

Giving & Volunteering

Highlights from a 2005 survey
of Michigan residents



Introduction

In Spring 2005, Michigan residents were asked about their experiences with charitable giving and volunteering during 2004. The survey continues a decade long tradition of asking Michigan residents about their relationship with the state's nonprofit sector. The survey was conducted by the Institute for Public Policy and Social Research at Michigan State University during May and June 2005 as part of the quarterly State of the State Survey (SOSS) series. This report was made possible by the generous support of the ConnectMichigan Alliance, Council of Michigan Foundations, Michigan Nonprofit Association and the Community Foundation for Southeastern Michigan.

Working to meet needs in Michigan's communities, the nonprofit sector relies heavily on individual giving and volunteering. Nationally, individuals contributed \$187.92 billion to charities in 2004, comprising 75.6% of all donations to charitable organizations (Giving USA, 2005). This level of support makes it important to understand the sociological and economic trends of individual giving and volunteering.

Critical to the decision of whether or not an individual will support an organization is the person's level of trust in the nonprofits they choose to support. While the sector serves many people, and depends on many for support, not all see the sector in a positive light. A recent study indicated that a third of Americans have little or no confidence in charitable organizations (Brookings Institute, 2005).

To explore the important subject of trust and accountability, the survey also sought to ask Michigan residents about their trust in the sector.

If you would like more information about the nonprofit sector, or if you wish to view this document online, please visit the Michigan Nonprofit Association website at www.mnaonline.org.

Survey Results

Michigan Gives!

■ A survey of Michigan residents finds that almost nine out of ten people (88.4%) contributed to charities in 2004. This rate of giving is higher than past years and is close to the high level experienced after the terrorist attacks on September 11, 2001.

■ Women (87.7%) and men (89.3%) gave to charity at a similar rate. Between 2001 and 2003 there had been a growing gender gap, with women more likely to give than men, but findings for 2004 show no significant gap in charitable behavior.

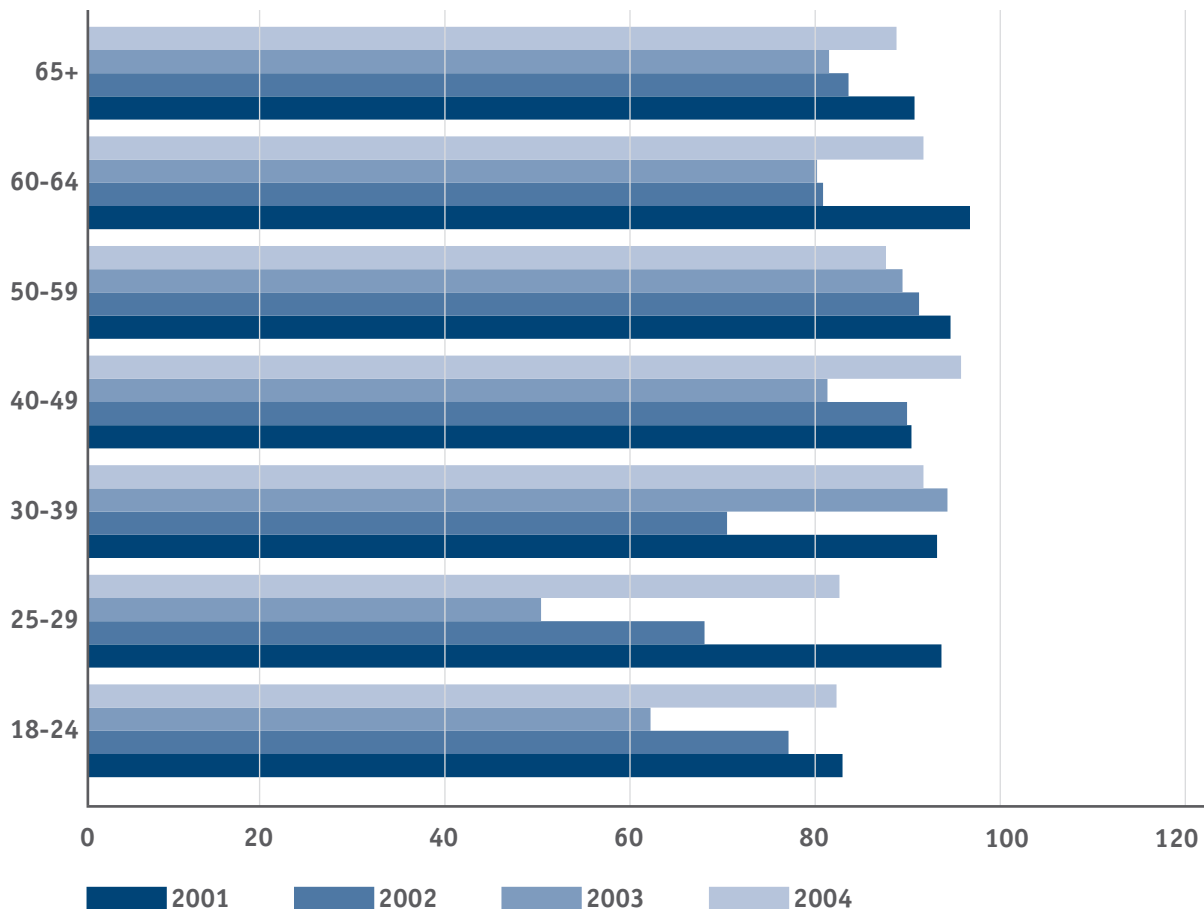
■ Giving varies by age, with the age groups

most likely to make a contribution being 40-49 years (93.9%), 60-64 years (92%), 30-39 years (89.9%) and 65+ (88.8%).

■ Recent trends in giving by age show younger residents, aged 18-29, returning to giving after significant declines in 2002 and 2003. With more than four out of five younger residents making contributions.

■ Giving patterns varied across the state, with more people making charitable contributions in the Northern Lower Peninsula (95.2%), the Upper Peninsula (94.7%), Southwest Michigan (93.7%) and Southeast Michigan (88.6%). Giving rates in other regions of the state include West Central Michigan (87.2%), East Central Michigan (86.6%) and Detroit (77.2%).

CHARITABLE CONTRIBUTIONS BY AGE, 2001-2004



- Respondents were asked how much they had contributed to charity. Of the 600 people who stated a financial contribution, the average amount was \$1,491, an increase of 2.6 % over the 2003 level of \$1,453.

- When asked about future plans for giving, over two-thirds of Michigan residents (67.3%) expected to give the same amount in 2005, with 18.1% planning to give more and 14.7% giving less.

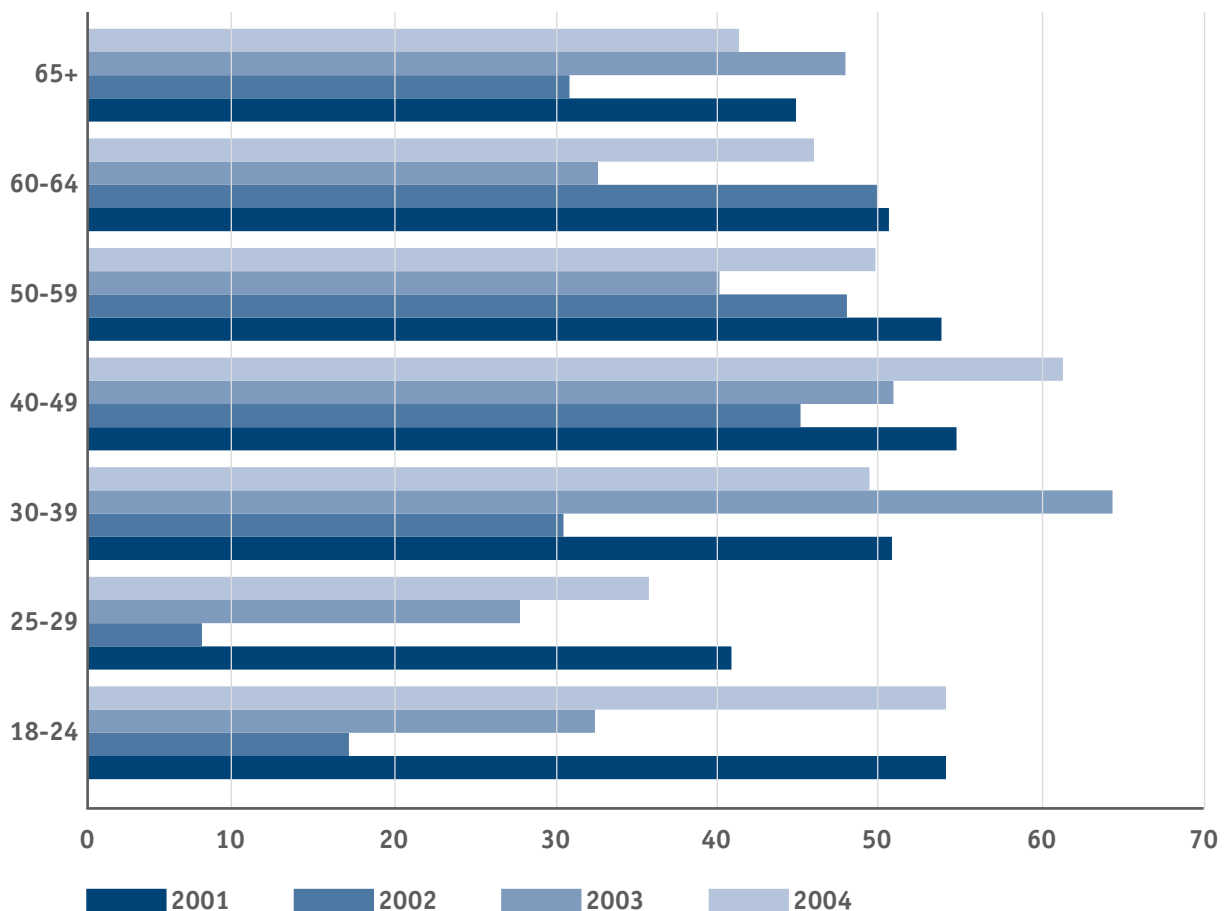
Michigan Volunteers!

- Volunteering continues to be an important element in the lives of Michigan residents, with rates in 2004 at 49.9% of the adult population.

- In terms of age, the drop in volunteering by young people seems to have reversed over the past few years. In 2002, volunteering by those aged 18 – 29 significantly declined from the prior year and these numbers increased only slightly in 2003. However, in 2004, those aged 18 – 29 returned to similar levels as in 2001. Still, volunteering was most common among those aged 40-49 years (61.5%) and 18-24 years (53.4%). The low rates witnessed recently by those aged 25-29 years have increased but are still the lowest of all age groups at 36.8%.

- When asked about the future, over a quarter (27.4%) planned to volunteer more in 2005, with 61.8% planning to maintain their level of volunteering.

VOLUNTEERING BY AGE, 2001-2004



- Volunteering varied across Michigan, with the above average rates occurring in the Upper Peninsula (61.4%), East Central Michigan (56.7%), West Central Michigan (54.3%), and Southwest Michigan (53.2%). Volunteering rates in other regions of Michigan include the Northern Lower Peninsula (47.0%), Southeast Michigan (44.1%) and Detroit (36.5%).

Trust in Michigan's Nonprofits

Public perceptions are an important element of community trust in the charities that provide services. The survey asked a series of questions to understand how Michigan residents feel about their charitable organizations. Overall, the sector in Michigan is strongly supported and trusted, with charitable organizations seen as an important factor in individual well-being.

- Almost four out of five Michigan residents surveyed felt that charitable organizations were honest and ethical.
- The need for charities today compared to the past is strongly felt, with almost 90% of respondents agreeing strongly or somewhat with this sentiment.
- Charitable organizations were widely seen as being effective, with approximately three-quarters of respondents agreeing strongly or somewhat that charities are more effective today.
- Charities are also seen as important to community quality of life, with 88% of Michigan respondents agreeing that charities improve their community.

Conclusion

Looking ahead

Although individuals increased their giving and volunteering in 2004, the question remains as to what impact the level of giving to the devastating aftermath of the tsunami and earthquakes in Asia and the hurricanes Katrina and Rita will have on individual giving and volunteering to Michigan charities. In recent months, the nation was fortunate that individuals were, and continue to be, so generous with their donations of time and resources to support rescue, relief and rebuilding efforts. However, it is currently unclear whether individuals will increase their levels of giving and volunteering in response to these disasters, or if they will shift giving away from Michigan's charities to serve needs elsewhere.

The nonprofit sector serves many in need globally, nationally, and locally. Factors that contribute to the challenges faced by the sector include: reduced giving; shifts in giving; and looming local, state and federal budget cuts. Each of these, or the combination of these factors, threaten to impact the quality and level of services provided to all Michigan residents. Nonprofits are partners with government. It is important to remember that the sector continues to rely on that partnership and does not have the capacity to meet these needs alone. Even if individual giving and volunteering, foundation and corporate donations significantly increased, it is impossible that they could fill in all the gaps of funding and services left void by government.

Foundations at a Glance

Michigan is home to a wealth of community and private foundations. Michigan's 65 certified community foundations serve citizens in every county and hold more than \$1.9 billion in combined endowment funds. In 2004, Michigan's community foundations invested over \$94 million in communities across the state. Michigan is also home to over 2,000 private foundations, including family foundations. This collection of private foundations retains over \$19 billion in assets and provides over \$1 billion in grants to support the work of nonprofits all around the world. New donor-advised funds at community foundations and private foundations continue to be created monthly. For information about organized philanthropy, download a free copy of *Information for Seeking Foundation and Corporate Grants* at the Council of Michigan Foundations website at www.cmif.org.

Nonprofits at a Glance

Michigan is home to over 41,000 nonprofits, of these, 21,109 are public charities or 501(c)(3) nonprofits. The sector as a whole directly employs more than 315,000 and generates an additional 135,000 jobs as a result of spending by the organizations and their employees. The largest number of public charities are concentrated in Metro Detroit (2,446), followed by the Western (1,726) region of the state. Michigan's nonprofits work diligently in the areas of health care, social services, education, arts and culture. For more information about the economic benefits of Michigan's nonprofit sector, or the size and scope of the nonprofit community, visit www.mnaonline.org

ConnectMichigan *Alliance*

The mission of the ConnectMichigan Alliance (CMA) is to promote and strengthen a life-long ethic of service and civic engagement through the support of community building initiatives. The organization is home to Volunteer Centers of Michigan and Michigan Campus Compact.

Phone: 517/492-2440

Website: www.connectmichiganalliance.org



An association of foundations and corporations which make grants for charitable purposes, the mission of the Council of Michigan Foundations (CMF) is to enhance, to improve, and to increase philanthropy in Michigan.

Phone: 616/842-7080

Website: www.cmif.org



Michigan Nonprofit Association

The Michigan Nonprofit Association (MNA) enhances the effectiveness of the Michigan nonprofit sector in serving society.

Phone: 517/492-2400

Website: www.mnaonline.org



Since 1984, the Community Foundation for Southeastern Michigan has brought people and resources together to strengthen the non-profit sector for the ultimate benefit of southeast Michigan's seven counties of Wayne, Oakland, Macomb, Monroe, Washtenaw, Livingston and St. Clair.

Phone: 313/961-6675

Website: www.cfsem.org

MNRP

Michigan Nonprofit Research Program

The Michigan Nonprofit Research Program supports research to improve the understanding of Michigan's nonprofit sector. MNRP is a program of the Michigan Nonprofit Association and is affiliated with the Aspen Institute Nonprofit Sector Research Fund and the Dorothy A. Johnson Center for Philanthropy and Nonprofit Leadership at Grand Valley State University. Funding for MNRP is provided by the W.K. Kellogg Foundation.

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