

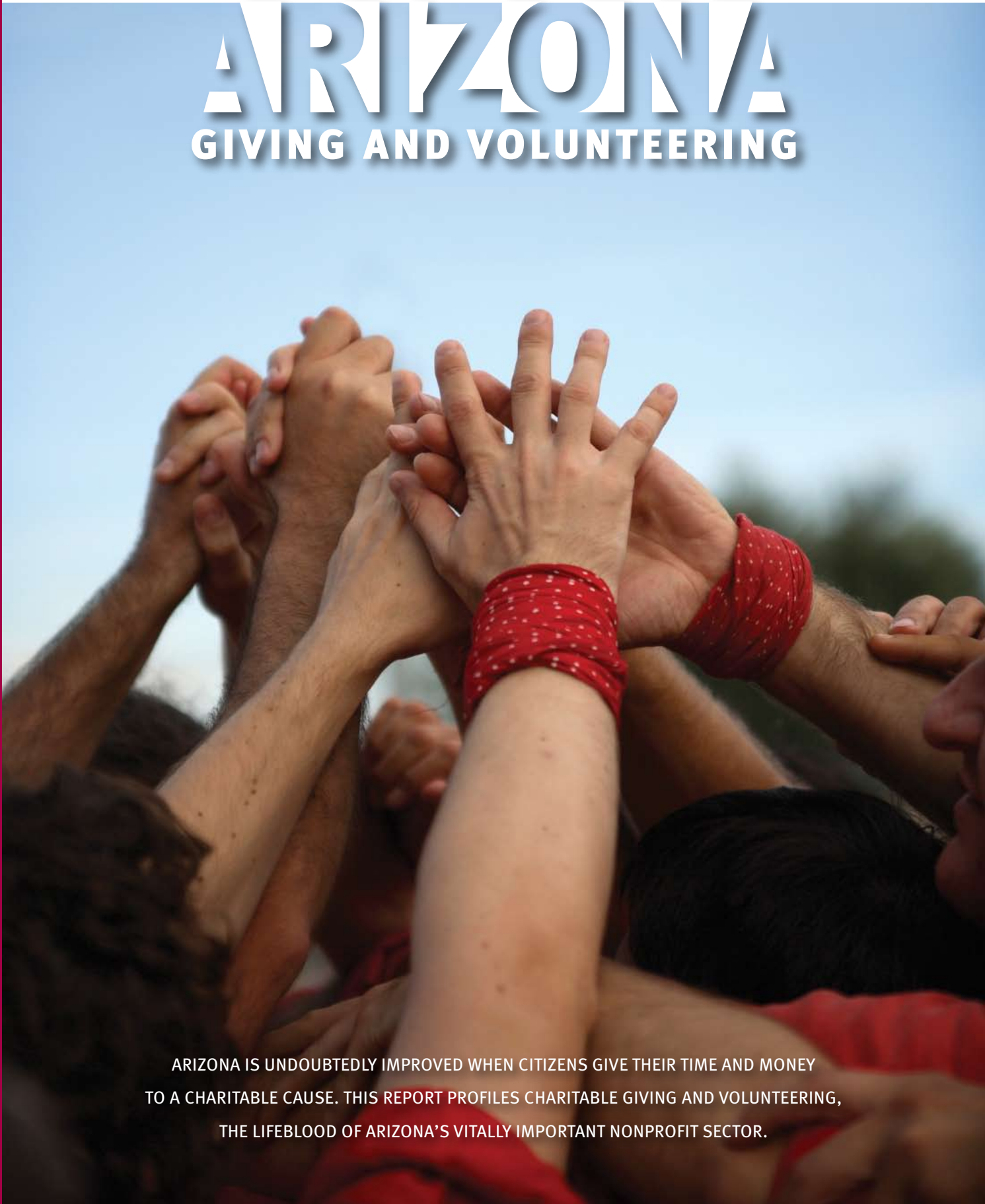
ARIZONA

GIVING AND VOLUNTEERING

ENHANCING CULTURE

REVITALIZING NEIGHBORHOODS

PROTECTING THE ENVIRONMENT



ARIZONA IS UNDOUBTEDLY IMPROVED WHEN CITIZENS GIVE THEIR TIME AND MONEY TO A CHARITABLE CAUSE. THIS REPORT PROFILES CHARITABLE GIVING AND VOLUNTEERING, THE LIFEBLOOD OF ARIZONA'S VITALLY IMPORTANT NONPROFIT SECTOR.

ARIZONA

GIVING AND VOLUNTEERING

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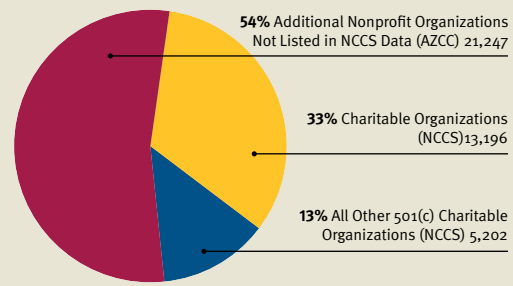
ARIZONA'S NONPROFIT SECTOR

The Arizona nonprofit sector is significant and continues to expand.

There are approximately 39,600* operating nonprofit organizations in Arizona. In addition to the social, human service and religious organizations commonly recognized as nonprofits, the sector includes civic clubs and country clubs, credit unions and labor unions, past and present members of the military, political groups, and many others.**

While there are many types of nonprofit organizations, charitable organizations are the majority of the nonprofit sector. These organizations carry the 501(c)(3) IRS designation and are frequently referred to as charities. They serve a multitude of public purposes and are supported by contributions of financial resources and volunteer time. In Arizona there are an estimated 13,196 charitable 501(c)(3) nonprofit organizations; there are also 5,202 other 501(c) nonprofit organizations listed in the National Center for Charitable Statistics (NCCS) data base. This report focuses on contributions of time and money to 501(c)(3) charitable organizations.

Figure 1 Nonprofit Organizations in Arizona



*This estimate removes expired and defunct nonprofit corporations. **There are 26 different 501(c) classifications as determined by the IRS.

ABOUT THIS STUDY

This research examines household giving and individual volunteering, charitable behaviors that are a significant part of the nonprofit sector.

The information was gathered through a telephone survey of 1,100 Arizona resident households throughout the state; random digit dialing was used in reaching households to obtain a representative sample. The survey was conducted during the summer of 2007 and asked Arizonans about their household's charitable giving and their individual volunteering during the previous twelve months.

These data were collected as a part of a W.K. Kellogg funded collaboration project, the AIM Alliance (Arizona, Indiana and Michigan). This research was conducted by the Johnson Center for Philanthropy at Grand Valley State University in Michigan, ASU Lodestar Center for Philanthropy and Nonprofit Innovation and the Center on Philanthropy at Indiana University. Giving and volunteering results were collected using the same survey questions in three states using the same survey subcontractor to collect and enter the data making possible comparing philanthropic behaviors of the three different states. For comparison purposes with the national USA Giving study, Michigan, and Indiana, the results of this survey for Arizona estimates individual giving as the same as household giving. This estimate is based upon the results of the household survey, the number of households in Arizona (1.9 million) and the size of the average household (2.64 persons) and does not include giving by foundations and corporations.

WHO GIVES?

Nearly six out of every ten Arizonans, 58.2 percent, reported making a financial contribution to a charitable organization in the previous twelve months.

Arizona's charitable giving is on pace with the states of Indiana (58.7%) and Michigan (61.8%). The average annual amount Arizonans donated to charitable organizations was an estimated \$2,018; those who donated to charity gave, on average, 3 percent of their annual household income. These findings are very similar to the average contributions of Indiana (\$2,211) and Michigan (\$2,132) residents.

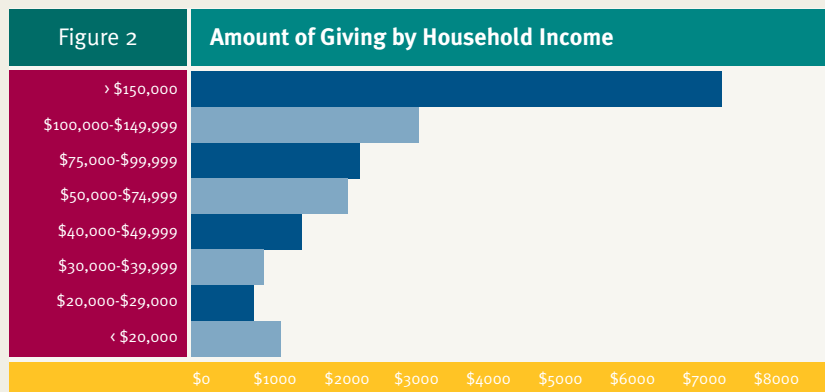
Table 1 Giving in Arizona 2006-2007	
Percent of households who gave to a charitable organizations	58.20%
Average annual household contribution	\$2,018.14 ***
Percent of annual household income contributed	3.00% ***
Percent who gave and volunteered	28.40%

KEY VARIANCES IN RATES OF HOUSEHOLD GIVING

The average amount of giving generally increased with household income, as shown in figure 2. Households with annual incomes above \$40,000 generally gave more as a function of income. Not surprisingly, households with incomes greater than \$150,000 gave significantly more with an average of \$7,465 to charity. This same pattern was also found in Michigan and Indiana.

- The likelihood of giving generally increased by age until reaching the age category of 61 to 70 years. The 46-60 age category had the highest rate of household giving, at 71.1 percent. The rate of giving for the remaining age categories:

Ages 18-30	40.6%
Ages 31-45	62.8%
Ages 46-60	71.1%
Ages 61-70	65.9%
Ages > 70	49.7%
- The likelihood of giving also increases with educational attainment. Among respondents with less than a high school education, 24.5 percent gave; among those with a post-graduate degree, 77.3 percent gave. Again, this same pattern was reported in Michigan and Indiana.
- Females reported higher percentages of giving (62%) as compared to males (54.3%). However, the males reported giving more on average (\$2,250) than reported by females (\$1,837).
- Race and ethnicity had a significant impact on giving. The category of White (non-Hispanic) had the highest percentage of giving at 68.7 percent with an average of \$2,283, while the Hispanic category had the lowest percentage of giving at 39.3 percent with an average of \$1,012.
- Households in which the respondent was employed full-time gave at the highest rate, 63.8 percent. The rate for giving was also strong in households where the respondent was a part-time worker (59.4%) and retired (63.55). The rate of giving dropped to 40.5 percent for those not employed.



WHERE DID THEY GIVE?

A wide range of causes benefited from the generosity of Arizonans.

Giving to organizations that satisfied basic needs (such as food and shelter) in the community topped the list, with 42.1 percent of respondents during the previous year. Religious giving was the second highest in giving with 40.6 percent of giving to religious organizations. Other kinds of organizations frequently reported included education organizations and youth and family organizations.

Organizational Type	Percent of Households Giving	Median* Annual Contribution	Average Annual Contribution
Basic Needs	42.1%	\$ 200	\$ 439
Religious	40.6%	\$ 600	\$ 1,243
Education	19.7%	\$ 200	\$ 402
Youth & Family	19.0%	\$ 100	\$ 191
Health	17.2%	\$ 100	\$ 144
Arts	11.1%	\$ 100	\$ 160
Environment	9.8%	\$ 50	\$ 90
Neighborhood	9.4%	\$ 100	\$ 186
International	5.3%	\$ 100	\$ 149

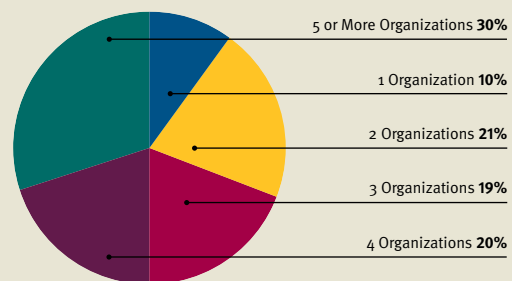
*median is the midpoint, half of households, give more than this amount, half give less. The average contribution is higher due to very high donations.

Individuals gave the largest median total donation to religious organizations, with a median annual gift of \$600. This is significantly more than the median annual gift to basic needs and education organizations, which received the second largest median annual donation of \$200. Table 2 also shows the median annual contribution to each organization type.

Many Arizona households gave to multiple types of organizations as shown in the next table. Sixty percent reported making a financial contribution to two to four types of organizations, and 30 percent gave to five or more types of organizations.

Households reported giving to secular or non-religious organizations at a higher rate (55.6%) than to religious organizations (40.6%). The annual median contributions for religious organizations was greater (\$600) as compared to (\$525) for the annual median contribution for secular organizations.

Figure 3 | Nonprofit Organizations in Arizona



	Percent of Households	Median
Religious Giving	40.6%	\$ 600
Secular Giving	55.6%	\$ 525

WHY DID THEY GIVE?

Religious belief was the strongest motivation behind charitable giving.

Table 4 Motivations for Giving	
Percent Who Said Major Motivation	
Religious beliefs.	64.2
Feeling that those who have more should help those with less.	61.7
Identifying with a certain cause such as giving to the arts because you are an artist or giving to cancer research because your or a family member had cancer.	54.7
Believing that charities can provide public services more effectively than government or private businesses can.	48.5
Helping individuals meet their material needs.	35.5
Tax benefits.	22.9
Being asked to give by a friend or associate.	19.6
Being asked by your employer.	7.4

Table 5 Reasons Stopped Supporting Nonprofit	
Percent Who Agreed	
I didn't feel connected to the organization anymore.	47.2
I stopped my involvement with the organization.	44.1
The organization misled the public about its operations.	41.1
My finances did not permit it.	40.0
I moved out of the area.	17.6
The organization did not keep accurate records of information about me or my donation.	16.1
The organization did not recognize or acknowledge my contributions.	14.0

Respondents were asked about their personal motivations for donating money for the past year. They were asked to indicate if the motives were a major, minor or no motivation at all for giving. Religious beliefs was reported as a major motivation by 64.7 percent of the respondents, followed by a feeling that those who have more should help those with less (61.7%) and identification with a certain cause (54.7%). Being asked by one's employer was a major motivator for giving as reported by only 7.4 percent.

Respondents were asked what factors might have influenced them to give more to charity this past year. The strongest factor to give more was feeling more financially secure (83.1%), followed by knowing that more money was being spent on the people being served rather than on fundraising or administration (77.6%), and then by being able to determine the effectiveness or impact of the gift or grant to the nonprofit (76.6%).

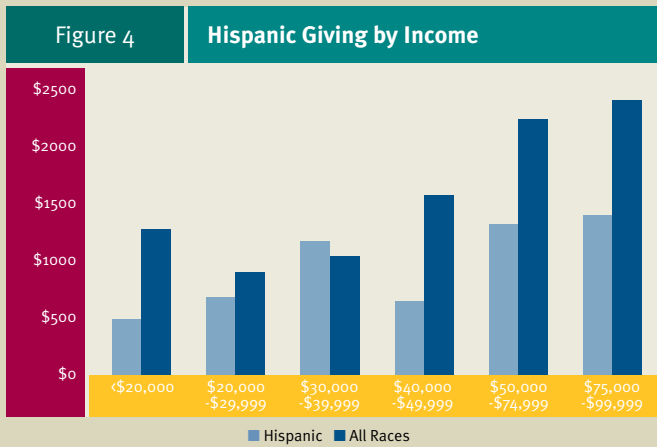
The strongest reason for stopping giving to an organization that respondents once supported was not feeling connected to the organization anymore (47.2%), this was followed by those that had stopped involvement (such as volunteering, serving on their board, etc.) with the organization (44.1%). The fact that the organization did not recognize or acknowledge their contributions was reported the lowest at 14 percent.

HISPANIC GIVING

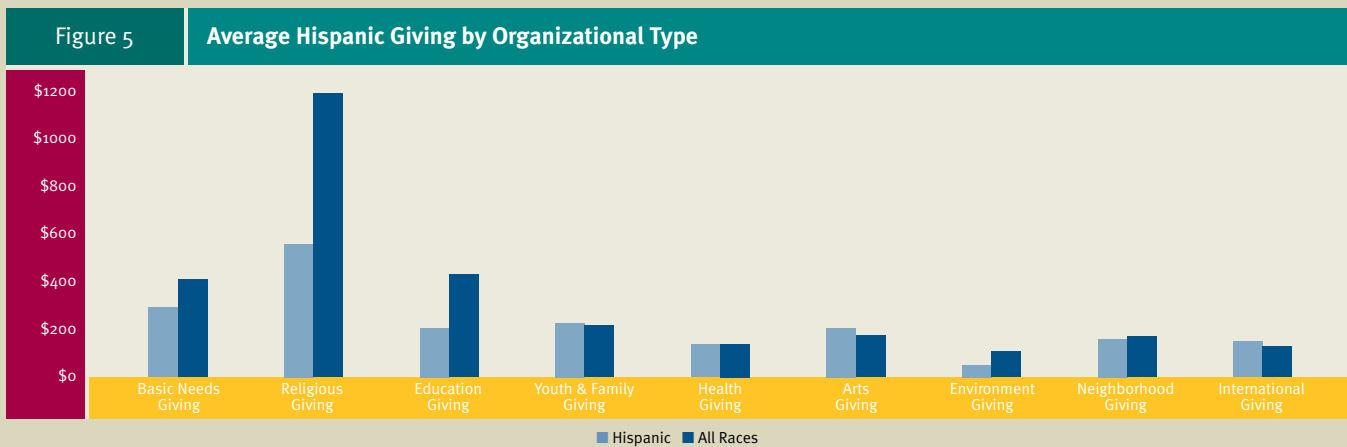
Nearly four out of every 10 Hispanic households give.

Hispanic households reported an average giving of \$1,012 to charity last year. The overall giving average for all respondents was \$2,018 with the White Non-Hispanic giving at an average of \$2,283. Hispanics donated at a rate of 39.3 percent, while 69.7 percent of White Non-Hispanics and 60 percent of the overall households reported giving.

The likelihood of giving generally increases with household income as shown in figure 4. Hispanic households with increasing annual incomes generally gave more except for those households with incomes of \$40-\$49,999 a year. The disparity between Hispanics and the overall giving for all races was significantly different in the annual incomes of \$40,000 and greater. The households with incomes over \$100,000 were not used in the analysis due to the low number of respondents.



Hispanic household contributions based on organizational type follow the pattern based on overall giving. Religious giving by Hispanics was an average of \$554 followed by basic needs giving (\$292) and youth and family giving (\$221). Hispanic households are more likely to give less than the overall average in most categories but give more in youth and family, arts and international giving.



Informal Giving

Informal giving, defined as contributing money directly to an individual or family rather than an organization, and is not claimed as a charitable donation against taxes, is an important part of the overall picture of charitable giving. A high percentage of formal giving households, over 70 percent, indicated donating directly to an individual in need, such as a family member, friends or community members in the United States, with an average informal contribution of \$1567. Informal giving outside the United States averaged \$916.

Hispanic households reported informal giving outside the U.S. slightly higher average of \$957 as compared to the average of \$917 for all givers. Hispanics reported informal giving inside the United States at an average of \$877 which is considerably less than the average of \$1567 for all those that gave informally.

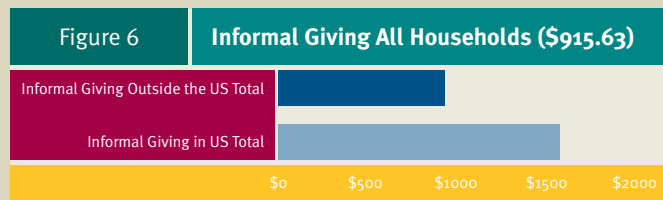


Table 6 Informal Giving of Hispanic Households

Informal giving	Households	Mean
Outside the US - Hispanic	28	957.36
Outside the US - All races	60	916.63
Inside the US - Hispanic	76	876.59
Inside the US - All races	352	1,566.64

WHO VOLUNTEERS?

Thirty-nine percent of Arizonans reported volunteering their time with a charitable organization during the previous twelve months.

Volunteers in Arizona averaged 4.9 hours a week with average annual of 278 hours a year.

Percentage of households that volunteered	38.6%
Average hours donated per week****	4.9 hours

****based on respondents who volunteer

Key Variances in Volunteering

Consistent with national findings, women were more likely to have reported volunteering in the previous year than men, 39.5 percent compared with 32.5 percent, respectively. Female volunteers donated an average 180 hours per year; male volunteers gave an average 150 hours.

Similar to the charitable giving of money, the likelihood of volunteering increases with household income, as shown in figure 7. Eighty-three percent of those in the highest income category of \$150,000 or more were volunteers, compared with 25 percent of those in the lowest income category.

As depicted in Table 8, volunteering also increases steadily with education, from a low volunteering rate of 17.2 percent among those with Less than a high school education to a high of 47.5 percent of those with a postgraduate degree.

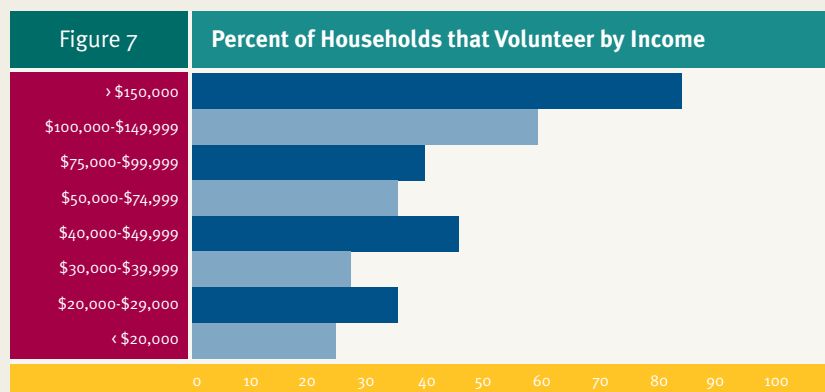
The age group of 31-45 had the highest rate of volunteering at 42.5 percent, however, the age group of over 70 years old also volunteered at high rate of 42.2 percent.

Hispanic households reported the lowest rate of volunteering at 21.3 percent opposed to the White (non-Hispanic) households volunteering at the highest rate of 45 percent. The Black (non-Hispanic) households reported a slightly lower rate (41.3 percent) but significantly higher number of hours per year volunteering.

Sex	Percent of Households	Average Hours	Median Hours
Male	32.5%	277.8	150.0
Female	39.5%	277.7	180.4
Total	36.2%	277.7	159.8

Education	Percent of Households	Average Hours	Median Hours
< High School	17.2%	448.5	231.3
High School Graduate	37.6%	237.7	144.0
Some College	36.5%	279.7	180.0
College Degree +	47.5%	296.8	124.0
Total	36.3%	286.2	172.0

Race Ethnicity	Percent of Households	Average Hours	Median Hours
Hispanic	21.3%	264.1	192.1
White (non-Hispanic)	45.0%	286.0	172.0
Black (non-Hispanic)	41.3%	401.9	198.4
Other races	22.0%	66.1	23.0
Total	36.8%	277.2	167.1



WHERE DID THEY VOLUNTEER?

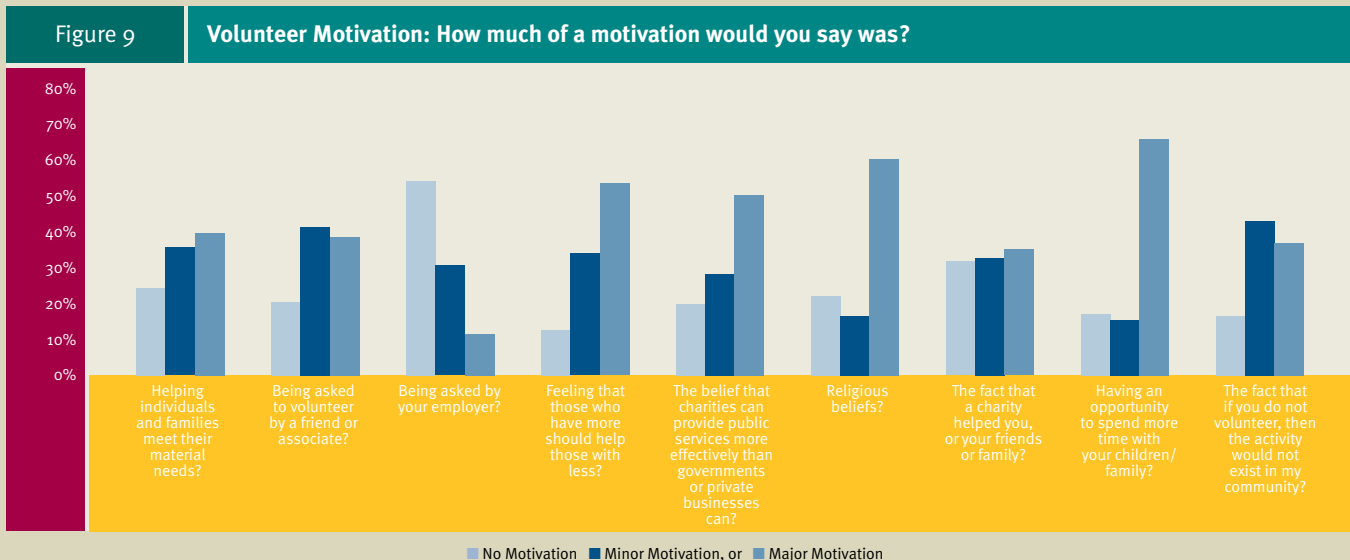
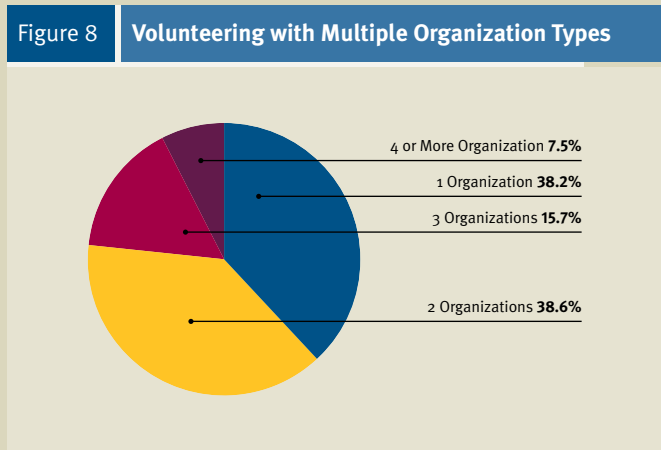
Arizonans donate their time to a wide variety of causes.

Among organizations, youth serving (21.1 percent) and religion organizations (19.5 percent) have the highest rate of volunteers. Table 10 shows the average number of hours donated annually to each type of organization by volunteers.

Many Arizonans volunteer for more than one organization; 38.6 percent of volunteers reported volunteering at two organizations in the past twelve months, 23.2 percent reported volunteering at three or more organizations.

Not surprisingly, the opportunity to spend time with children and family was the highest motivation to volunteer at 66.1 percent; this was followed by religious beliefs at 60 percent. Also a major motivation was the feeling that those who have more should help those with less was reported by 53.4 percent of the households. Being asked by an employer was seen as no motivation by 53.9 percent of the households.

Category	Percent of Households Volunteered	Average Hours	Median Hours
Health Care	7.0%	191.14	36.00
People In Need	8.8%	105.22	16.62
Other Cause	5.9%	163.28	36.00
Senior Citizens	8.0%	121.71	48.00
Social Change	5.4%	72.60	30.00
Youth	21.1%	155.66	52.00
Religion	19.5%	144.01	99.00
Total Volunteer	38.6%	278.00	156.45



GIVING AND VOLUNTEERING

Slightly more than quarter of Arizonans, 28.4 percent, reported both volunteering and making a household financial contribution in the previous twelve months.

Giving and volunteering are correlated and both affect each other, however, volunteering impacts giving more so than vice-versa, as evidenced by 76.9 percent of volunteering households that also contributed to a charity. In addition, 65 percent of those that gave during the year also reported that they volunteered for an organization.

As shown in figure 10, a total of 76.9 percent of households where the respondent was a volunteer and also gave to charity, gave on average, \$1,007 more. Because volunteers see and participate in the good work an organization does, they tend to better understand the organization’s need for resources to accomplish the mission.

Table 11	Giving and Volunteering in Arizona, 2006-2007	
	Percent of households overall who volunteered and donated	28.4%
	Percent of volunteering households that also gave	76.9%
	Percent of givers who cited that they “volunteered for an organization”	64.7%

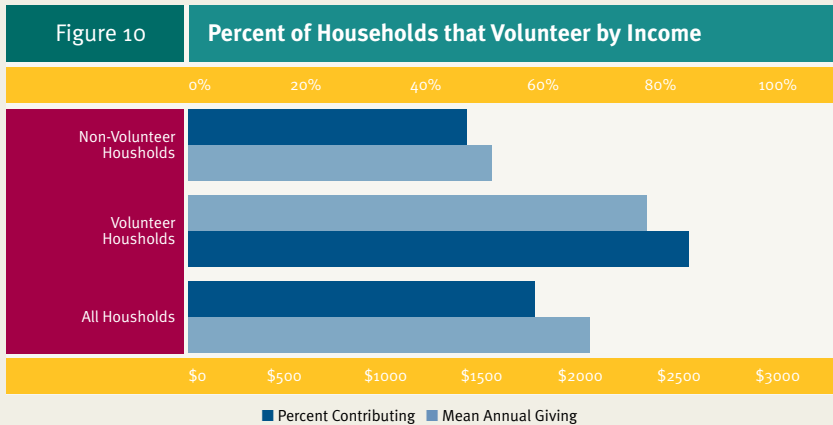


Table 12 represents the summary of Arizona resident’s giving and volunteering based on the past two ASU research studies. The average Arizona household giving increased from \$1572 in 2003 to \$2018 in 2007. The total Arizona household giving for 2003 was \$1.79 billion and a total of \$2.28 billion for 2007.

The average hours volunteering per household was 194 in 2003 and increased to 278 in 2007. The total hours Arizona households volunteered annually amounted to 221.16 million hours in 2003 and 316.92 million hours in 2007. These figures are estimations and several assumptions were made to develop the overall giving and volunteering results (see footnotes below).

Table 12	Summary of Arizona Giving and Volunteering		2003	2007
	Average Arizona Household Giving		\$1572	\$2018
	Total Arizona Household Giving*		\$1.79 billion	\$2.28 billion
	Average Hours Arizona Household Annual Volunteering		194	278
	Total Hours Arizona Household Annual Volunteering*		221.16 million	316.92 million

*Number of households based on US Census data and percent of households, represented by adult individuals who give and/or volunteer, were used in calculating these total estimations. The aggregate of individual giving is estimated to be the same as that of household giving. Please see “About This Study” for the methodology upon which this estimate is based.



Mission: The Mission of the ASU Lodestar Center for Philanthropy and Nonprofit Innovation is to help the capacity of the social sector by enhancing the effectiveness of those who lead, manage, and support nonprofit organizations.

Vision: The quality of life in communities is strengthened and enriched through effective nonprofit practice.

What We Do: Through research, education, conferences, and outreach activities the ASU Lodestar Center provides knowledge and tools that enhance the effectiveness of those who govern, manage, provide services, volunteer for and donate to nonprofit organizations.

Who We Serve: Individuals who lead and who aspire to lead nonprofit organizations; nonprofit organizations and networks of nonprofit organizations and supporters (volunteers and donors).



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