

Key Findings

Center on Philanthropy Panel Study

2005 wave

The Center on Philanthropy Panel Study is a module of the Panel Study of Income Dynamics (PSID), which reaches more than 8,000 households every two years. The PSID is fielded by the Institute for Social Research at the University of Michigan. Questions were asked in 2005 about giving in 2004 (except tsunami relief giving, which was from 2004 until the survey date in 2005)

The Center on Philanthropy thanks Atlantic Philanthropies for the initial funding to launch COPPS in 2001 and the donors whose recent contributions make continued waves of COPPS possible.

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BRIEF STATEMENT OF METHODS

In this study, households that answered the philanthropy questions were asked first if they made charitable donations totaling \$25 or more in 2004. Households responding yes were asked further questions about how much they gave to each of 11 different types of charities and about their volunteering to a number of types of organizations. More than 8,000 households participated in the 2005 wave of the PSID. This analysis of COPPS used 7,825 households that answered the first philanthropy question. Analysis also used the weights provided by the PSID research team at the University of Michigan to yield nationally representative results. Weighting up for total giving is based on 112 million households, from the Census Bureau estimates for 2004.

Note that some earlier information released using COPPS 2005 did not exclude households that did not answer the philanthropy module. Those results are slightly different from the findings presented here. The data here are the best available analysis as of December 2007.

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For more information about the Center on Philanthropy Panel Study, please see the Center's website at www.philanthropy.iupui.edu.

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In 2004 . . .

70.2 percent of American households contributed to charity.

Charities include religious and secular organizations.

The average amount contributed was \$2,047 per donor household

46.1 percent of American households contributed to at least one religious organization.

On average, donors to religion gave \$1,858 in 2004 to religious groups.

This includes donations to houses of worship, the ruling bodies of religious denominations (diocese, synod, Baptist association, and so on), ministries including media ministries, interdenominational centers and coalitions of religious organizations focusing on increasing religious tolerance or understanding, and religious orders.

It does not include donations to faith-based organizations such as Lutheran Family Services, Catholic Charities, St. Elizabeth's Hospital, or a Jewish federation or appeal.

61.6 percent of American households contributed to at least one secular cause.

On average, a household that gave to secular causes contributed \$941 total in 2004 to all secular causes.

Secular causes includes education, health, human services (helping to meet people's basic needs and programs serving youth or families), combined purpose funds, environment and animal conservation or welfare organizations, international aid or development organizations, and other types of charities.

In the 2005 wave, the PSID included questions about giving after the December 2004 tsunami in the Indian Ocean. Each survey respondent was asked about tsunami aid given up until the time of he or she was answering questions. Tsunami giving reported here might be in 2004 or in 2005.

**Quick facts about charitable giving from the
Center on Philanthropy Panel Study, 2005 wave
Revised January 2008***

Percentage giving by type of recipient

Average and median total amount contributed in year

(excludes one gift of \$100,000, which was an outlier)

Statistic	Percentage	Average	Median
Households giving to charity (total)	70.2	\$2,047	\$775
Households giving to religious organizations such as houses of worship or ministries (does not include faith-based charities providing other types of services, such as schools, hospitals, or social service agencies)	46.1	\$1,858	\$700
Households giving to secular organizations	61.6	\$ 941	\$335
By type of secular organization			
Arts, culture or humanities	8.3	\$272	\$100
Combined purposes (United Way, Jewish federations, and other charities that raise funds to redistribute to a variety of different types of recipient organizations)	27.4	\$502	\$200
Education	15.6	\$493	\$100
Environment or animal-related	9.0	\$181	\$61
Health	23.3	\$257	\$100
Help meet others' basic needs	29.0	\$482	\$200
Human services generally (combines giving to help meet needs with giving for youth or family)	34.6	\$475	\$200
International aid or peace (but not tsunami)	5.1	\$342	\$100
Neighborhood or community	6.1	\$233	\$88
Other types not specifically listed (This could include veterans orgs, public safety officers groups, civil rights organizations, legal clinics, centers serving seniors, and more)	8.2	\$467	\$100
Tsunami (only asked in 2005)	26.4	\$126	\$50
Youth or family	13.0	\$187	\$60

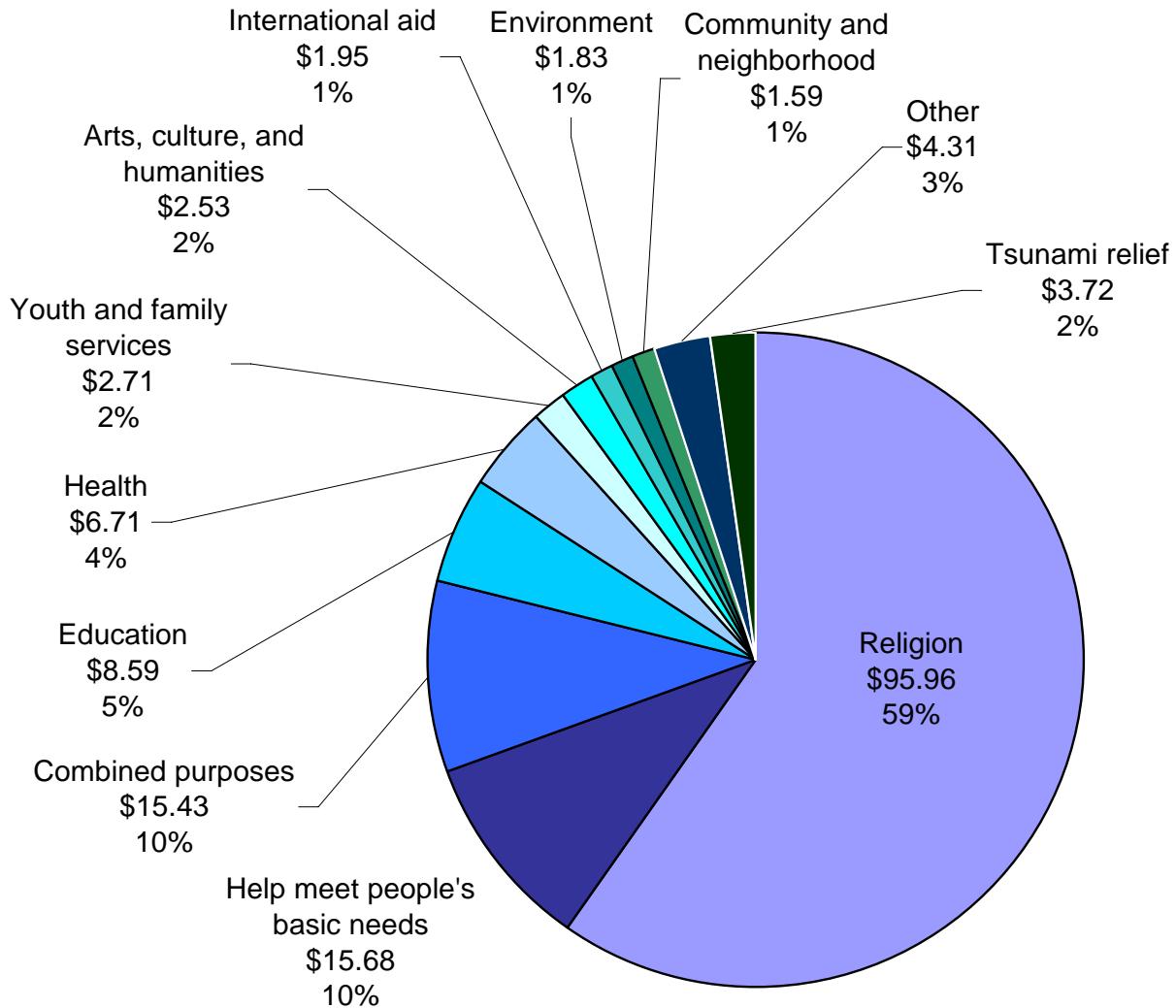
Figure 1

Estimated household giving, 2004, United States

Total estimated: \$161 billion

\$ in billions

Does not include very high-income households, as they are not included in the Center on Philanthropy Panel Study



Key findings about charitable giving, The Center on Philanthropy at Indiana University, January 2008
 Data: The Center on Philanthropy Panel Study module of the Panel Study of Income Dynamics, 2005 wave
 about giving in 2004

Text for Figure 1

- Before adding contributions from very high-income households, estimated giving by American households reached \$161 billion in 2004. *Giving USA*, which includes high-income household contributions deducted on tax returns, found \$200.79 billion in charitable giving by individuals and households.
- The majority of the dollars contributed based on COPPS data, 59 percent, went to religious organizations. This is consistent with the comparatively high percentage of households that give to religion (46.1 percent) and the high average amount contributed by households giving to this type of charity (\$1,858).
- 10 percent was given to help people meet basic needs, such as food, shelter, or warm clothing.
- 10 percent funded combined purposes. These are organizations that raise funds to distribute to other charities and include United Way, Jewish federation, donor-advised funds at community foundations or through investment companies, Combined Federal Campaign, and others.
- Gifts to education accounted for 5 percent of household dollar contributions.
- Health received 4 percent of household charitable dollars. This includes clinics and hospitals providing health care and entities working to research or provide support for people with diseases or disorders.
- People gave 2 percent of their contributed funds to organizations providing services for youth or families and another 2 percent to arts, culture, or humanities charities.
- International aid, environmental causes (including animals), and community or neighborhood organizations each received 1 percent of total household donations.
- Other types of charities received 3 percent of contributed household dollars.
- All of these percentages are based on a total that includes donations to aid people and regions affected by the tsunami in the Indian Ocean. That type of donation accounted for 2 percent of the estimated total (and some of the tsunami donations were in 2005, not 2004).
- The survey was nearly completed at the time of Hurricanes Katrina, Rita, and Wilma. No data were collected about household donations in the face of those disasters in the U.S. Other research suggests that household contributions in 2005 for these urgent needs reached at least \$4.25 billion (*Giving USA 2006*, page 58).

Number of types of charities supported

Donors only

	Average	Median	Largest
Number of types of charities supported	2.7	2	10
Number of secular charity types supported	2.6	2	9

The number of types of charities supported rises with income.

- Donor households with income of \$100,000 or more give, on average, to 3.5 types of charities, with a median of 3.
- Donor households with income of \$50,000 or less give, on average, to 2.3 types of charities, with a median of 2.
- Medium-income donor households give, on average, to 2.7 types of charities (median of 2).

Percentage of income contributed

Donors only

	Average	Median	Largest
Percentage of income contributed	2.6	1.3	83*

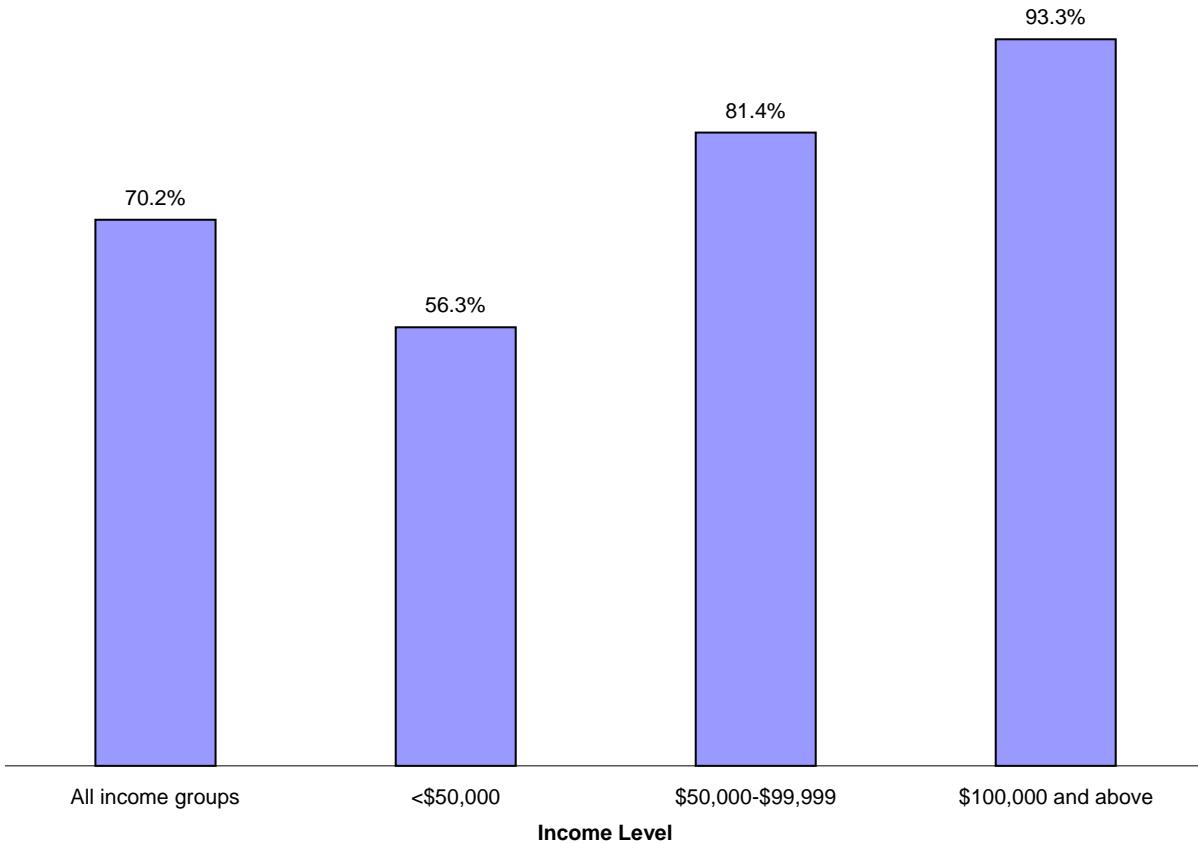
* 10 cases with contributions more than 100% of income were not included in this statistic. It is possible to give more than 100% of income by making donations from wealth (assets). With these cases included, the average is 4.0 and the highest percentage is 411%. The median remains 1.3.

Households with higher income give a lower percentage of their income than do households with income below \$50,000.

- Higher income donor households, those with income of \$100,000 or more, give an average of 2.2 percent of their income (median of 1.3 percent).
- Lower income households, with income below \$50,000, give, on average 4.2% of their income (median of 1.6%).
- Middle income households gave an average of 2.7 % of their income to charity (median of 1.2%).

NOTE that these figures (number of types of charities and percentage of income contributed) are for donor households only. Among higher income households, 93 percent reported donations of \$25 or more to charity in the prior year. In the lower income households, 56 percent reported donations to charity.

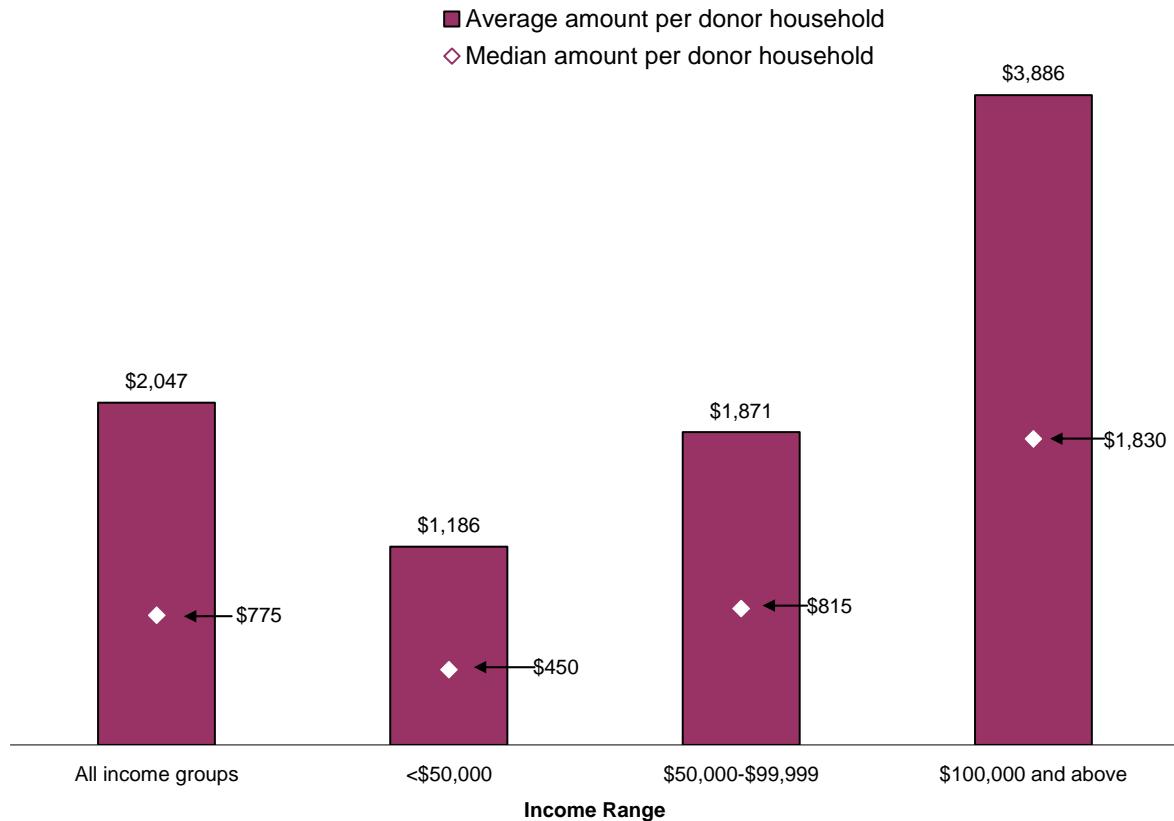
Figure 2
Giving Participation Rate by Income Range



- Among all households, 70.2 percent contributed to charity in 2004.
- Just under 6 in 10 households (56.3 percent) with incomes of less than \$50,000 contributed to charity. The median income in the country in 2004 was a bit more than \$50,000, so these donors are 56 percent of about half of the households (or 28 percent of all households).
- With income above the median but below \$100,000, about 8 in 10 (81.4 percent) gave to charity. Slightly less than 40 percent of all households have income between \$50,000 and \$100,000.
- Among households with income of \$100,000 or more, nearly all (93.3 percent) reported making charitable donations in 2004. About 10 percent of households have income of \$100,000 or more.
- COPPS does not reach a representative sample of very high income families. Other research, including the Bank of America Study of High Net Worth Philanthropy, finds that 98 percent of households with income of \$200,000 or net worth of \$1 million (or both) contribute to charity.

Key findings about charitable giving, The Center on Philanthropy at Indiana University, January 2008
Data: The Center on Philanthropy Panel Study module of the Panel Study of Income Dynamics, 2005 wave about giving in 2004

Figure 3
Giving by Income Range, Average and Median



- Average and median amounts donated rise as income rises.
- The median is the mid-point, if all the amounts that survey respondents provided were arranged from smallest to largest. The average is also called the mean.
- The medians, shown here with a white diamond and the dollar value to the side of the bar, are much closer to one another than the averages are. The difference between the median and average for each income group shows that there are a few donors in each income range who give far more than most of the donors.

Further results will be released at the Center's website in early 2008.