

# Corporate Giving Declines 3.2%; Donor-Advised Funds Up Sharply

*By Alex Daniels*

Individuals powered the 3 percent growth in giving last year, but foundations also contributed to the rise, according to "Giving USA," an annual study released this week.

Donations by living Americans grew 2.7 percent while contributions from bequests rose 7.2 percent; foundations increased their giving by 4.2 percent and corporate giving dropped 3.2 percent.

Among the fastest-growing beneficiaries were donor-advised funds, which are a big part of a category "Giving USA" calls public-society benefit (and which also includes advocacy groups, Jewish federations, and United Ways). Donations to public-society benefit groups increased by 7 percent.

Meanwhile, wealthy donors put less into their own foundations, a drop of 16.7 percent. Patrick Rooney, associate dean for academic affairs and research at the Indiana University Lilly Family School of Philanthropy, said that decline is not a sign of lack of interest by the affluent in creating or supplement their foundations. Instead, he noted that foundation giving grew by nearly 30 percent in 2012, so the slide was just part of typical year-to-year volatility in how the very wealthy give.

Large donations—those of \$80-million or more—accounted for 1.3 percent of total giving. Of that, \$3-billion came from living Americans and \$1.3-billion from bequests.

## Large Gifts Stall

The rise in large gifts is slowing a bit this year, according to a Chronicle tally. In the first five months of last year, donors gave a total of \$3.8-billion in gifts exceeding \$1-million each, compared with this year's total of \$3.5-billion. However, both figures are well ahead of the same period in 2012, when those gifts totaled \$2.4-billion.

The study also found:

- Giving to groups that work in education, health, human services, and the environment all matched or surpassed their all-time high-giving levels, a sign that the recession's effects are easing.
- Giving as a percentage of the nation's gross domestic product remained unchanged at 2 percent. The last time it was higher was in 2007, when gifts to charities inched up slightly to 2.1 percent.
- Donations from individuals as a percentage of disposable income was the same as last year at 1.9 percent, or \$241-billion.
- For the four years following the recession, 2009 to 2013, charitable giving rose 12.3 percent, in inflation-adjusted dollars. In the four years following the recession that ended in 1991, giving rose at a more modest pace of 7.3 percent.