about philanthropy and how aware are they of contemporary debates within the nonprofit sector?
- 

**From these three broad categories of questions, this report contributes the following findings to our understanding of public attitudes and perceptions of philanthropy and the nonprofit sector:**

## **KEY FINDINGS**

- 1. Americans generally define philanthropy as the giving of time and/or money to nonprofit organizations.**
  - Younger individuals, women, individuals with more education and donors have a more expansive view of philanthropy.
- 2. Americans trust nonprofits more than government or business, but levels of trust in all three sectors of society are low.**
  - Religious charitable organizations are seen as the most trustworthy and transparent type of philanthropic entity, followed closely by Community Foundations.
- 3. Americans do not know much about the philanthropic sector nor are they aware of many nonprofit entities or the rules that govern their activities.**
  - Individuals with more education and those who more frequently attend religious services rated themselves as more knowledgeable about charitable giving and philanthropy compared to individuals with less education and those who attend religious services less frequently.
  - When asked about the minimum foundation payout rate, only 5 percent of respondents knew the rate.
  - A majority of respondents expressed no opinion about whether the universal deduction should be made permanent.
  - Likewise, a majority of respondents expressed no opinion on how foundations distribute their funds. However, among respondents who expressed an opinion concerning foundation payout rates, nearly 80 percent preferred the perpetual model to the spend-down model.

## DATA AND METHODS

All results presented in this report rely on data obtained from an original survey developed by the Lilly Family School of Philanthropy (School) and fielded by Ipsos Public Affairs (Ipsos) on behalf of the school.

The survey was conducted on KnowledgePanel®, the largest online panel in the United States that relies on probability-based sampling methods for recruitment to provide a representative sampling frame for adults in the U.S. All data were collected between July 19 and August 5, 2022.

The target population comprised adults aged 18 and older residing in the United States. The final sample size for the study was 1,334 qualified interviews. The median completion time of the main survey was 16.68 minutes.

Statistical significance is a term used to describe results that are unlikely to have occurred by chance. Significance is a statistical term that states the level of certainty that a difference or relationship exists. In this report, results are described as statistically significant if there was less than a 5.0 percent probability that the result obtained was due to chance using ordinary least squares, logistic, or ordered logistic regression models.

## BACKGROUND: RECENT DEBATES ON PHILANTHROPY

Philanthropy plays several roles in American society, a primary role being the provision of public goods and services that are not provided by the government or easily accessible to all through the marketplace. Public discussion around, and critiques of, philanthropy are best understood within the broader context of the three sectors of society: government, business, and philanthropy.

Philanthropy fills many roles that neither the government nor the market fulfill. A benefit of philanthropy is that it is adaptable and can be swiftly mobilized. While the governmental and business sectors often provide substantial humanitarian relief over time, philanthropists can “help to quickly fill the gaps in funding that may emerge, while also helping to get money to organizations, communities, and individuals that may be otherwise overlooked” (McCarthy, 2020). Philanthropists can fuel innovation in ways that governments and businesses often do not, by supporting new initiatives, organizations, and causes as soon as they hear about them. Finally, philanthropy provides an important and unique expressive outlet for donors and volunteers to advance the causes that are meaningful to them (Frumkin, 2005).

Given the influential role of philanthropy in American society to address issues and solve problems, evaluation of how the sector operates is natural and desirable. Such reflection has frequently led to criticisms of philanthropy by scholars such as Rob Reich who questions whether philanthropy is an inherent threat to democracy (see Reich, 2018) and Anand Giridharadas who draws attention to elites for failing to admit that they are causing many of the problems their philanthropy seeks to remedy (see Giridharadas, 2019). In her recent book, *In Defence of Philanthropy*, Beth Breeze (Breeze, 2021) summarizes the four main critiques of philanthropy:

- **The Academic Critique**, which claims that big philanthropy is “an unaccountable, non-transparent, donor-directed and perpetual exercise of power” (Reich, 2018, p. 7). These critics pose questions such as whether big philanthropy crowds out smaller contributions and what legal, political, and economic rules should govern giving in a liberal society. Calling it “dark money,” they also question the rise of very wealthy philanthropists who reject standard philanthropic forms such as private foundations and create new models for their giving such as limited liability corporations. Implicitly or explicitly, this critique calls for greater governmental regulation of donations and nonprofits.
- **The Insider Critique**, which comes from those who work within philanthropy and nonprofits, implores the wealthy to give back within their lifetimes. Around 350 B.C., Aristotle said, “...to decide to whom to give it, and how large and when, and for what purpose and how, is neither in every man’s power nor an easy matter” (Aristotle, 1999). Two millennia later, in 1889, Andrew Carnegie excoriated his peers for wasteful charitable spending. Foreshadowing the Giving Pledge by more than 100 years, Carnegie said, “the man who thus dies rich dies disgraced” (Carnegie, 2018). Today movements like the Giving Pledge and #HalfMyDAF have inspired more giving while living.
- **The Populist Critique**, states that, “philanthropy is a sham, a pretence of selflessness that is fundamentally selfish, a good deed hiding a good deal” (Breeze, 2021). Populists depict big donors as “ridiculous, immoral and potentially illegal” (Breeze, 2021).
- **The Congressional Critique**, coming from Congress and Congressionally appointed commissions, has often criticized private foundations, especially during times of broader societal unrest and tension, for their lack of governmental oversight, questioning their transparency and potential subversive activities.



Breeze concludes that while the nonprofit sector has faults, it should be recognized for the many benefits it provides society. In addition, it is important to put critiques in perspective. Much of the negative attention in philanthropy focuses on the largest organizations and donors when the vast majority of nonprofits are small, as are the vast majority of donations. In general, smaller organizations are more severely impacted by economic setbacks, and take longer to recover (Urban Institute, 2021). Philanthropy is no more homogenous than government or business; the adage “when you’ve seen one foundation, you’ve seen one foundation” is a reminder that philanthropy is pluralistic and complex. Its two distinct facets – philanthropists (both megadonors and everyday donors) and nonprofits – are cornerstones of civil society.

How does the average American feel about philanthropy and the nonprofit sector? Are the criticisms of philanthropy described above common among everyday Americans or does the public have a more favorable opinion regarding the third sector of American society?

In this report, we examine public attitudes and perceptions of philanthropy and the nonprofit sector, including contemporary criticisms of big philanthropy, defined here as giving by wealthy individuals and foundations. We also explore philanthropy in the context of a larger environment, the relationship primarily between philanthropy and government, for the two are intricately connected by economics, law, and legislative action.

Like the Filer Commission, our hope is that this report serves to highlight the importance and complexity of the nonprofit sector’s role in society. This research identifies the places where nonprofits, individuals, businesses and government can work together to improve public trust in nonprofits, energize the work of the sector and make progress toward the goal of creating an inclusive sector that reflects the diversity and strength of our world.

# Part 1

## HOW DOES THE AMERICAN PUBLIC PERCEIVE OF PHILANTHROPY AND THE NONPROFIT SECTOR?

Over the past 20 years, but especially since the Great Recession (2007-2009), both the average donation to charity and the share of American households who donate to charity at all have steadily declined (see Osili, Clark, & Han, 2019; Kim, 2022). These studies focus on the traditional definition of charitable giving as the giving of cash, securities, property, or other in-kind donations to tax-exempt 501(c)(3) organizations (IUPUI, 2022). The decline in charitable giving is true for secular charities and religious congregations, and is steeper among the latter.

There have been efforts to broaden the concept of “philanthropy,” making it more inclusive—encompassing traditional charitable giving and a range of other activities such as volunteering, providing mutual aid, and giving directly to individuals. In her recent book, *How We Give Now*, Lucy Bernholz (Bernholz, 2021) showed that for most non-affluent Americans, philanthropy is a way to express personal values and contribute to society. It is how we participate in our communities, not just a way to claim a tax deduction through making a monetary gift. Recently, efforts such as the “I Am A Philanthropist” campaign (launched by the Women’s Philanthropy Institute, YWCA, and Facebook), have sought to encourage individuals from marginalized backgrounds to understand the ways they give back as a crucial part of the philanthropic landscape, and to proudly claim the title “philanthropist” (Stanberry, 2019).

At the same time, the sector has seen a rise in big philanthropy, defined here as giving by wealthy individuals and foundations. Mega-gifts by the wealthiest members of society have received ample, often negative, attention in recent years (see Reich, 2018; Salmon, 2022).

These perceptions about philanthropy are important because there is a link to human behavior. One scholar suggests that the events of 2020, including the COVID-19 pandemic and the movement for racial justice, may help to create new norms of giving for both mega-donors and everyday givers alike (Soskis, 2021). Further, there are implications for the sector: many small charities rely on gifts from a broad base of supporters and lack the ability to pivot to target large donations from more affluent households as the number of modest gifts they receive declines. “There are also power dynamics to consider” as many organizations become increasingly dependent on funding from major gifts, as opposed to gifts from many everyday donors (Moody, 2022).

Given the declines in charitable giving by everyday donors, the efforts to democratize philanthropy, and the increase in mega-gifts and elite influence, what does the public think of philanthropy and the nonprofit sector today?

In this section, we seek to discover the perceptions of philanthropy for everyday American households, specifically exploring the following three categories of questions:

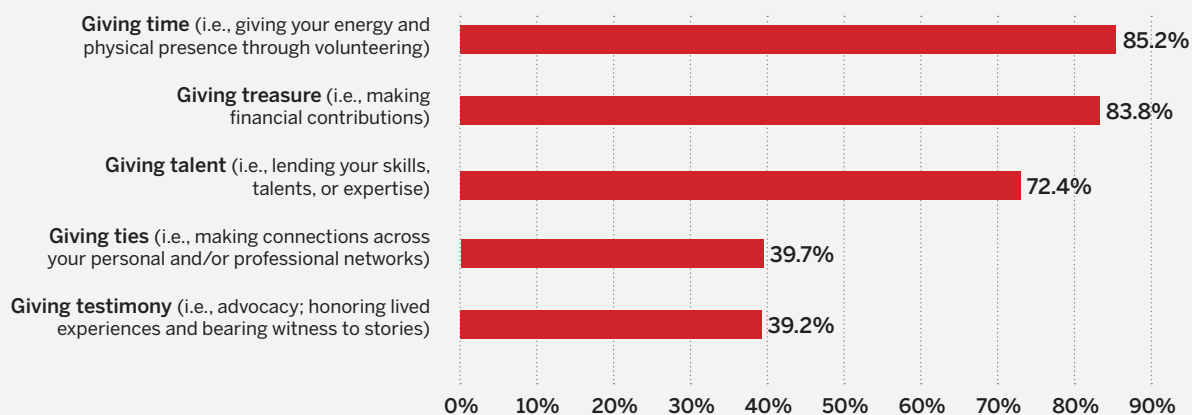
- (1) What is philanthropy?
- (2) How beneficial is philanthropy to American society?
- (3) Who is a philanthropist?

## WHAT IS PHILANTHROPY?

The different ways individuals can participate in philanthropy are known as the 5 T's: individuals can give time, treasure, talent, ties, or testimony. This holistic and inclusive definition of philanthropy is widely accepted in the field (Philanthropist's Field Guide: Considering Your Philanthropy Holistically, 2020).

When asked about the types of activities they consider to be forms of philanthropy, more than eight in 10 Americans consider giving time (volunteering) or giving treasure (charitable giving) qualified. More than seven in 10 said they considered giving talent (another form of volunteerism) to be a philanthropic activity. Fewer than four in 10 included giving ties or testimony in their definition of philanthropy.

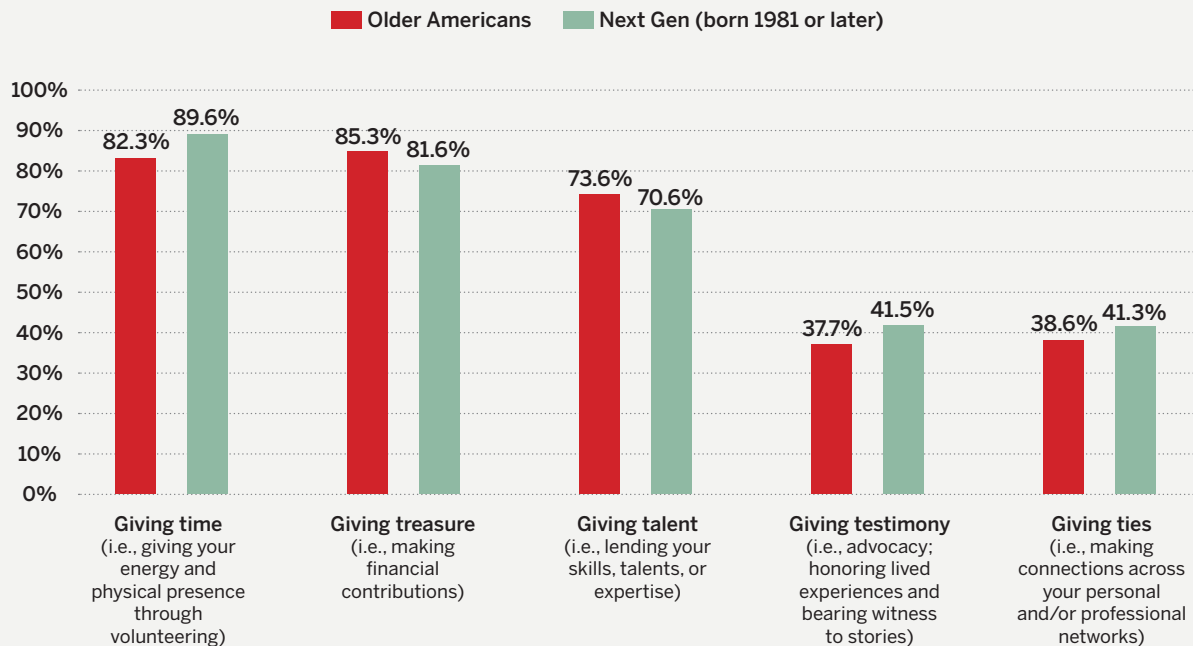
### Which of the following activities do you consider to be forms of philanthropy?



Examining the question further, we discovered that younger<sup>2</sup> individuals, those with more education, women, and donors identified significantly more activities from the list above as forms of philanthropy compared to older individuals, those with less education, men, and nondonors (see Appendix A for full regression results).

More specifically, a larger percentage of “next gen” individuals<sup>3</sup> indicated that they considered giving time, testimony, and ties to be forms of philanthropic activities compared to older generations of Americans.

### Which of the following activities do you consider to be forms of philanthropy?



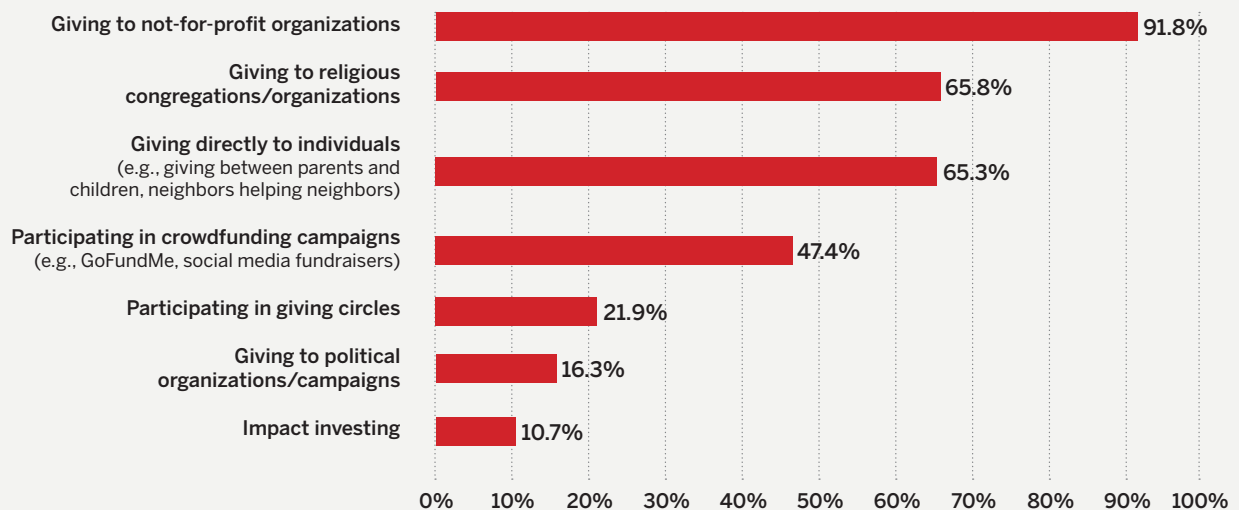
Traditionally, charitable giving has been defined as giving money and goods to 501(c)(3) eligible organizations. Other activities, such as giving directly to individuals, giving to political campaigns, and impact investing, have not traditionally been included or counted as charitable giving. When asked a follow-up question about what they thought charitable giving includes, more than nine in 10 said giving to nonprofit organizations, followed by giving to religious

<sup>2</sup>When used in regression models, age was treated as a continuous variable. For visual purposes, age is represented here by generations. See next footnote for additional explanation.

<sup>3</sup>For the purposes of this analysis and all other analyses involving age, we define “next gen” as individuals born in 1981 or later, which roughly translates to Millennial and Gen Z respondents. Older Americans were born prior to 1981 and are primarily Baby Boomers and Gen X.

congregations/organizations (65.8 percent) and giving directly to individuals (65.3 percent). Though giving directly to individuals is not a legally defined form of “charitable giving,” it was recognized at nearly the same level as giving to religious organizations.

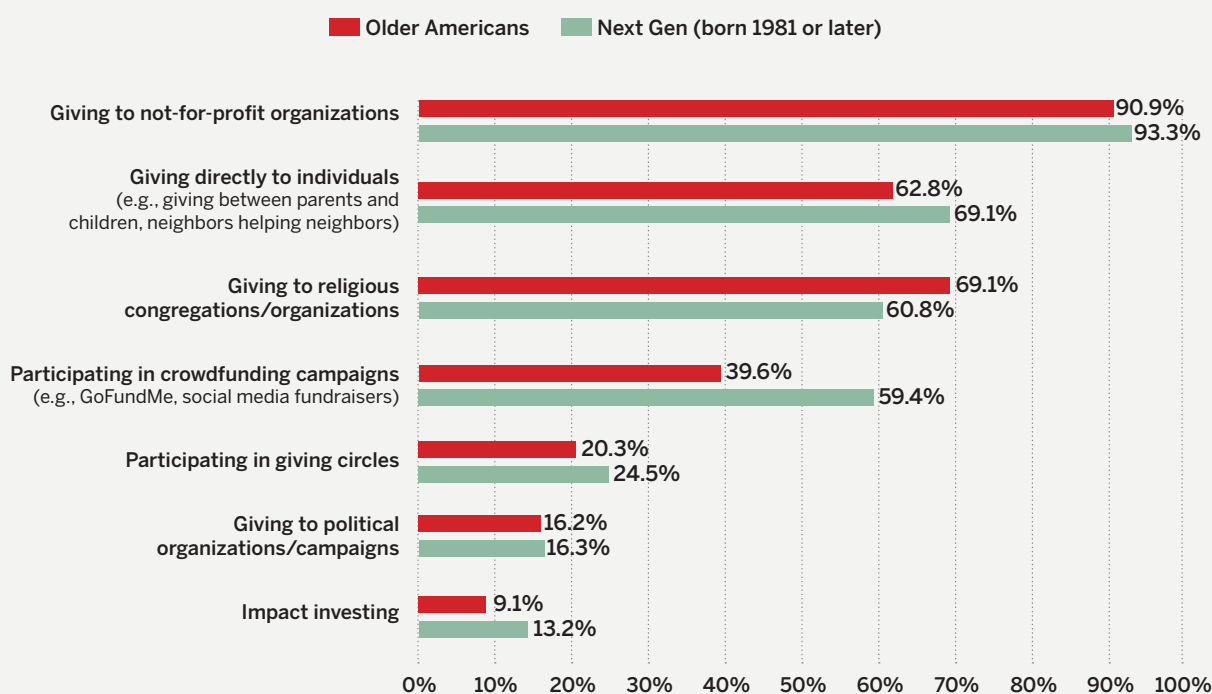
### When you think of charitable giving, what does this include?



As with the previous question, when we examined this overall result, we found that younger individuals, those with more education, women, and donors had a more expansive view of charitable giving, selecting significantly more answer choices from the list provided compared to older individuals, those with less education, men, and nondonors (see Appendix A for full regression results).

Moreover, a larger percentage of next gen individuals thought that giving to nonprofit organizations, giving directly to individuals, participating in crowdfunding campaigns, participating in giving circles, and impact investing were types of charitable giving compared to older Americans.

## When you think of charitable giving, what does this include?



When asked to describe philanthropy in their own words as if they were describing it to someone unfamiliar with the term, responses were generally positive and frequently included concepts of giving money or time to not-for-profit organizations. Just under half of responses clearly specified that philanthropy involved giving monetarily, using terms like giving money, finances, funds, and wealth. However, most responses involved phrases like “donating to causes and institutions” or “giving to charitable groups” which could also include the concept of giving monetarily, among other forms of giving to such organizations.

Combining these results, the public perceives charitable giving and volunteering as primary ways in which one can engage in philanthropy. However, there is also evidence that certain segments of the American public – specifically younger individuals, women, those with higher levels of education, and those who are donors – define philanthropy more broadly.

In addition to asking individuals how they define philanthropy, we wanted to understand what they believed nonprofits should be allowed to do.

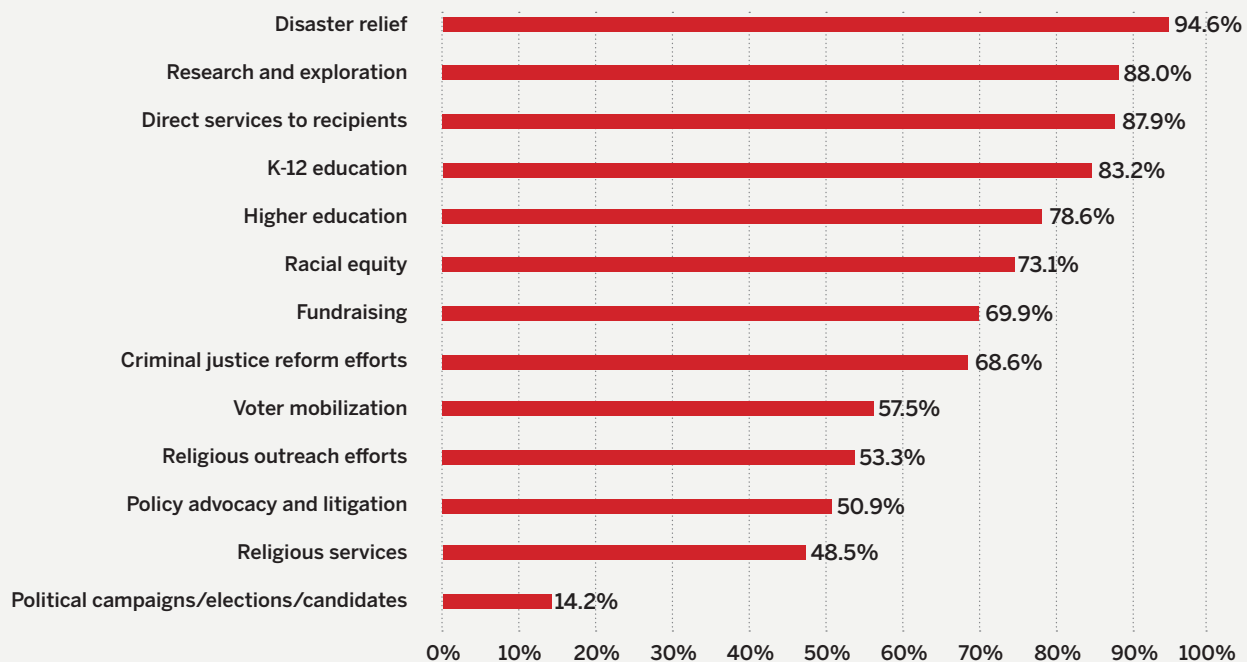
According to the law, a 501(c)(3) organization or nonprofit must exist for exclusively charitable purposes such as: religious, scientific research, testing for public safety, literary (e.g., nonprofit bookstores or publishing activities), educational (e.g., school, museum, zoo, symphony orchestra), fostering of national or international amateur

sports (e.g., USA Cycling or USA Volleyball), and/or prevention of cruelty to animals and children (e.g., orphanages, animal shelters/rescues, and endangered species habitat preservation groups) (McRay, How the IRS Defines Charitable Purpose, 2022).

On the other hand, the earnings of these organizations cannot unfairly benefit any director, officer, or private individual. Nor can a nonprofit engage in substantial lobbying, propaganda, or other legislative activities (What Is a 501(c)(3)?, n.d.).

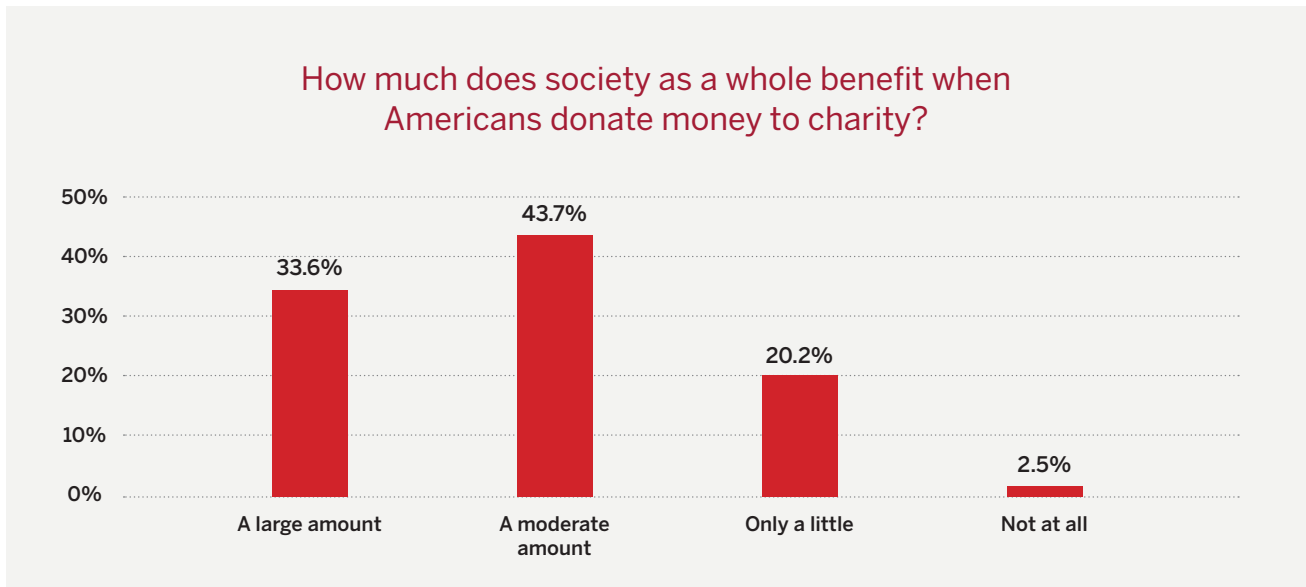
After reminding respondents that donations to nonprofit 501(c)(3) charitable organizations are tax-deductible, we asked about the types of activities these entities should be allowed to support. Majorities felt that providing disaster relief, conducting research, directly serving recipients, and education services were appropriate goals for nonprofit organizations, among other noteworthy goals. Surprisingly, just under 50 percent believed that 501(c)(3)s should be allowed to provide religious services, despite this clearly being a prerogative of religious nonprofits that qualify for 501(c)(3) status as long as: (1) “the particular religious beliefs of the organization are truly and sincerely held;” and (2) “the practices and rituals associated with the organization’s religious belief or creed aren’t illegal or contrary to clearly defined public policy” (McRay, How the IRS Defines Charitable Purpose, 2022).

### Do you believe that 501(c)(3)s should be allowed to support the following activities and/or goals?



## HOW BENEFICIAL IS PHILANTHROPY?

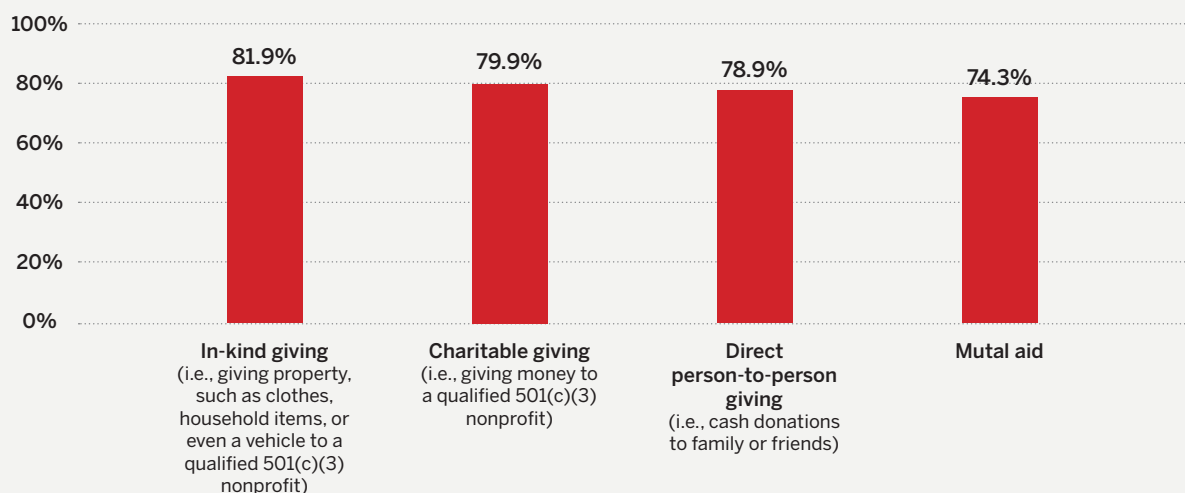
With a clearer understanding of what the public's thinking about when asked to think about philanthropy, we also wanted to understand how they feel about philanthropy and the nonprofit sector. More than three-quarters of Americans feel that society as a whole benefited a large or moderate amount when Americans donate money to charity. This aligns with previous research that found that both the poor and the affluent alike benefit from the charitable sector (Clotfelter, 1992).



When asked how valuable various types of giving are to American society, around 80 percent of Americans believed that in-kind, charitable, and direct person-to-person giving were very or somewhat important. Three in four felt that mutual aid was very or somewhat important. Mutual aid was defined for respondents as occurring when everyday people get together to meet each other's needs, with the shared understanding that the systems we live in are not meeting our needs and that we can meet them together, right now, without having to pressure power structures to do the right thing.



### In your opinion, how valuable are the following types of giving to American society?

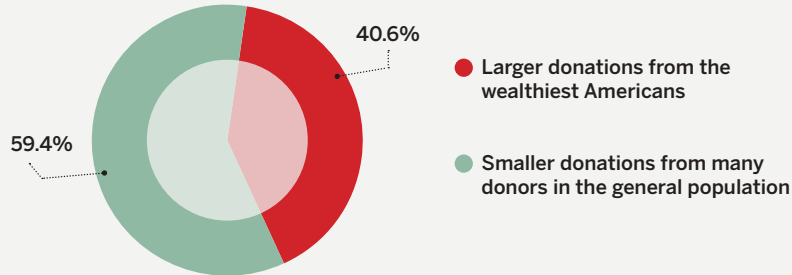


When we looked at charitable giving compared to other types of giving, we discovered that individuals with more education were significantly more likely to think charitable giving mattered more than the three other types of giving in the chart above compared to individuals with less education. The only other significant difference we saw involved individuals living in households with children who felt that direct person-to-person giving was more important than charitable giving compared to individuals who did not have children in their household (see Appendix B for full regression results).

Given the declining donor trend and the rise of megagifts, we also wanted to understand how the public feels about gift size. We explored this question in two ways by showing 1/5 of our respondents a survey question that asked them to directly compare the two categories of giving and the other 4/5 of our respondents two sequential questions allowing them to evaluate both categories of giving individually.

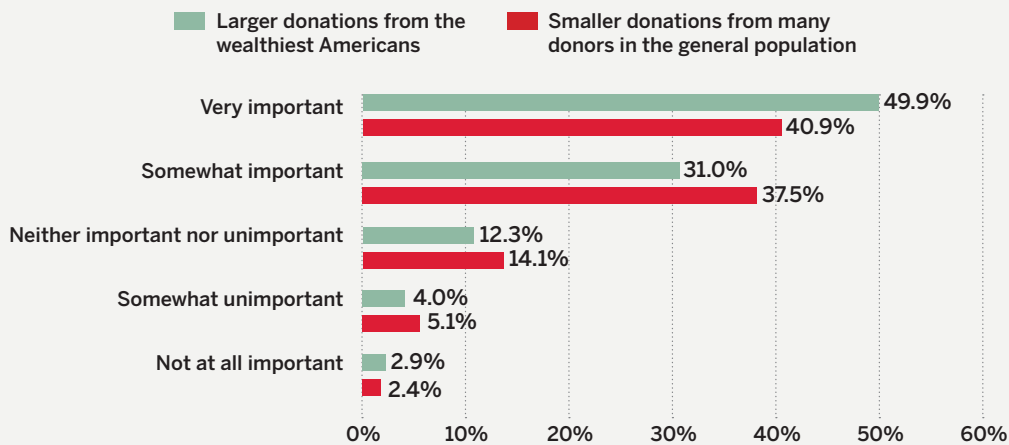
The former group of respondents were asked, “Between two general categories of giving – larger donations from the wealthiest Americans, or smaller donations from many donors in the general population – which is more important to America?” Six in 10 felt that smaller donations from many donors in the general population was more important to America compared to larger donations from the wealthiest Americans (when “don’t know/uncertain” category responses were removed).

Between two general categories of giving – larger donations from the wealthiest Americans, or smaller donations from many donors in the general population – which is more important to America?



The remaining 4/5 of our respondents were asked to evaluate the two categories of giving separately on a scale from not at all important to very important. Nearly 50 percent of respondents thought larger donations from the wealthiest Americans were very important. Just over 40 percent of respondents said smaller donations from many donors were very important. Combining the top two importance categories (“very” and “somewhat”), about eight in 10 respondents found larger donations and smaller donations very or somewhat important to America.

How important are the following two general categories of giving to America?



The results of these two related questions suggest that Americans prefer the idea of smaller donations from many donors when directly contrasted with larger donations from the wealthiest Americans. But when asked about both types of giving separately, they recognize that big gifts often have a bigger impact and thus may perceive big gifts as being more important to American society broadly.

## WHO IS A PHILANTHROPIST?

We asked respondents to name any philanthropists they had heard of and/or were familiar with their philanthropy. Just under half (47.0 percent) were able to successfully name a philanthropist, with over a quarter (28.1 percent) naming Bill Gates, who was by far the most frequently cited.

Is the term “philanthropist” synonymous with “megadonor” in the minds of the everyday American?

To address this question, we also asked respondents if they considered themselves to be philanthropists. While 60.6 percent of respondents self-identified as donors who gave to charity in the previous year and 30.4 percent had volunteered their time, only one in five (20.6 percent) considered themselves to be a philanthropist.

Although younger individuals were significantly less likely to give to charity, they were significantly more likely to self-identify as philanthropists compared to older individuals, when controlling for donor status. Black/African Americans were significantly more likely to self-identify as philanthropists compared to White/Caucasian non-Hispanic Americans. Women were significantly more likely to give to charity and self-identify as philanthropists compared to men. Individuals with higher incomes were significantly more likely to give to charity but less likely to self-identify as a philanthropist, when controlling for donor status, compared to individuals with lower incomes. Individuals who were married were significantly more likely to self-identify as a philanthropist although they were no more likely to give to charity or volunteer compared to those who were unmarried. Religiosity was positively and significantly related to charitable giving, volunteering, and self-identifying as a philanthropist. Finally, donors (those who gave to charity) were significantly more likely to volunteer and self-identify as a philanthropist compared to nondonors (see Appendix C for full regression results).

Despite the public clearly identifying the giving of time, talent, and treasure as philanthropic activities, many who performed such activities in the previous year did not seem to consider their philanthropic activities evidence that they themselves were philanthropists.

## Part 2

### **DOES THE AMERICAN PUBLIC SEE THE PHILANTHROPIC SECTOR AS TRUSTWORTHY, TRANSPARENT, AND CONFIDENT TO SOLVE SOCIETAL ISSUES?**

Public trust in government has declined over time. A longitudinal study of trust in government conducted by the Pew Research Center between 1958-2022 found that when the study started in 1958, about 75 percent of Americans trusted the government. In 2022, 20 percent trusted the government, a percentage that has not risen above 30 percent since 2006 (Pew Research Center, 2022). In another Pew study from 2021, 55 percent of Americans said the government should be doing more to solve problems while 44 percent said the government is doing too many things that are better left to businesses and individuals (Pew Research Center, 2021). Political scientist Eric Uslaner posits that Americans have become less trusting over time as a result of the rise of Christian fundamentalism, the decline of religiosity, and a disruption of the roots of trust (Uslaner, 2000). People are less optimistic about the future and that growing pessimism leads to distrust. That distrust can lead to criticism.

Despite declines in public trust in government, public confidence in the nonprofit sector remains relatively high. A 2021 study found that 84 percent of respondents were confident in the ability of nonprofits to strengthen American society and 65 percent said the same of philanthropy (Independent Sector, 2021). Likewise, in 2005 the Edelman Trust Barometer showed 55 percent of the public trusted nongovernmental organizations (NGOs), which was higher than the percentage who trusted business, government, or the media. However, the 2021 study also found that net trust in nonprofits dipped slightly from 47 percent to 45 percent and net trust in philanthropy dropped from 15 percent to 4 percent from 2020 to 2021 (Independent Sector, 2021). However, as trust in public institutions continues declining over time, the philanthropic sector may no longer be immune to the impact of critiques regarding transparency and accountability.

To contribute to this discussion, in this section we address the following three main questions:

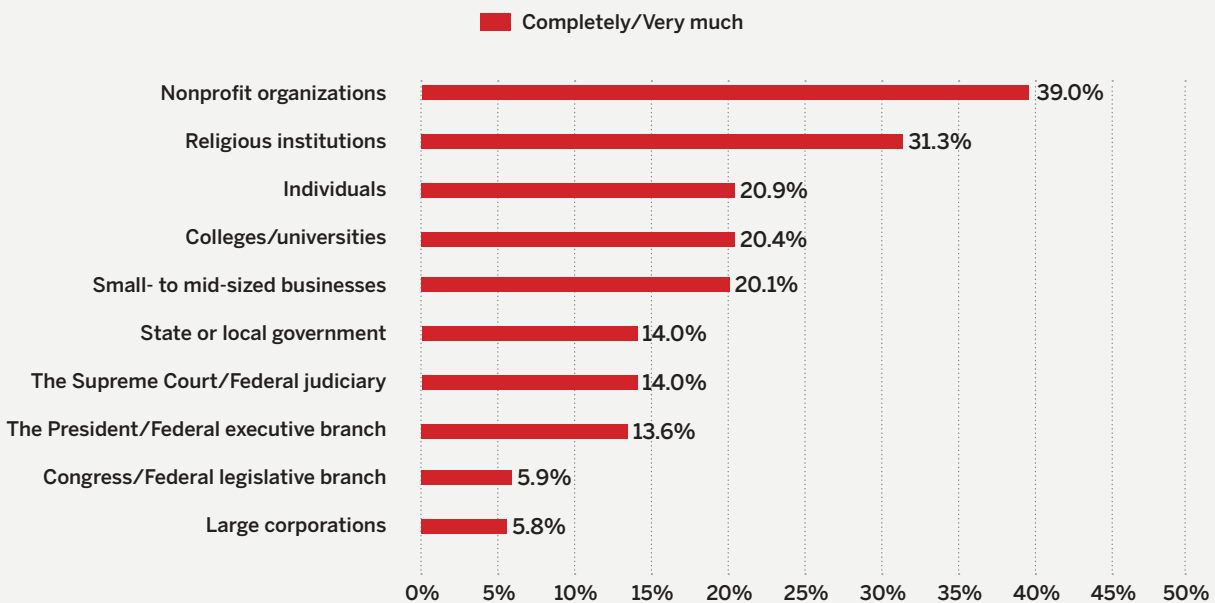
1. How trustworthy is the philanthropic sector?
2. How transparent is the philanthropic sector?
3. How confident is the public in the philanthropic sector's ability to solve societal or global problems?

## HOW TRUSTWORTHY IS THE PHILANTHROPIC SECTOR?

Since the early 1970s, Gallup has been polling Americans annually regarding their trust in government (Gallup, n.d.) and confidence in public institutions (Gallup, n.d.). Both measures have generally been declining over time. To add to this body of research, we began by asking respondents how much they trusted various entities to generally do what is right. This allows us to compare public trust in the three sectors of society: government, business, and philanthropy.

The plurality of respondents (39.0 percent) said they trusted nonprofit organizations completely or very much, followed by 31.3 percent of respondents who similarly trusted religious institutions. Trust in individuals, colleges/universities, and small- to mid-sized businesses were completely/very much trusted by about one in five respondents, whereas only about one in five respondents completely/very much trusted Congress or large corporations.

### How much do you trust the following entities to generally do what is right?



Note: Respondents who selected "Don't know" were removed.

When we analyzed the nonprofit organizations category, we found that younger individuals, individuals with more education, women, individuals who attend religious services more frequently<sup>4</sup>, and donors were significantly more likely to trust nonprofits compared to individuals with less education, men, individuals who attend religious services less frequently, and nondonors. Unsurprisingly, individuals who attend religious services more frequently were significantly more likely to trust religious institutions than those who attend less frequently, as were older individuals compared to younger individuals (see Appendix D for full regression results).

Having established a baseline level of trust in the nonprofit sector, we sought to understand whether certain philanthropic entities were seen as more trustworthy than others. Here we found that the plurality of respondents (35.6 percent) completely/very much trusted religious charitable organizations to generally do what was right, followed by 30.9 percent who completely/very much trusted community foundations. Somewhat surprisingly, less than a quarter of respondents indicated trusting secular charitable organizations completely/very much, although secular charitable organizations still received the third highest level of trust among charitable entities.

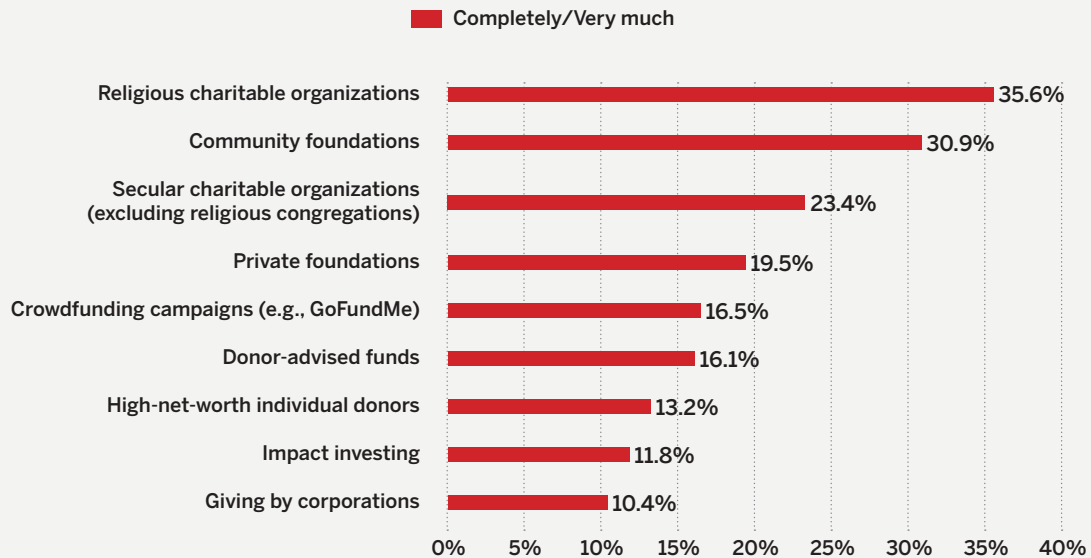
Interestingly, a larger percentage of respondents (39.0 percent) reported trusting nonprofit organizations as a whole compared to the percentage of respondents who indicated they trusted any individual charitable entity (the highest percent being religious charitable organizations at 35.6 percent).

Impact investing and giving by corporations were the charitable practices least trusted to do the right thing with only about one in 10 respondents indicating that they trusted these entities completely/very much.

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<sup>4</sup>For the purposes of this analysis and all other analyses involving the frequency of religious service attendance, we define more frequent attenders as those who attend religious services at least once per month.

## How much do you trust the following charitable entities to generally do what is right?



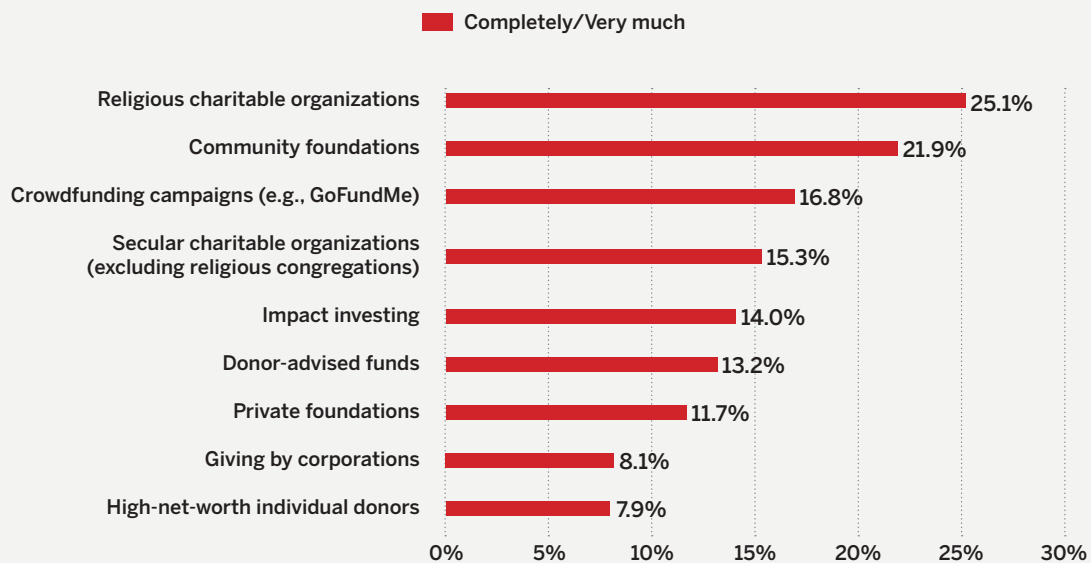
Note: Respondents who selected "Don't know" were removed.

Older individuals, White/Caucasian non-Hispanic Americans, individuals who attend religious services more frequently, and donors were significantly more likely to trust religious charitable organizations compared to younger individuals, Hispanics/Latinos, individuals who attend religious services less frequently, and nondonors. Younger individuals, more educated individuals, and donors were significantly more likely to trust community foundations compared to older individuals, less educated individuals, and nondonors, while women, individuals in households without children, and donors were significantly more likely to trust secular charitable organizations compared to men, individuals in households with children, and nondonors (see Appendix E for full regression results).

## HOW TRANSPARENT IS THE PHILANTHROPIC SECTOR?

Nonprofit entities are more trusted than government and business. Religious charitable organizations and community foundations are the most trusted charitable entities. But what about operational transparency? When asked, “How transparent (i.e., operating in such a way that it is easy for others to see what actions are performed) are the following charitable entities with their giving practices?” again, religious charitable organizations (25.1 percent) and community foundations (21.9 percent) topped the list for being seen as completely or very transparent. At the bottom of the list, giving by corporations (8.1 percent) and high-net-worth donors (7.9 percent) were least likely to be seen as being completely/very transparent in their charitable activities.

How transparent (i.e., operating in such a way that it is easy for others to see what actions are performed) are the following charitable entities with their giving practices?



Note: Respondents who selected “Don’t know/Not familiar with” were removed.

While 25.1 percent of Americans view religious charitable organizations as completely or very transparent, the biggest takeaway from these results may be that in general, the public does not view charitable entities as especially transparent in their giving practices, with only a quarter or fewer respondents indicating they felt like the entity was completely or very transparent.



Older individuals and individuals who attend religious services more frequently were significantly more likely to see religious charitable organizations as transparent compared to younger individuals and individuals who attend religious services less frequently. More educated individuals, women, and donors were significantly more likely to see community foundations as transparent compared to less educated individuals, men, and nondonors. Younger individuals were significantly more likely to see crowdfunding as transparent compared to older individuals (see Appendix F for full regression results).

## **HOW CONFIDENT ARE YOU IN THE PHILANTHROPIC SECTOR'S ABILITY TO SOLVE SOCIETAL OR GLOBAL PROBLEMS?**

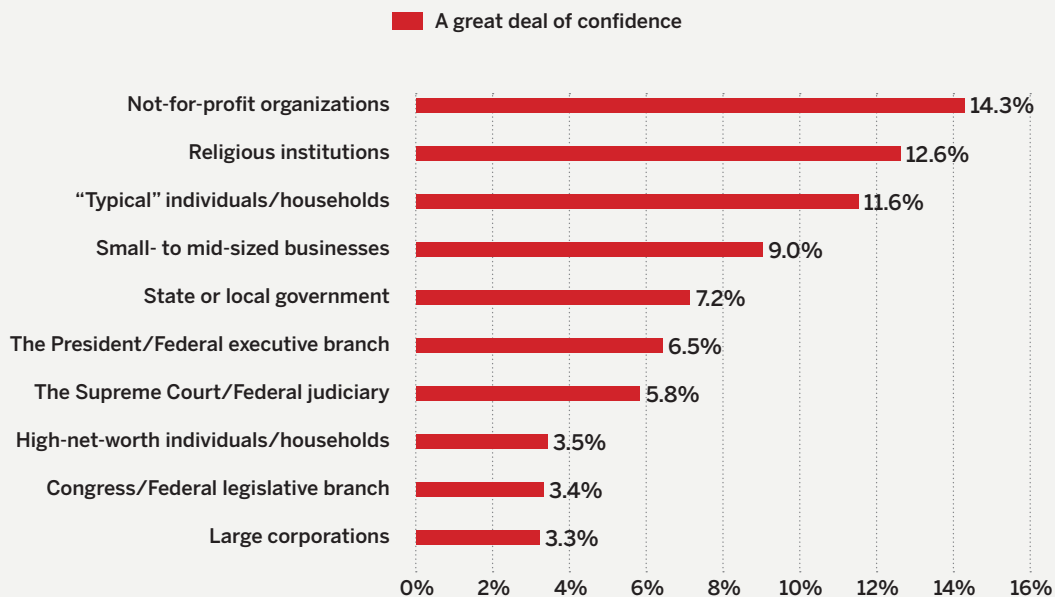
Being seen as trustworthy and transparent is useful, but does the public perceive various groups as actually able to get things done? To better understand public attitudes about philanthropy, it is helpful to compare the sector with public attitudes about other societal institutions. One study series has asked high-net-worth individuals about their confidence in societal institutions to solve domestic or global problems biennially since 2010.<sup>5</sup> Respondents have consistently ranked individuals and nonprofits at the top of the list. They put state, local, or federal government along with Congress at the bottom of the list.

Using the same question wording, we asked respondents, “How much confidence do you have in the ability of the following groups to solve societal or global problems, now and in the future?” As with the high-net-worth sample referenced above, our respondents were most likely to say they had a great deal of confidence that nonprofit organizations (14.3 percent), religious institutions (12.6 percent), and “typical” individuals/households (12.6 percent) could solve societal or global problems. Large corporations (3.3 percent), Congress (3.4 percent), and high-net-worth individuals (3.5 percent) ranked the lowest among our general population respondents.

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<sup>5</sup> In partnership with Bank of America, the Indiana University Lilly Family School of Philanthropy has conducted a biennial study of high-net-worth/affluent philanthropy since 2006. Questions about trust and confidence in societal institutions were added in 2010. All reports are available on IU ScholarWorks: <https://scholarworks.iupui.edu/handle/1805/6309>

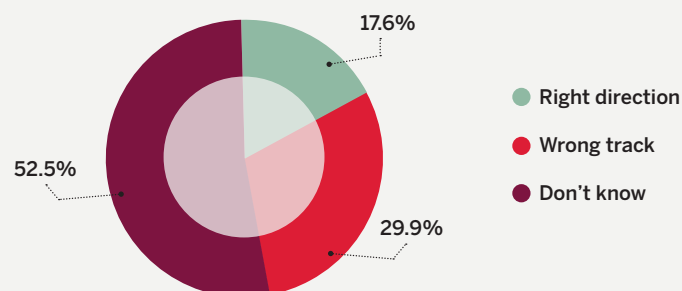
## How much confidence do you have in the ability of the following groups to solve societal or global problems, now and in the future?



By analyzing this finding in more detail, we found that younger individuals, those with more education, and donors were significantly more confident in the ability of nonprofit organizations to problem-solve compared to older individuals, those with less education, and nondonors. Donors were also significantly more likely to be confident in the ability of "typical" individuals/households to solve societal or global problems compared to nondonors (see Appendix G for full regression results).

To further examine public trust in the philanthropic sector, we asked respondents, "Thinking about the nonprofit and philanthropic sector overall, do you believe things are headed in the right direction, or are they off on the wrong track?"

## Thinking about the nonprofit and philanthropic sector overall, do you believe things are headed in the right direction, or are they off on the wrong track?



When we removed all unsure responses from our analysis, the majority (62.9 percent) said that the sector was on the wrong track while fewer than four in 10 (37.1 percent) felt it was headed in the right direction. Younger individuals, those with more education, and Black/African Americans were significantly more likely to believe the nonprofit sector was headed in the right direction compared to older individuals, those with less education, and White/Caucasian non-Hispanic Americans (see Appendix G for full regression results).

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## Part 3

### **WHAT DOES THE AMERICAN PUBLIC KNOW ABOUT PHILANTHROPY AND HOW AWARE ARE THEY OF CONTEMPORARY DEBATES WITHIN THE NONPROFIT SECTOR?**

Contemporary critics have raised questions about many aspects of philanthropy and the nonprofit sector, including transparency and concern over the distribution rate of certain philanthropic vehicles such as foundations and donor-advised funds. A study on crowdfunding found that 54 percent of donors to these platforms expressed concern about accountability and transparency issues (Indiana University Lilly Family School of Philanthropy, 2021). Donor-advised funds (DAFs) also face challenges around transparency. In a study of nonprofits' perceptions about DAFs, 41.8 percent of nonprofit organization responses were neutral about transparency while 31.9 percent expressed some level of concern (Indiana University Lilly Family School of Philanthropy, 2020).

We wondered what the public thought about these critiques of philanthropy and specific debates occurring within the nonprofit sector. In this section we explore the following questions:

1. What does the public know about the philanthropic sector?
2. Is the public aware of current debates concerning foundation spending models and donor-advised fund payout rates? If so, are the criticisms currently being leveled against the sector widespread concerns held by the masses or more limited critiques by an elite few?
3. How familiar is the public with recent policies that impact philanthropy (i.e., TCJA and CARES Act)?

## WHAT DOES THE PUBLIC KNOW ABOUT THE PHILANTHROPIC SECTOR?

To begin, we felt it was essential to establish a baseline for public knowledge of the philanthropic sector. Despite the public having high levels of confidence in the ability of the sector to solve problems and it being the most trusted public institution, most people do not seem to know much about philanthropy, nor are they aware of specific policies, practices, or even entities within the nonprofit realm.

We began by asking respondents to self-select their level of philanthropic knowledge. The majority (62.6 percent) saw themselves as novices while fewer than one in 50 (1.5 percent) considered themselves to be experts.



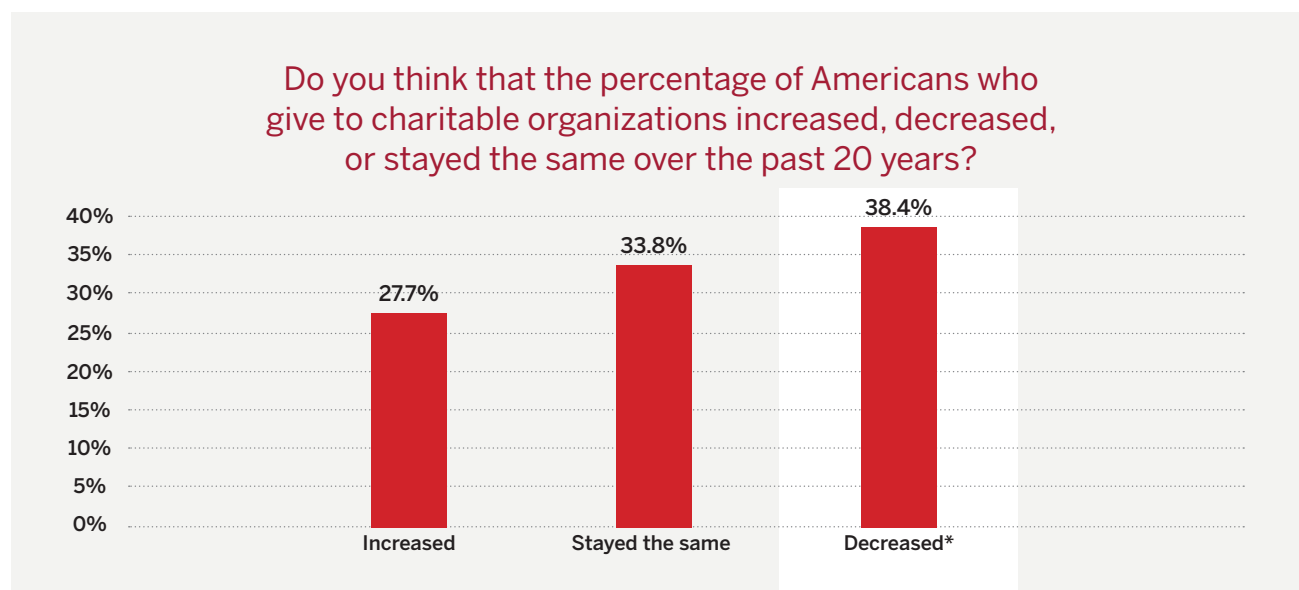
Individuals with more education, those who attend religious services more frequently, donors, and large donors<sup>6</sup> were significantly more likely to see themselves as more knowledgeable about charitable giving and philanthropy compared to individuals with less education, those who attend religious services less frequently, nondonors, and smaller donors (see Appendix H for full regression results).

How they self-identify is one thing. But what does the public actually know about the sector? We asked a series of philanthropic knowledge-based follow-up questions to answer this.

<sup>6</sup>For our purposes throughout this report, we define large donors as individuals who gave \$10,000 or more to charity in the previous calendar year.

The declining donors phenomenon is well-documented and frequently discussed in philanthropic trade publications and elsewhere. We wondered whether the general public was aware of this trend. When asked whether they thought that the percentage of Americans who give to charitable organizations increased, decreased, or stayed the same over the past 20 years, the majority incorrectly believed it had stayed the same or even increased (61.6 percent). Less than four in 10 (38.4 percent) were aware of what might arguably be considered the most frequently discussed reality of contemporary charitable giving. If respondents had simply guessed on this question, we would have expected one-third to correctly identify the trend purely by chance.

There was no clear explanation for who was more or less likely to know that the percent of donors has been decreasing over time. Donors were no more likely to correctly identify the trend compared to nondonors. Likewise, large donors were no more likely to know that the percent of Americans giving to charity had declined in the previous year, compared to smaller donors (see Appendix I for full regression results).

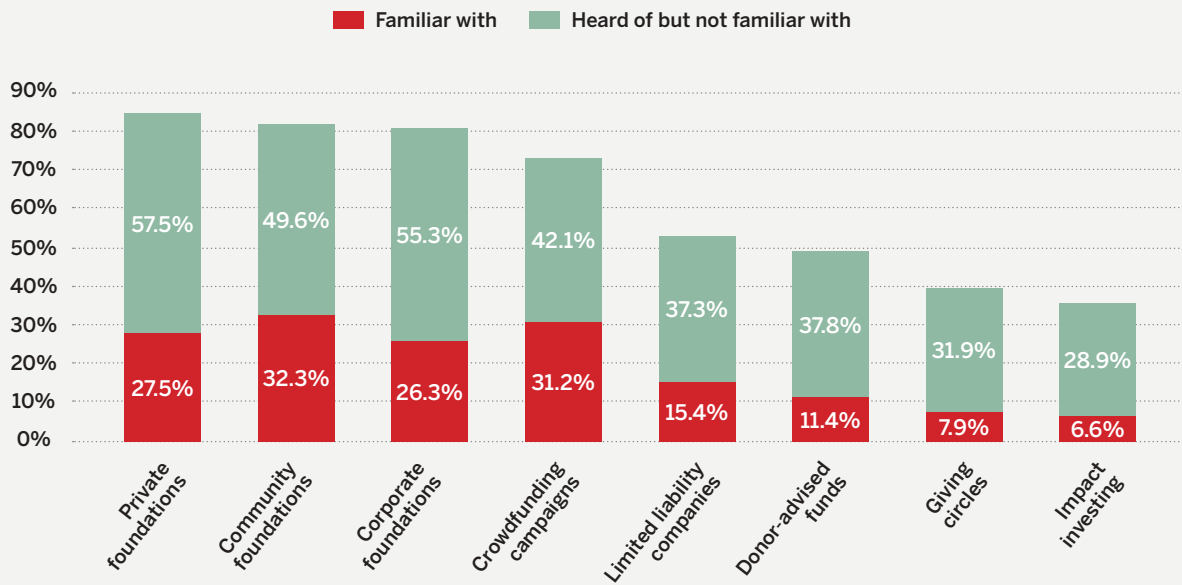


\*Correct answer

We next look at how familiar the public is with various philanthropic entities. In general, less than one in three respondents indicated familiarity with any philanthropic entity. The plurality of respondents was familiar with community foundations (37.3 percent), followed closely by crowdfunding campaigns (31.2 percent). Less than one in 10 indicated familiarity with giving circles (7.9 percent) or impact investing (6.6 percent).

Larger percentages of Americans had heard of many of these charitable entities, though they lacked a sense of familiarity with them. The majority of respondents had heard of private foundations (57.7 percent). Again, the smallest percentage of respondents indicated having heard of impact investing (28.9 percent).

Which of the following philanthropic entities have you heard of and/or are you familiar with:



**IS THE PUBLIC AWARE OF CURRENT DEBATES CONCERNING FOUNDATION SPENDING MODELS AND DONOR-ADVISED FUND PAYOUT RATES? IF SO, ARE THE CRITICISMS CURRENTLY BEING LEVELED AGAINST THE SECTOR WIDESPREAD CONCERNS HELD BY THE MASSES OR MORE LIMITED CRITIQUES BY AN ELITE FEW?**

**Private Foundations**

Philanthropists and critics alike have expressed grave concerns about perpetual institutions – foundations that long outlive their creator. In *The Gospel of Wealth*, Andrew Carnegie called for wealthy donors to give their philanthropy away while they were alive. In an effort to win a federal charter, advocates for the Rockefeller Foundation offered concessions that included a provision to spend all of its principal after 50 years of operation (Abrahamson, Hurst, & Shubinski, 2013). Julius Rosenwald, the scion of Sears, Roebuck and Company, planned for his foundation to close after his death. Decades later, Chuck Feeney, founder of Atlantic Philanthropies, did the same.

The argument against perpetual foundations found a champion in Judge Richard Posner who described them as “completely irresponsible institution[s], answerable to nobody” (Applebaum, 2017). Posner further argued that a perpetual foundation “competes neither in capital markets nor in product markets ... and, unlike a hereditary monarch whom such a foundation otherwise resembles, it is subject to no political controls either” (Applebaum, 2017).

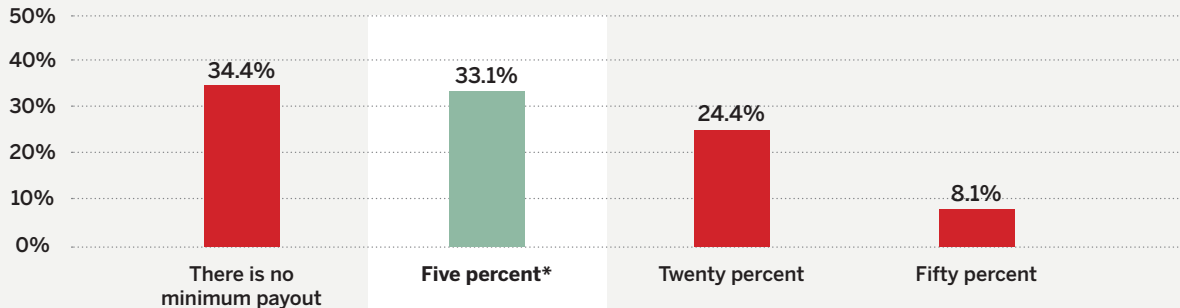
However, others argue that a perpetuity model has many advantages, not the least of which is the potential to create greater impact, as many challenges foundations seek to address take time to remedy and resolve (Buchanan, 2017). Even Carnegie ultimately decided to create a perpetual foundation, not as a “selfish choice of those seeking immortality ... but as the humble and selfless approach of those aware of their limits – and eager to ensure that institutions with wisdom and experience exist to serve generations to come” (Fleishman, 2017). This debate regarding foundation models is likely to continue unless tax laws or other government regulations force a change in structure.

What about the general public? What does the average American know and think about foundations? We saw above that less than one in three Americans indicated familiarity with private foundations (27.5 percent), although an additional 57.7 percent of respondents had at least heard of private foundations.

In terms of trust and transparency, we saw earlier that over 80 percent trusted private foundations only somewhat, not very much, or not at all. And nearly 90 percent thought they were somewhat, not very, or not at all transparent in their activities.

When asked what the current annual minimum required foundation payout rate was, the vast majority (83.8 percent) said they were unsure or did not know. Looking only at respondents willing to venture a guess, the plurality (34.4 percent) got it wrong, thinking that there was no minimum payout rate. However, the 1969 Tax Reform Act, which established more demanding requirements and accountability for private foundations, required a 5 percent minimum distribution of income from private foundations, along with mandating a 4 percent tax on investment income, prohibiting foundations from attempting to influence legislation or elections, taxing unrelated business income, and directing private foundations to become more transparent by providing to the public a list of grants, and to promote its availability broadly (Daniels, 2021).

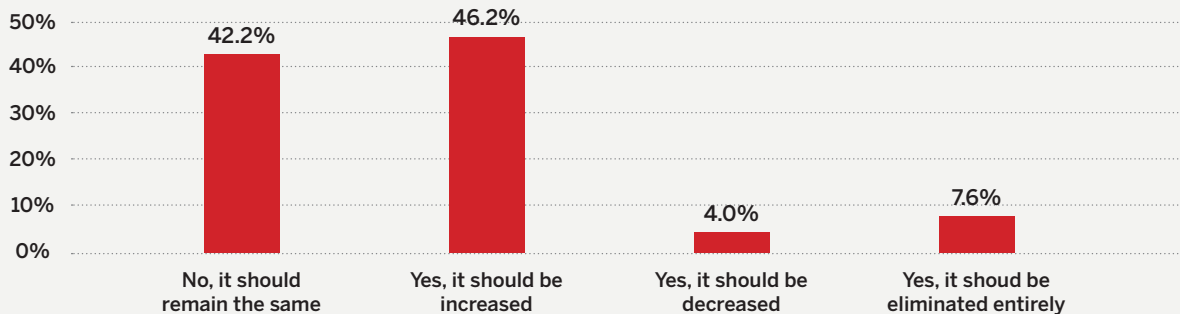
What is the current annual minimum required foundation payout rate (i.e., the percentage of a foundation's assets that they must grant out during a year)?



\*Correct answer

We followed up this foundation knowledge-based question by asking if respondents thought that the annual minimum required foundation payout rate should be changed. 46.2 percent of respondents thought it should increase, followed closely by more than four in 10 who thought it should stay the same (42.2 percent). Less than one in 10 thought it should decrease or be eliminated entirely.

Should the current annual minimum required foundation payout rate be changed?

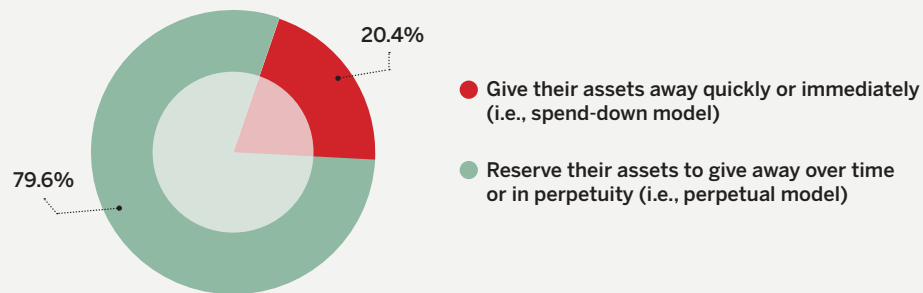


While respondents may not be aware that there is already a minimum annual payout rate, Americans seem to favor having one and some households support increasing the rate that currently exists.

As mentioned above, both critics of philanthropy and philanthropists themselves have expressed concern about perpetual foundations and have instead favored spend-down models. While the majority of the general public has no opinion on the matter (54.2 percent), among those with an opinion, nearly eight in 10 are surprisingly less wary of permanent foundations.



In your opinion, which of the following should foundations do:



### Donor-Advised Funds

Donor-advised funds have been part of the philanthropic sector since the 1930s, whether nationally sponsored, housed at community foundations, or focused on single issues. As of 2021, 1.3 million DAF accounts held an estimated \$234 billion in charitable assets, provided grants totaling approximately \$46 billion, and received contributions equal to nearly \$73 billion (National Philanthropic Trust, 2022). However, donor-advised funds are increasingly under scrutiny today. Critics of donor-advised funds point to the size and influence of these funds (Indiana University Lilly Family School of Philanthropy, 2020).

Donors receive tax deductions when they deposit funds into a donor-advised account. Unlike foundations, which are required to allocate 5 percent of their assets annually, there are no requirements for how quickly donor-advised funds should be dispersed. The growing debates have focused on the payout rate,<sup>7</sup> regulations, tax benefits, and transparency. In discussing current policy debates in Congress about regulating donor-advised funds, one member noted that there is “an awful lot of charitable money sitting in warehouses that people have taken deductions for but the money has never reached working charities” (Kulish, 2021).

What does the general public think of donor-advised funds? Previously, we noted that just over one in 10 Americans were familiar with donor-advised funds (11.4 percent), with an additional one-third indicating they had heard of them (37.8 percent).

In terms of trust and transparency, we saw earlier that more than eight in 10 trusted donor-advised funds only somewhat, not very much, or not at all, with a similar share thinking they were somewhat, not very, or not at all transparent in their activities.

<sup>7</sup> In 2021, the payout rate of DAFs was 27.2%.

When asked what the current annual minimum required donor-advised fund payout rate was, more than nine in 10 said they were unsure or did not know. Among the 9 percent willing to offer an answer, the plurality (36.7 percent) correctly noted that there was no minimum payout rate. However, nearly three in 10 (29.3 percent) thought it was 20 percent.

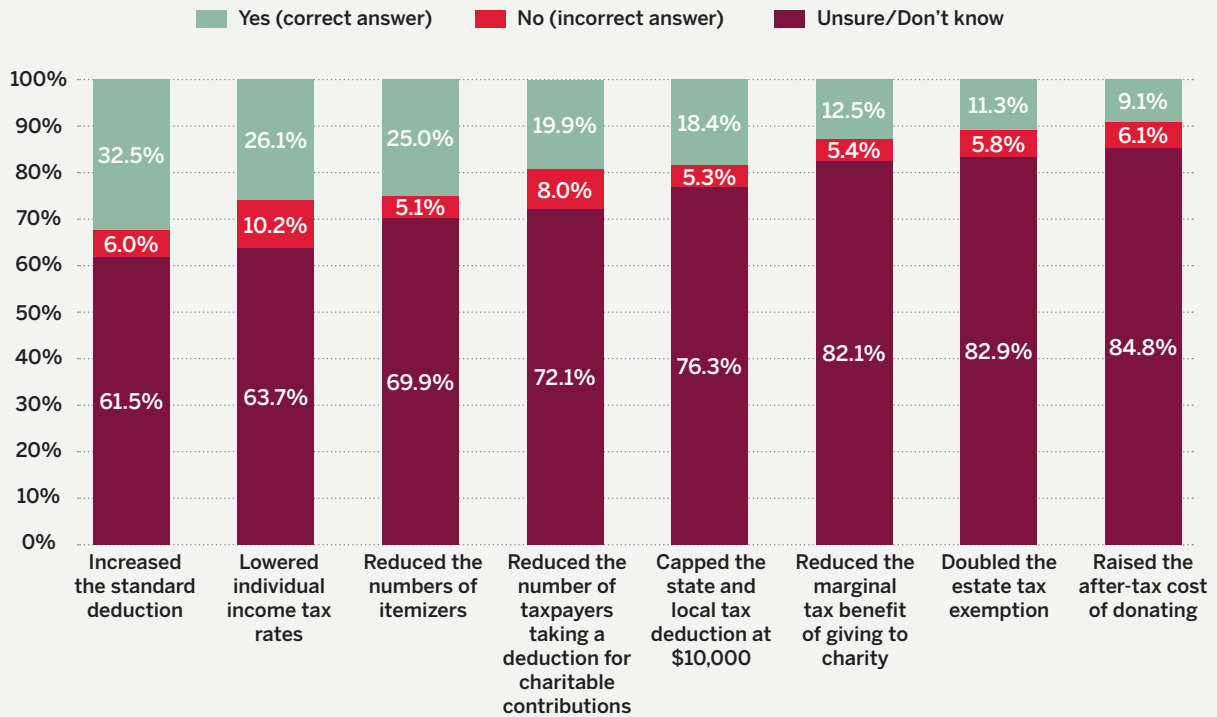
From these results it seems that the public is not generally supportive of private foundations and/or donor-advised funds (since majorities see them lacking in both transparency and trustworthiness), especially compared to other types of philanthropic entities. Importantly, the low levels of awareness of either type of philanthropic entity among the public must be taken into consideration and caution exercised when considering policy implications for foundation spending models and donor-advised fund payout rates based upon these negative sentiments.

### **HOW FAMILIAR IS THE PUBLIC WITH RECENT POLICIES THAT IMPACT PHILANTHROPY (i.e., TCJA AND CARES ACT)?**

Finally, we asked a series of questions concerning recent public policies and their impact on philanthropy, specifically the 2017 Tax Cuts and Jobs Act (TCJA) and Coronavirus Aid, Relief, and Economic Security Act (CARES).

When given a list of eight potential impacts the TCJA could have had (e.g., increased the standard deduction, lowered individual income tax rates, reduced the number of itemizers), the majority of respondents indicated they were unsure or did not know the impact of the act.

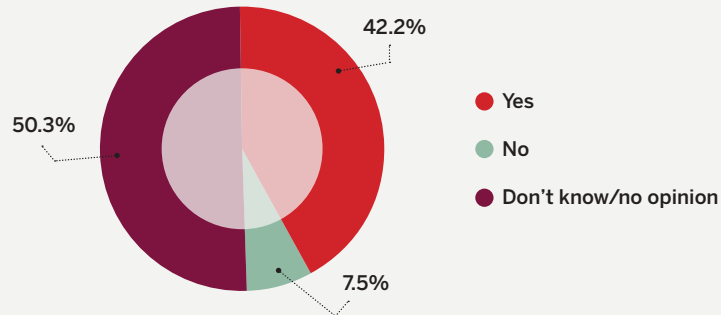
## Which of the following did the 2017 Tax Cuts and Jobs Act (TCJA) do?



In terms of the CARES Act, we asked whether respondents thought a similar universal deduction should be made permanent and if it was made permanent, whether that would affect their household charitable giving.

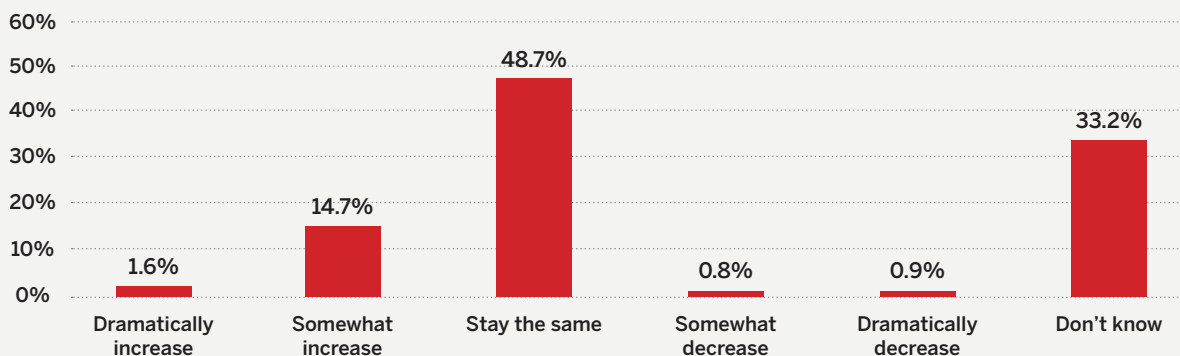
Here, too, the majority of respondents said they did not know or had no opinion on whether a similar universal deduction should be made permanent.

The CARES Act, passed in 2020, permitted eligible individuals who do not itemize deductions to deduct a portion of their qualified charitable contributions as a universal deduction. A similar deduction remained in effect for the 2021 tax season. Should such a universal deduction be made permanent?



When asked whether making a universal deduction permanent would change their household charitable giving, the plurality (48.7 percent) said that their giving would stay the same while a third (33.2 percent) of respondents said they did not know if or how their household giving would be impacted.

If a universal deduction for qualified charitable contributions was made permanent (regardless of itemization status), would your household charitable giving increase, decrease, or stay the same?



The results of these questions indicate that many members of the public are not familiar with recent policy shifts that have an effect on charitable giving. The majority of respondents frequently indicated a lack of awareness or uncertainty about how key recent public policies (i.e., TCJA and CARES Act) are influencing philanthropy and the nonprofit sector.

## Conclusion

Philanthropy strengthens society in many ways. It reduces human suffering, enhances human potential, promotes equity and justice, builds community, provides human fulfillment, fosters pluralism, and supports experimentation that stimulates change (Shaker, Tempel, Nathan, & Stanczyewicz, 2002). While there is still work to be done, powerful movements within philanthropy seek to bolster diversity and inclusion efforts and enhance social justice.

Yet, as revealed in this report, the American public lacks deep knowledge about the functioning of the philanthropic sector and is generally unaware of the current conversations involving the health and well-being of the sector. The percentage of Americans giving to charitable organizations has been declining over the past 20 years. This is a key concern inside the sector and regularly garners media attention, as well. Yet only one in three Americans is aware of this key challenge to the future of philanthropy.

Simultaneously, an ongoing, broad decline in trust in all institutions has been occurring in America at least since the late 1970s when Gallup first started measuring public confidence in institutions. This report adds to that research, showing that while the public trusts the nonprofit sector more than it trusts the government or business sectors, trust is low across all three sectors of society today (ranging between a high of 39.0 percent who completely/very much trust nonprofit organizations to a low of 5.8 percent who completely/very much trust large corporations). Moreover, critics have challenged the trustworthiness, transparency, and accountability of contemporary philanthropists and nonprofit organizations.

These key challenges have sparked public conversations and debates concerning the health of the philanthropic sector and its future. Philanthropy navigated similar turbulent times during the decade following the Tax Reform Act of 1969, leading to the establishment of the Filer Commission to study the sector and recommend measures to improve the health and relevance of the philanthropic sector. As a result, Independent Sector, the National Committee for Responsive Philanthropy,

and other national infrastructure organizations within the field were developed to advocate for a stronger sector and to address the changing philanthropic landscape.

Fifty years after the Filer Commission, this study assessed what the public knows about philanthropy and how it perceives of the growing nonprofit sector. All philanthropic activities, especially fundraising and charitable giving, happen at the speed of trust (Shaker, Tempel, Nathan, & Stanczyewicz, 2002). Understanding public attitudes toward the sector can bolster the efforts of leaders in the nonprofit space to increase transparency and deepen the levels of trust that are vital to philanthropy, a deep-rooted human behavior with mutual benefit to donors and recipients alike.

In addition to discovering how little knowledge of the philanthropic sector the typical American possesses and the low levels of trust they have in the sector, as well as in other societal institutions, this report revealed that, while younger individuals, women, those with more education and donors subscribe to a broader view of philanthropy, many Americans still generally define philanthropy as charitable giving and/or volunteering.

Despite a lack of public awareness of the challenges currently facing philanthropy or a deep understanding of the rules that govern the sector, philanthropy and the nonprofit sector have grown substantially in scope, scale, and size, with nearly 75 percent of foundations forming since about the year 2000 (Johnson, n.d.) with assets topping \$1 trillion a couple years ago (Di Mento, 2019). Additionally, nearly a thousand charitable organizations sponsor donor-advised funds (National Philanthropic Trust, 2022). With such rapid growth, “philanthropy ... [is] poised to have an increasingly significant social and economic impact” soon (Johnson, n.d.). Whether this impact is primarily driven by megadonors<sup>8</sup> or everyday donors will likely depend on how successful philanthropists and nonprofit leaders are in educating the public on what a nonprofit is, what it does, and how individual philanthropy benefits society.

When we asked respondents whether they or anyone in their immediate family had received services from a charitable organization or nonprofit in the past year, only 5.4 percent indicated that they had. Given the many ways individuals engage with nonprofit organizations in everyday life (e.g., religious services, educational programming, beautification projects, museum programs, theatrical productions), it appears that many Americans do not recognize their own engagement with nonprofits or understand the nonprofit services they are unknowingly receiving

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<sup>8</sup>For more on megadonors, see <https://www.philanthropy.com/article/meet-the-everyday-megadonor-2022s-list-of-top-philanthropists-includes-a-host-of-new-names>

regularly. To increase public knowledge of the nonprofit sector, many organizations could begin by strategically enhancing their communications to current donors, recipients, and the public about the services they provide and their status as 501(c)(3) nonprofit organizations.

Additionally, to reinvigorate the general public's trust in the philanthropic sector and reverse the declining donors trend, concerns about the sector's transparency and accountability need to be addressed, the importance of gifts from everyday donors needs to continue being promoted, and diversity and inclusion efforts need to be pursued. These actions have the potential to greatly enhance the overall vitality of the sector. The results of this study can help nonprofit leaders respond to current criticisms of philanthropy and prepare for future concerns voiced by donors or other external stakeholders.

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# Appendix

## APPENDIX A: Forms of Philanthropy & Charitable Giving

	Which of the following activities do you consider to be forms of philanthropy?	When you think of charitable giving, what does this include?
	Number of forms of Philanthropy Selected: 1-5 (See list on page 43)	Number of forms of charitable giving selected: 1-7 (See list on page 43)
	Ordered Logit W/Robust SE	Ordered Logit W/Robust SE
<b>VARIABLES</b>		
<b>AGE</b>	-0.0138*** (0.00443)	-0.0174*** (0.00393)
<b>EDUCATION (Less Than High School Omitted)</b>		
<b>SOME COLLEGE</b>	0.585*** (0.180)	0.284* (0.155)
<b>BACHELORS</b>	0.761*** (0.191)	0.472*** (0.171)
<b>MASTERS OR MORE</b>	0.919*** (0.207)	0.751*** (0.180)
<b>RACE/ETHNICITY (White Non-Hispanic Omitted)</b>		
<b>BLACK</b>	-0.0641 (0.259)	0.345 (0.220)
<b>HISPANIC</b>	-0.241 (0.197)	-0.216 (0.173)
<b>OTHER/MULTIPLE</b>	-0.365 (0.285)	0.326 (0.245)
<b>MALE</b>	-0.269** (0.132)	-0.341*** (0.118)
<b>LOG OF (IMPUTED) INCOME</b>	0.186* (0.102)	-0.0318 (0.0925)
<b>MARRIED</b>	0.248* (0.150)	0.0449 (0.131)
<b>CURRENTLY WORKING</b>	-0.106 (0.153)	0.0560 (0.144)
<b>ANY CHILDREN IN THE HOUSEHOLD</b>	-0.298* (0.167)	-0.0824 (0.149)

	<b>Which of the following activities do you consider to be forms of philanthropy?</b>	<b>When you think of charitable giving, what does this include?</b>
	Number of forms of Philanthropy Selected: 1-5 (See list below)	Number of forms of charitable giving selected: 1-7 (See list below)
	Ordered Logit W/Robust SE	Ordered Logit W/Robust SE
<b>ATTEND RELIGIOUS SERVICES ONCE A MONTH OR MORE?</b>	-0.0834 (0.150)	0.107 (0.121)
<b>GAVE ANY TO CHARITY IN LAST YEAR?</b>	0.725*** (0.175)	0.540*** (0.146)
<b>OBSERVATIONS</b>	987	1,247

ROBUST STANDARD ERRORS IN PARENTHESES  
 \*\*\* P<0.01, \*\* P<0.05, \* P<0.1

**Number of forms of Philanthropy 1-5**

1. Giving time (i.e., giving your energy and physical presence through volunteering)
2. Giving talent (i.e., lending your skills, talents, or expertise)
3. Giving treasure (i.e., making financial contributions)
4. Giving ties (i.e., making connections across your personal and/or professional networks)
5. Giving testimony (i.e., advocacy; honoring lived experiences and bearing witness to stories)

**Number of forms of Philanthropy 1-7**

1. Giving to not-for-profit organizations
2. Giving to political organizations/campaigns
3. Giving to religious congregations/organizations
4. Participating in crowdfunding campaigns (e.g., GoFundMe, social media fundraisers)
5. Impact investing
6. Participating in giving circles
7. Giving directly to individuals (e.g., giving between parents and children, neighbors helping neighbors)

**APPENDIX B: In your opinion, how valuable are the following types of giving to American society?**

	Rated in-kind giving as more valuable than charitable giving	Rated mutual aid as more valuable than charitable giving	Rated direct person-to-person giving as more valuable than charitable giving
	Logit W/Robust SE	Logit W/Robust SE	Logit W/Robust SE
<b>VARIABLES</b>			
<b>AGE</b>	0.00418 (0.00569)	-0.00638 (0.00688)	0.0102* (0.00540)
<b>EDUCATION (Less Than High School Omitted)</b>			
<b>SOME COLLEGE</b>	-0.233 (0.209)	0.242 (0.247)	-0.0549 (0.196)
<b>BACHELORS</b>	-0.464* (0.262)	0.123 (0.295)	-0.125 (0.236)
<b>MASTERS OR MORE</b>	-0.867*** (0.301)	-0.943** (0.414)	-0.931*** (0.284)
<b>RACE/ETHNICITY (White Non-Hispanic Omitted)</b>			
<b>BLACK</b>	-0.369 (0.353)	-0.604 (0.402)	-0.407 (0.315)
<b>HISPANIC</b>	0.236 (0.249)	0.149 (0.284)	0.00379 (0.241)
<b>OTHER/MULTIPLE</b>	0.487 (0.332)	0.141 (0.408)	0.733** (0.305)
<b>MALE</b>	-0.133 (0.173)	-0.124 (0.203)	0.313* (0.165)
<b>LOG OF (IMPUTED) INCOME</b>	-0.00660 (0.130)	-0.0925 (0.133)	-0.0381 (0.115)
<b>MARRIED</b>	0.105 (0.200)	0.0682 (0.228)	-0.207 (0.179)
<b>CURRENTLY WORKING</b>	0.0190 (0.181)	-0.0287 (0.224)	-0.119 (0.179)
<b>ANY CHILDREN IN THE HOUSEHOLD</b>	-0.00302 (0.224)	-0.135 (0.254)	0.425** (0.202)
<b>ATTEND RELIGIOUS SERVICES ONCE A MONTH OR MORE?</b>	-0.140 (0.180)	-0.206 (0.224)	-0.0278 (0.167)
<b>GAVE ANY TO CHARITY IN LAST YEAR?</b>	0.210 (0.206)	-0.398* (0.233)	-0.268 (0.182)
<b>GAVE OVER \$10K TO CHARITY IN LAST YEAR?</b>			
<b>CONSTANT</b>	-1.613 (1.407)	-0.243 (1.458)	-1.133 (1.253)
<b>OBSERVATIONS</b>	1,237	1,229	1,238

ROBUST STANDARD ERRORS IN PARENTHESES  
 \*\*\* P<0.01, \*\* P<0.05, \* P<0.1

## APPENDIX C: Charitable Giving, Volunteering, and Self-Identifying as a Philanthropist

	Did you or anyone in your household give to charity in calendar year 2021?	In 2021, did you spend time volunteering for a charitable organization?	Do you consider yourself to be a philanthropist?	Do you consider yourself to be a philanthropist? (with control for donor status)
	Logit W/Robust SE	Logit W/Robust SE	Logit W/Robust SE	Logit W/Robust SE
<b>VARIABLES</b>				
<b>AGE</b>	0.0305*** (0.00545)	0.00455 (0.00539)	-0.00735 (0.00615)	-0.0168** (0.00663)
<b>EDUCATION (Less Than High School Omitted)</b>				
<b>SOME COLLEGE</b>	0.642*** (0.191)	0.461** (0.208)	0.0348 (0.247)	-0.216 (0.262)
<b>BACHELORS</b>	0.899*** (0.232)	0.842*** (0.220)	0.214 (0.253)	0.0364 (0.267)
<b>MASTERS OR MORE</b>	1.392*** (0.267)	1.264*** (0.231)	0.560** (0.265)	0.308 (0.276)
<b>RACE/ETHNICITY (White Non-Hispanic Omitted)</b>				
<b>BLACK</b>	-0.455* (0.267)	-0.105 (0.256)	0.979*** (0.263)	1.066*** (0.273)
<b>HISPANIC</b>	-0.255 (0.229)	0.0111 (0.235)	0.129 (0.293)	0.209 (0.321)
<b>OTHER/MULTIPLE</b>	-0.409 (0.359)	-0.611* (0.314)	0.0891 (0.335)	0.263 (0.340)
<b>MALE</b>	-0.370** (0.157)	-0.256* (0.144)	-0.661*** (0.172)	-0.588*** (0.182)
<b>LOG OF (IMPUTED) INCOME</b>	0.669*** (0.118)	0.242** (0.119)	-0.0555 (0.133)	-0.319** (0.142)
<b>MARRIED</b>	-0.0767 (0.171)	-0.0185 (0.166)	0.692*** (0.231)	0.754*** (0.251)
<b>CURRENTLY WORKING</b>	-0.0461 (0.190)	0.313* (0.178)	0.0460 (0.202)	-0.0861 (0.208)
<b>ANY CHILDREN IN THE HOUSEHOLD</b>	0.236 (0.194)	0.181 (0.181)	-0.166 (0.218)	-0.226 (0.232)
<b>ATTEND RELIGIOUS SERVICES ONCE A MONTH OR MORE?</b>	1.327*** (0.181)	1.030*** (0.146)	1.030*** (0.172)	0.737*** (0.177)
<b>GAVE ANY TO CHARITY IN LAST YEAR?</b>				1.764*** (0.294)
<b>CONSTANT</b>	-9.163*** (1.325)	-5.035*** (1.344)	-1.197 (1.453)	1.168 (1.515)
<b>OBSERVATIONS</b>	1,255	1,299	1,017	975

ROBUST STANDARD ERRORS IN PARENTHESES

\*\*\* P<0.01, \*\* P<0.05, \* P<0.1

**APPENDIX D: How much do you trust the following entities to generally do what is right?**

	<b>Nonprofit organizations</b>	<b>Religious institutions</b>
	1-5, 1 = completely trust 5 = not at all	1-5, 1 = completely trust 5 = not at all
	Ordered Logit W/Robust SE	Ordered Logit W/Robust SE
<b>VARIABLES</b>		
<b>AGE</b>	0.0143*** (0.00462)	-0.0128*** (0.00437)
<b>EDUCATION (Less Than High School Omitted)</b>		
<b>SOME COLLEGE</b>	-0.0425 (0.184)	0.0781 (0.174)
<b>BACHELORS</b>	-0.660*** (0.197)	0.300 (0.183)
<b>MASTERS OR MORE</b>	-0.484** (0.206)	0.179 (0.186)
<b>RACE/ETHNICITY (White Non-Hispanic Omitted)</b>		
<b>BLACK</b>	-0.403 (0.273)	-0.295 (0.261)
<b>HISPANIC</b>	0.400* (0.214)	0.516** (0.204)
<b>OTHER/MULTIPLE</b>	0.618** (0.283)	0.142 (0.227)
<b>MALE</b>	0.389*** (0.132)	-0.00549 (0.123)
<b>LOG OF (IMPUTED) INCOME</b>	0.118 (0.112)	0.164* (0.0990)
<b>MARRIED</b>	0.257* (0.156)	0.0117 (0.155)
<b>CURRENTLY WORKING</b>	0.0536 (0.149)	0.00542 (0.145)
<b>ANY CHILDREN IN THE HOUSEHOLD</b>	-0.0125 (0.171)	-0.101 (0.160)
<b>ATTEND RELIGIOUS SERVICES ONCE A MONTH OR MORE?</b>	-0.330** (0.142)	-1.628*** (0.141)
<b>GAVE ANY TO CHARITY IN LAST YEAR?</b>	-0.549*** (0.162)	-0.233 (0.147)
<b>OBSERVATIONS</b>	1,119	1,139

ROBUST STANDARD ERRORS IN PARENTHESES

\*\*\* P<0.01, \*\* P<0.05, \* P<0.1

**APPENDIX E: How much do you trust the following charitable entities to generally do what is right?**

	<b>Secular charitable organizations (excluding religious congregations)</b>	<b>Religious charitable organizations</b>	<b>Community foundations</b>
	1-5, 1 = completely trust 5 = not at all	1-5, 1 = completely trust 5 = not at all	1-5, 1 = completely trust 5 = not at all
	Ordered Logit W/Robust SE	Ordered Logit W/Robust SE	Ordered Logit W/Robust SE
<b>VARIABLES</b>			
<b>AGE</b>	0.00575 (0.00484)	-0.0118** (0.00472)	0.0128** (0.00514)
<b>EDUCATION (Less Than High School Omitted)</b>			
<b>SOME COLLEGE</b>	-0.144 (0.183)	0.137 (0.172)	-0.134 (0.182)
<b>BACHELORS</b>	-0.316 (0.195)	0.191 (0.184)	-0.597*** (0.209)
<b>MASTERS OR MORE</b>	-0.423* (0.219)	-0.0319 (0.192)	-0.599** (0.236)
<b>RACE/ETHNICITY (White Non-Hispanic Omitted)</b>			
<b>BLACK</b>	-0.373 (0.243)	-0.237 (0.263)	-0.199 (0.245)
<b>HISPANIC</b>	0.293 (0.211)	0.493** (0.199)	-0.00568 (0.236)
<b>OTHER/MULTIPLE</b>	0.168 (0.267)	-0.0378 (0.249)	0.160 (0.275)
<b>MALE</b>	0.266** (0.131)	0.169 (0.125)	0.249* (0.134)
<b>LOG OF (IMPUTED) INCOME</b>	-0.121 (0.107)	0.181* (0.107)	0.0611 (0.112)
<b>MARRIED</b>	0.0238 (0.159)	-0.112 (0.163)	-0.00667 (0.162)
<b>CURRENTLY WORKING</b>	-0.0959 (0.149)	-0.0988 (0.148)	-0.139 (0.157)
<b>ANY CHILDREN IN THE HOUSEHOLD</b>	0.438*** (0.162)	-0.107 (0.166)	0.0496 (0.174)
<b>ATTEND RELIGIOUS SERVICES ONCE A MONTH OR MORE?</b>	-0.198 (0.140)	-1.544*** (0.143)	-0.115 (0.148)
<b>GAVE ANY TO CHARITY IN LAST YEAR?</b>	-0.399** (0.166)	-0.309** (0.156)	-0.525*** (0.175)
<b>OBSERVATIONS</b>	1,043	1,123	1,047

ROBUST STANDARD ERRORS IN PARENTHESES

\*\*\* P<0.01, \*\* P<0.05, \* P<0.1

NOTE: Certain constant values unrelated to any specific variable were generated with each model, but not included here with the coefficients. Full model results are available upon request.

**APPENDIX F: How transparent (i.e., operating in such a way that it is easy for others to see what actions are performed) are the following charitable entities with their giving practices?**

	<b>Religious charitable organizations</b>	<b>Community foundations</b>	<b>Crowdfunding campaigns</b>
	1-5, 1 = completely trust 5 = not at all	1-5, 1 = completely trust 5 = not at all	1-5, 1 = completely trust 5 = not at all
	Ordered Logit W/Robust SE	Ordered Logit W/Robust SE	Ordered Logit W/Robust SE
<b>VARIABLES</b>			
<b>AGE</b>	-0.0121*** (0.00441)	0.00956* (0.00560)	0.0149*** (0.00487)
<b>EDUCATION (Less Than High School Omitted)</b>			
<b>SOME COLLEGE</b>	0.0655 (0.182)	0.262 (0.194)	-0.314 (0.195)
<b>BACHELORS</b>	0.309 (0.204)	-0.456** (0.232)	-0.225 (0.209)
<b>MASTERS OR MORE</b>	0.223 (0.214)	-0.696*** (0.244)	-0.186 (0.231)
<b>RACE/ETHNICITY (White Non-Hispanic Omitted)</b>			
<b>BLACK</b>	-0.0649 (0.222)	-0.423 (0.261)	-0.343 (0.275)
<b>HISPANIC</b>	0.393* (0.217)	0.0484 (0.221)	-0.425* (0.247)
<b>OTHER/MULTIPLE</b>	0.297 (0.238)	0.702*** (0.259)	0.0288 (0.265)
<b>MALE</b>	0.149 (0.133)	0.309** (0.149)	0.115 (0.138)
<b>LOG OF (IMPUTED) INCOME</b>	0.250** (0.104)	0.137 (0.111)	-0.0426 (0.106)
<b>MARRIED</b>	0.0700 (0.150)	0.0443 (0.173)	0.225 (0.169)
<b>CURRENTLY WORKING</b>	-0.190 (0.157)	-0.0987 (0.177)	-0.00887 (0.160)
<b>ANY CHILDREN IN THE HOUSEHOLD</b>	-0.172 (0.163)	0.0886 (0.189)	0.284 (0.189)
<b>ATTEND RELIGIOUS SERVICES ONCE A MONTH OR MORE?</b>	-1.529*** (0.151)	-0.0821 (0.156)	0.0297 (0.154)
<b>GAVE ANY TO CHARITY IN LAST YEAR?</b>	-0.134 (0.173)	-0.374** (0.178)	-0.0781 (0.172)
<b>OBSERVATIONS</b>	972	862	833

ROBUST STANDARD ERRORS IN PARENTHESES

\*\*\* P<0.01, \*\* P<0.05, \* P<0.1

NOTE: Certain constant values unrelated to any specific variable were generated with each model, but not included here with the coefficients. Full model results are available upon request.



## APPENDIX G: Confidence of Groups to Solve Problems and Direction of Nonprofit Sector

	How much confidence do you have in the ability of the following groups to solve societal or global problems, now and in the future? NONPROFIT ORGANIZATIONS	How much confidence do you have in the ability of the following groups to solve societal or global problems, now and in the future? INDIVIDUALS	Thinking about the nonprofit and philanthropic sector overall, do you believe things are headed in the right direction, or are they off on the wrong track? NONPROFIT SECTOR ON THE RIGHT TRACK
	1-3, 1 = not at all 3 = great deal Ordered Logit W/Robust SE	1-3, 1 = not at all 3 = great deal Ordered Logit W/Robust SE	Binary Logit W/Robust SE
<b>VARIABLES</b>			
<b>AGE</b>	-0.0119*** (0.00460)	-0.00650 (0.00460)	-0.0137** (0.00679)
<b>EDUCATION (Less Than High School Omitted)</b>			
<b>SOME COLLEGE</b>	0.189 (0.174)	-0.0290 (0.170)	0.373 (0.258)
<b>BACHELORS</b>	0.506** (0.209)	0.0151 (0.193)	0.785*** (0.280)
<b>MASTERS OR MORE</b>	0.630*** (0.214)	0.132 (0.216)	0.946*** (0.296)
<b>RACE/ETHNICITY (White Non-Hispanic Omitted)</b>			
<b>BLACK</b>	-0.0605 (0.199)	-0.215 (0.195)	0.781*** (0.302)
<b>HISPANIC</b>	0.288 (0.207)	-0.180 (0.204)	-0.0975 (0.309)
<b>OTHER/MULTIPLE</b>	-0.270 (0.256)	-0.0511 (0.248)	-0.418 (0.460)
<b>MALE</b>	-0.126 (0.129)	-0.0407 (0.127)	-0.110 (0.188)
<b>LOG OF (IMPUTED) INCOME</b>	-0.0267 (0.106)	0.0495 (0.101)	0.205 (0.156)
<b>MARRIED</b>	-0.0125 (0.144)	-0.0844 (0.143)	-0.448* (0.230)
<b>CURRENTLY WORKING</b>	0.200 (0.153)	0.0634 (0.157)	-0.397* (0.217)
<b>ANY CHILDREN IN THE HOUSEHOLD</b>	-0.104 (0.167)	0.0624 (0.161)	-0.0167 (0.247)
<b>ATTEND RELIGIOUS SERVICES ONCE A MONTH OR MORE?</b>	0.0856 (0.146)	0.230 (0.142)	0.192 (0.198)
<b>GAVE ANY TO CHARITY IN LAST YEAR?</b>	0.543*** (0.154)	0.425*** (0.153)	0.283 (0.243)
<b>CONSTANT</b>			-2.361 (1.714)
<b>OBSERVATIONS</b>	1,244	1,236	642

ROBUST STANDARD ERRORS IN PARENTHESES

\*\*\* P<0.01, \*\* P<0.05, \* P<0.1

**APPENDIX H: Generally speaking, how would you rate your level of knowledge about charitable giving and philanthropy?**

	Knowledge level philanthropy	Knowledge level philanthropy (with control for donor status)	Knowledge level philanthropy (with control for donor status and large donor status)
	1 = Novice 3 = Expert	1 = Novice 3 = Expert	1 = Novice 3 = Expert
	Ordered Logit W/Robust SE	Ordered Logit W/Robust SE	Ordered Logit W/Robust SE
<b>VARIABLES</b>			
<b>AGE</b>	0.0137*** (0.00472)	0.00829* (0.00503)	0.00817 (0.00503)
<b>EDUCATION (Less Than High School Omitted)</b>			
<b>SOME COLLEGE</b>	0.272 (0.176)	0.146 (0.185)	0.145 (0.185)
<b>BACHELORS</b>	0.735*** (0.194)	0.634*** (0.203)	0.616*** (0.204)
<b>MASTERS OR MORE</b>	1.272*** (0.211)	1.151*** (0.219)	1.117*** (0.221)
<b>RACE/ETHNICITY (White Non-Hispanic Omitted)</b>			
<b>BLACK</b>	0.157 (0.226)	0.314 (0.231)	0.325 (0.232)
<b>HISPANIC</b>	0.0863 (0.200)	0.229 (0.207)	0.247 (0.207)
<b>OTHER/MULTIPLE</b>	-0.616** (0.309)	-0.492 (0.338)	-0.488 (0.338)
<b>MALE</b>	-0.0760 (0.131)	-0.00589 (0.138)	-0.00862 (0.138)
<b>LOG OF (IMPUTED) INCOME</b>	-0.0358 (0.0985)	-0.182* (0.107)	-0.193* (0.108)
<b>MARRIED</b>	0.0870 (0.156)	0.146 (0.163)	0.141 (0.164)
<b>CURRENTLY WORKING</b>	0.0829 (0.152)	0.0415 (0.161)	0.0510 (0.162)
<b>ANY CHILDREN IN THE HOUSEHOLD</b>	0.0140 (0.168)	-0.0653 (0.172)	-0.0790 (0.173)
<b>ATTEND RELIGIOUS SERVICES ONCE A MONTH OR MORE?</b>	0.713*** (0.133)	0.489*** (0.140)	0.447*** (0.144)
<b>GAVE ANY TO CHARITY IN LAST YEAR?</b>		0.935*** (0.182)	0.929*** (0.182)
<b>GAVE OVER \$10K TO CHARITY IN LAST YEAR?</b>			0.658*** (0.232)
<b>OBSERVATIONS</b>	1,308	1,250	1,250

ROBUST STANDARD ERRORS IN PARENTHESES  
 \*\*\* P<0.01, \*\* P<0.05, \* P<0.1

NOTE: Certain constant values unrelated to any specific variable were generated with each model, but not included here with the coefficients. Full model results are available upon request.

**APPENDIX I: Do you think that the percentage of Americans who give to charitable organizations increased, decreased, or stayed the same over the past 20 years?**

	<b>Know % of Americans donate decreased</b>	<b>Know % of Americans donate decreased (with control for donor status)</b>	<b>Know % of Americans donate decreased (with control for donor status and large donor status)</b>
	Logit W/Robust SE	Logit W/Robust SE	Logit W/Robust SE
<b>VARIABLES</b>			
<b>AGE</b>	-0.00258 (0.00448)	-0.00212 (0.00465)	-0.00217 (0.00465)
<b>EDUCATION (Less Than High School Omitted)</b>			
<b>SOME COLLEGE</b>	0.387** (0.167)	0.371** (0.172)	0.371** (0.172)
<b>BACHELORS</b>	-0.0831 (0.192)	-0.0681 (0.198)	-0.0747 (0.199)
<b>MASTERS OR MORE</b>	-0.0931 (0.212)	-0.0976 (0.221)	-0.110 (0.222)
<b>RACE/ETHNICITY (White Non-Hispanic Omitted)</b>			
<b>BLACK</b>	-0.0190 (0.217)	-0.0797 (0.223)	-0.0769 (0.224)
<b>HISPANIC</b>	-0.0361 (0.199)	0.00979 (0.202)	0.0156 (0.202)
<b>OTHER/MULTIPLE</b>	-0.170 (0.292)	-0.162 (0.295)	-0.160 (0.294)
<b>MALE</b>	0.228* (0.128)	0.212 (0.132)	0.211 (0.132)
<b>LOG OF (IMPUTED) INCOME</b>	-0.0314 (0.0988)	-0.00772 (0.103)	-0.0108 (0.103)
<b>MARRIED</b>	0.235 (0.150)	0.227 (0.153)	0.225 (0.154)
<b>CURRENTLY WORKING</b>	0.0299 (0.153)	-0.0202 (0.156)	-0.0180 (0.156)
<b>ANY CHILDREN IN THE HOUSEHOLD</b>	0.00216 (0.162)	0.00123 (0.166)	-0.00279 (0.167)
<b>ATTEND RELIGIOUS SERVICES ONCE A MONTH OR MORE?</b>	0.102 (0.134)	0.129 (0.140)	0.114 (0.143)
<b>GAVE ANY TO CHARITY IN LAST YEAR?</b>		-0.198 (0.155)	-0.200 (0.155)
<b>GAVE OVER \$10K TO CHARITY IN LAST YEAR?</b>			0.235 (0.233)
<b>CONSTANT</b>	-0.346 (1.089)	-0.484 (1.125)	-0.445 (1.129)
<b>OBSERVATIONS</b>	1,305	1,250	1,250

ROBUST STANDARD ERRORS IN PARENTHESES

\*\*\* P<0.01, \*\* P<0.05, \* P<0.1



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