Quarterly Fundraising Report™

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Long term trends of increased fundraising but decreased donor counts persist
- A small increase of ~2% in total dollars is expected, driven by large donors
- Poor acquisition of donors, particularly small donors, drove the large decrease in donor numbers
- Large year-over-year decreases are partially explained by the particularly strong Q1 in the previous year from pandemic-motivated giving

DONORS	DOLLARS	RETENTION
-5.6%	2.3%	-6.2%
(+/- 1.5%)	(+/- 1.5%)	(+/- 0.5%)
YOY change	YOY change	YOY change

- Visit https://data.givingtuesday.org/fep-report/ for the most detailed version of this report, which includes additional data splits and organization-focused insights.
- We measure year-over-year change of year-to-date data. I.e. we take data through the current quarter for this year, and divide by data through the same quarter last year.
- *Note: A significant amount of data arrives late, so we estimate the difference for top-line metrics by reviewing historical patterns of delayed data ('data drift'). Ranges for each metric express uncertainty in the estimates.

Our Dataset

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Limitations

- Data is limited to organizations with >= 3 years of data, with limited growth/loss constraints.
- Data is weighted across size and NTEE code for organizations raising between $5K-$25M.
- Some data is recorded late (e.g., ~7% of Q1 is recorded Q2-Q4).

DONORS	DOLLARS	ORGANIZATIONS
3.7M	$1.9B	8,759
in 2022	in 2022	in 2022

Revenue and retention metrics report on year-to-date (YTD) performance compared against the prior year total, based on a panel* of organizations selected from the Growth in Giving Database of 241 million transactions from more than 20,000 organizations since 2005.

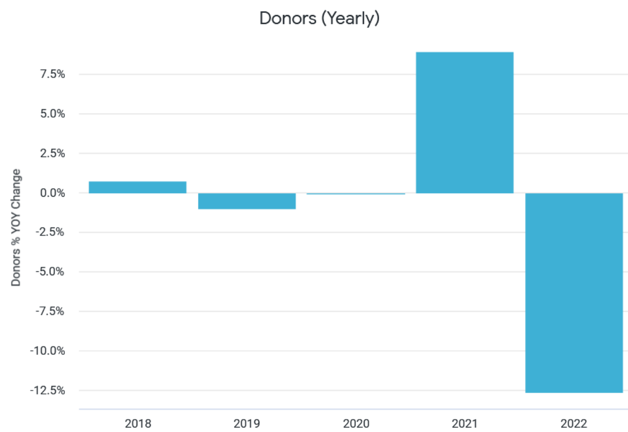
Donors: Time Series

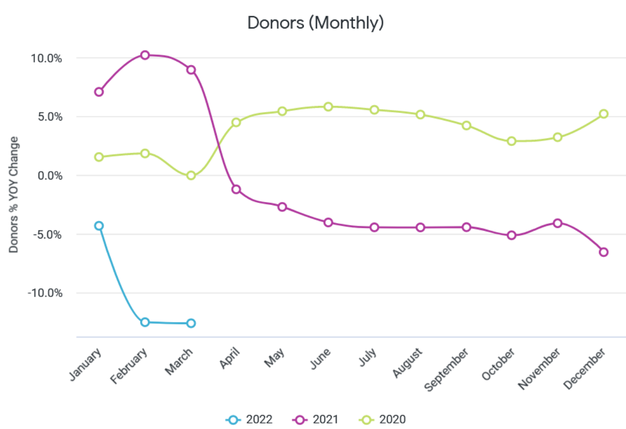
Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Donors are down -5.6% after accounting for estimated late data
- An estimated 7% of Q1 donors are not reported until the end of the calendar year





- Year-over-year numbers look especially pessimistic in light of strong donor participation in the first quarter of 2021
- After late reporting of data, we anticipate a net 3% increase when comparing to 2020

NOTE: The panel for each year differs based on our panel rules (stable organizations over the past 3 years w/ $5K - $25M received in the prior year, via the Growth in Giving database). This ensures consistent historical data & avoids biasing past results by filtering on future data.

UPPER: Percent year-over-year change (on YTD totals) through this quarter, over the last 5 years. Shows what's typical across years.

LOWER: Percent year-over-year change (on YTD totals) by month, this vs last year. Shows the evolution of changes over months, and how they compare this year to last.

Donors by Donor Size

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Most of the loss in donor count comes from smaller sized donors.
- 'Micro' and 'Small' size donors are the largest pool of donors and also show the largest drop.
- Only 1.7% of donors contribute more than $5000
- The only group of donors which have kept pace with 2021 are the 'Major' size donors

MICRO (Under $100)	SMALL ($101 - $500)	MIDSIZE ($500 - $5K)	MAJOR ($5K - $50K)	SUPERSIZE ($50K+)
-15.0% YOY Change	-9.9% YOY Change	-4.6% YOY Change	0.2% YOY Change	-5.0% YOY Change
62.8% % of total donors	26.2% % of total donors	9.3% % of total donors	1.5% % of total donors	0.2% % of total donors

All year-over-year (YOY) changes are computed on year-to-date (YTD) totals. Donor size segments were chosen to span both dollars and donors, with each segment representing 1-50% of the total. Estimates for late data only apply to top-line donors, dollars, and retention. Thus, these more granular breakdowns underestimate year-over-year growth.

Donors by Life Cycle

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Poor donor acquisition is the number one cause of decreased donor numbers compared to last year, which exhibited abnormally strong donor acquisition
- New donors are both a large fraction of donors and showed a significant -20.8% decrease
- Newly retained donors also drive the loss in total donors, but this is again relative to a strong Q1 in 2021. Those donors would be classified as recaptured or repeat-retained donors by now

NEW DONORS	NEW RETAINED DONORS	REPEAT RETAINED DONORS	RECAPTURED DONORS
-20.8% YTD Change	-30.4% YTD Change	-4.8% YTD Change	-1.6% YTD Change
27.5% % of total donors	10.3% % of total donors	49.6% % of total donors	12.6% % of total donors

NEW DONORS - never gave to this organization before (in this dataset).
NEW RETAINED DONORS - gave last year to the organization, but never before.
REPEAT RETAINED DONORS - gave last year to the organization, but not for the first time.
RECAPTURED DONORS - did not give last year to the organization, but had given in the past.

Donor by Donation Count

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- One-time donors are the majority of donors and they also show the largest drop in participation year-over-year
- One-time donors keep contributing the most to the topline change in donors.
- The most frequent donors (7+) were also down a significant -9.1% year-over-year, but they are a tiny percentage of all donors

1 DONATION	2 DONATIONS	3-6 DONATIONS	7+ DONATIONS
-15.2% YOY Change	-13.0% YOY Change	-3.0% YOY Change	-9.1% YOY Change
68.2% % of total donors	10.2% % of total donors	21.0% % of total donors	0.6% % of total donors

Donation count is computed on a donor's total year-to-date donations given. Donation count segments were chosen based on distribution of total donors and dollars across segments.

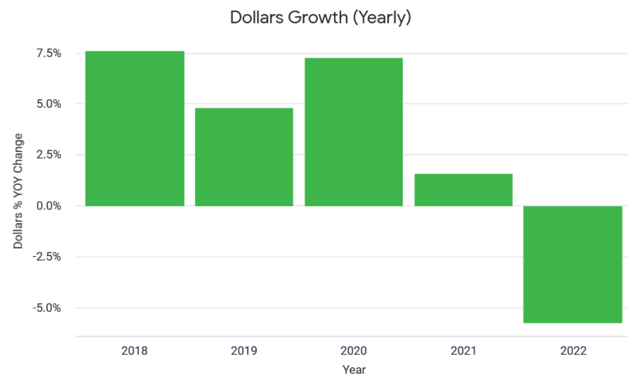
Dollars: Time Series

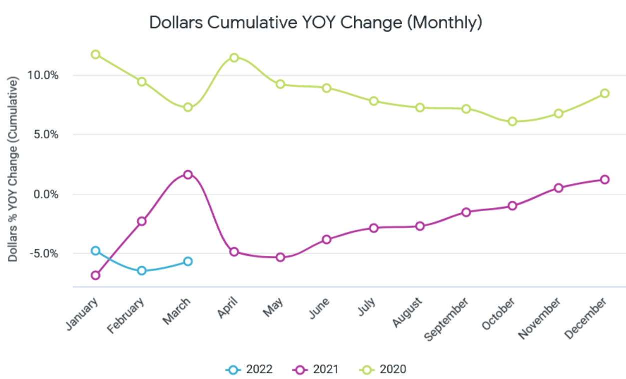
Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Dollars are expected to be up 2.3% after late data arrives
- An estimated 8% of Q1 dollars arrive by the end of the calendar year





- An anticipated increase in dollars raised is particularly impressive given the two previous first quarters in 2021 and 2020 also showed large gains

NOTE: The panel for each year differs, based on our panel rules (stable organizations over the past 3 years w/ $5K - $25M received in the prior year, via the Growth in Giving database). This ensures consistent historical data & avoids biasing past results by filtering on future data.

UPPER: percent year-over-year change (on YTD totals) through this quarter, over the last 5 years. This graph highlights what's typical across years.

LOWER: percent year-over-year change (on YTD totals) by month, this vs. last year. This graph highlights the evolution of changes over month, and how they compare this year to last.

Dollars by Donor Size

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- The largest contributor to the decrease in dollars is 'Supersize' donors as they are the largest group in general ($50,000 +)
- Large donors are expected to make up losses in late reporting, and push topline fundraising dollars to around positive 2% by the end of the year
- The largest relative drop is small donors, however, keeping up the unfortunate trend of decreasing small-dollar donors

MICRO (Under $100)	SMALL ($101 - $500)	MIDSIZE ($500 - $5K)	MAJOR ($5K - $50K)	SUPERSIZE ($50K+)
-13.7% YOY Change	-9.5% YOY Change	-0.9% YOY Change	-2.1% YOY Change	-8.0% YOY Change
4.2% % of total dollars	7.1% % of total dollars	16.6% % of total dollars	25.9% % of total dollars	46.2% % of total dollars

Donor size is computed on a donor's total year-to-date dollars given. Donor size segments were chosen to span both dollars and donors, with each segment representing 1-50% of the total. Estimates for late data only apply to top-line donors, dollars, and retention. Thus, these more granular breakdowns underestimate year-over-year growth.

Dollars by Life Cycle

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- The largest drop in dollars is from new retained donors. This is not particularly surprising given how strong this metric was last year
- Dollars from new donors is down only -2.5%, compared to a -20.8% decrease in the number of new donors. New donors are donating at higher dollar amounts
- Late data is also expected to decrease the magnitude of the loss in dollars from newly retained donors
- All other donor types are expected to show an increase in dollars raised after complete reporting of data

NEW DONORS	NEW RETAINED DONORS	REPEAT RETAINED DONORS	RECAPTURED DONORS
-2.5% YOY Change	-32.2% YOY Change	-0.6% YOY Change	-2.8% YOY Change
18.0% % of total dollars	8.1% % of total dollars	14.7% % of total dollars	59.3% % of total dollars

NEW DONORS - never gave to this organization before (in this dataset).
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RECAPTURED DONORS - did not give last year to the organization, but had given in the past.

Dollars by Donation Count

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Largest relative change in dollars is from the most frequent donors (3+)
- However, money from frequent donors make up a small fraction of total fundraising, so topline metrics are largely driven by one-time donors

1 DONATION	2 DONATIONS	3-6 DONATIONS	7+ DONATIONS
-4.0% YOY Change	-2.8% YOY Change	-17.3% YOY Change	-9.0% YOY Change
70.2% % of total dollars	14.7% % of total dollars	11.2% % of total dollars	3.9% % of total dollars

Donation count is computed on a donor's total year-to-date donations given. Donation count segments were chosen based on distribution of total donors and dollars across segments. Estimates for late data only apply to top-line donors, dollars, and retention. Thus, these more granular breakdowns underestimate year-over-year growth.

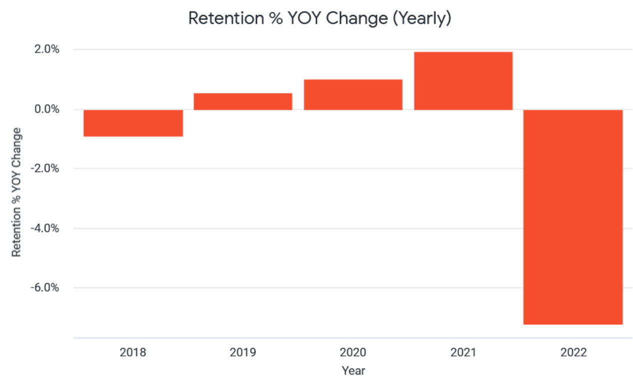
Retention Rate: Time Series

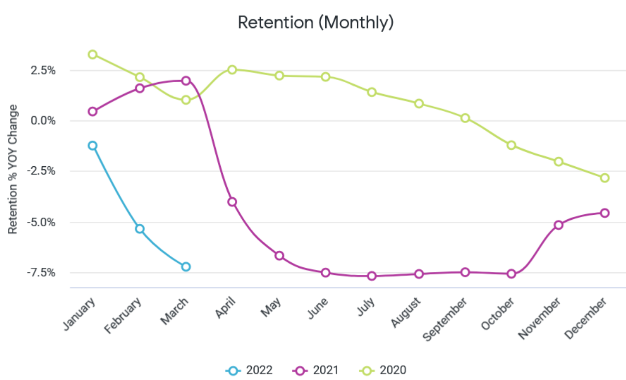
Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Retention is expected to be down -6.2% year-over-year
- Retention stands at 10.4% overall in Q1





- Large decrease in retention is *not likely* to not be explained with the arrival of late data
- Large decrease in retention is likely a continuation of trends from the end of 2021

NOTE: The panel for each year differs, based on our panel rules (stable organizations over the past 3 years w/ $5K - $25M received in the prior year, via the Growth in Giving database). This ensures consistent historical data & avoids biasing past results by filtering on future data.

UPPER: percent year-over-year change (on YTD totals) through this quarter, over the last 5 years. Shows what’s typical across years.

LOWER: percent year-over-year change (on YTD totals) by month, this vs last year. Shows the evolution of changes over months, and how they compare this year to last.

Retention Rate: Donor Type

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Like previous quarters, recapture and repeat donor retention rates have kept decreasing
- Unlike previous quarters, new donor retention rate is also decreasing.
- New donors were very well retained last year, and current trends show a reversal in new donor retention

NEW DONOR RETENTION RATE

-21.0%

YOY Change

6.8%

retained YTD

REPEAT DONOR RETENTION RATE

-7.9%

YOY Change

23.2%

retained YTD

RECAPTURE RATE

-13.2%

YOY Change

1.1%

retained YTD

NEW DONORS - never gave to this organization before (in this dataset).
REPEAT DONORS - donors who gave last year to the organization, and were not new last year.
RECAPTURED DONORS - donors who did not give last year to the organization, but had given in the past

Retention Rate by Donor Size

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Drop in retention is driven by 'Micro' donors, which are the largest category of donors and also exhibited the largest decrease in retention rates
- Retention across other donor sizes ($101+) is consistent, with larger donors comprising a smaller share of donors
- Late data will likely donor retention in the larger size segments

MICRO (Under $100)	SMALL ($101 - $500)	MIDSIZE ($500 - $5K)	MAJOR ($5K - $50K)	SUPERSIZE ($50K+)
-11.1% YOY Change	-5.1% YOY Change	-5.6% YOY Change	-5.5% YOY Change	-7.6% YOY Change
9.8% retained YTD	22.1% retained YTD	30.3% retained YTD	27.3% retained YTD	31.0% retained YTD

All year-over-year (YOY) changes are computed on year-to-date (YTD) totals. Donor size segments were chosen to span both dollars and donors, with each segment representing 1-50% of the total.

Retention Rate by Donation Count

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Decrease in retention is mostly driven by donors of single donations, which are both a large fraction of donors and showed a large decrease in retention rates
- Donor who have given twice also exhibit lower retention rates YOY, but account for a smaller percentage of donors
- Donors who donate 3-6 times also drive down retention rates, but not as much as donors who gave once, as they were better retained and are a smaller cohort
- The best retention rates, which showed the smallest yoy decrease, were the high frquency (7+) donors

1 DONATION	2 DONATIONS	3-6 DONATIONS	7+ DONATIONS
-10.1% YOY Change	-10.2% YOY Change	-7.1% YOY Change	-1.4% YOY Change
6.9% retained YTD	16.1% retained YTD	38.5% retained YTD	84.4% retained YTD

NEW DONORS - never gave to this organization before (in this dataset).
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REPEAT RETAINED DONORS - gave last year to the organization, but not for the first time.
RECAPTURED DONORS - did not give last year to the organization, but had given in the past.

Organizations

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Keeping up the normalizing trend, cause matters less than before, as fundraising moves away from its previous pandemic focus
- 7.1% of expected organization are not reporting as of Q1
- Organization size is a slightly larger factor in Q1 of 2022 than in Q1 of 2021

Organization Size Impact

9.5%

YOY Change

Size matters more than in 2021

Organization Cause Impact

-12.1%

YOY Change

Cause matters less than in 2021

Organizations Not Reporting

7.1%

Not Reported

More orgs did not report in 2022

Our 'impact' metrics measure the importance of size and cause on organization results. These are meant to be more directional than quantitative, but numbers help track these trends year-over-year.

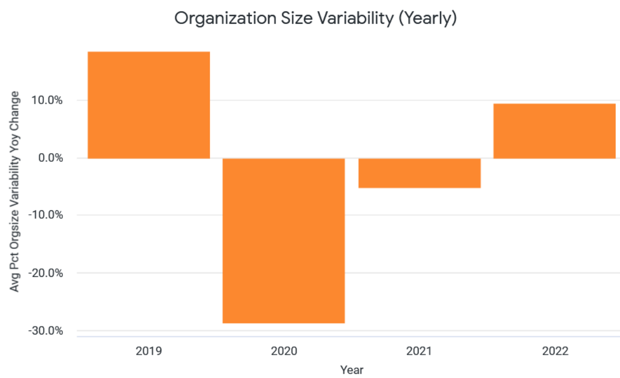
Organization Size Impact: Time Series

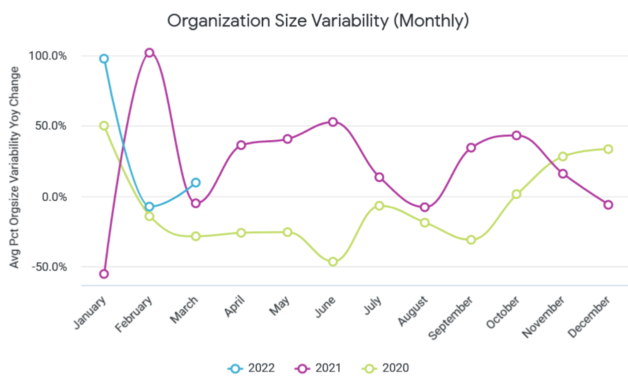
Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Organization size variability is up 9.5% since last year
- Organization size matters more in Q1 of 2022 than it did in Q1 of 2020 when it comes to fundraising performance





- Organization size variability has historically been volatile towards the beginning of the year
- Organization size will likely not affect fundraising performance significantly more than last year

UPPER: percent year-over-year change (on YTD totals) through this quarter, over the last 5 years. Shows what's typical across years.

LOWER: percent year-over-year change (on YTD totals) by month, this vs last year. Shows the evolution of changes over months, and how they compare this year to last.

Organization Size Impact: Splits

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Small organizations on average (mean) raised more money than last year
- Large organizations raising more than $1 million experienced a decrease in funding
- A decrease in large organizations funding and an increase in small organization funding continues a reversal of COVID-19 trends across organization size
- The typical amount fundraised by organizations (median) is down across the board

	ORGANIZATION SIZE	% of 2022 Dollars	% GROWTH (MEAN)	% GROWTH (MEDIAN)
1	1. <=$100k	1.4%	4.1%	-13.4%
2	2. $100k-$250k	4.8%	7.1%	-6.7%
3	3. $250k-$1M	15.9%	6.8%	-1.1%
4	4. $1M-$5M	35.6%	-0.8%	-3.5%
5	5. $5M-$25	42.2%	-14.6%	-7.3%

% DOLLAR GROWTH (MEAN) - Year-over-year dollar growth for all organizations of this organization size. More informative of the sector as a whole.

% DOLLAR GROWTH (MEDIAN) - The median year-over-year dollar growth across each organization of this organization size. More indicative of a typical organization's fundraising experience.

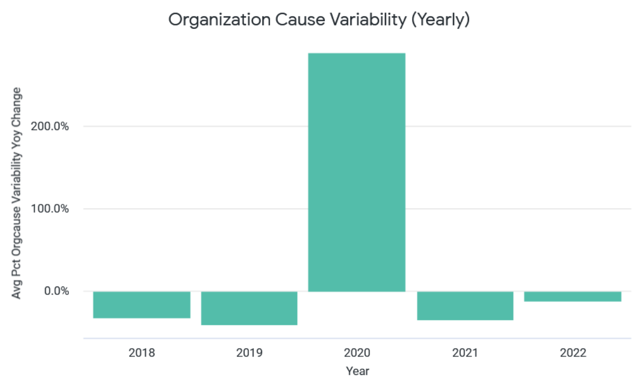
Organization Cause: Time Series

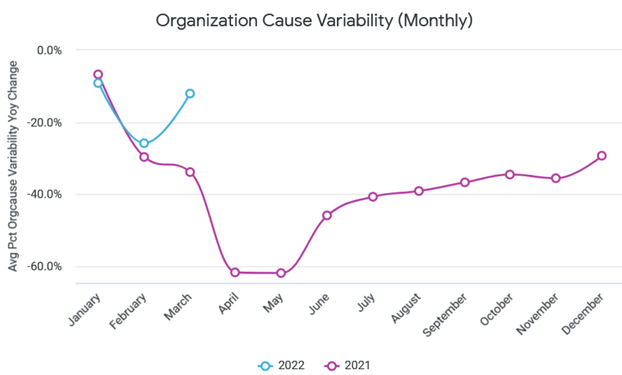
Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Organization cause determines fundraising less than in previous years
- Given how strongly covid-19 biased funding along cause area lines in 2020, decreased importance of cause area in fundraising is not surprising





- 2020 saw org cause variability spike by 300%, so there is still a lot more room for normalization

UPPER: percent year-over-year change (on YTD totals) through this quarter, over the last 5 years. Shows what's typical across years.

LOWER: percent year-over-year change (on YTD totals) by month, this vs last year. Shows the evolution of changes over months, and how they compare this year to last.

Organization Cause: Split

Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Changes in fundraising across organization cause show continued normalization away from covid-19 focused activity
- Organizations are typically fundraising less (median) across organization cause, except for 'Environment and Animals' and 'Health'
- Differences in the average (mean) vs typical (median) are often explained by large organizations which skew the mean upwards but do not change the typical experience of organizations in that cause area

	ORGANIZATION CAUSE	% 2022 DOLLARS	% DOLLAR GROWTH (MEAN)	% DOLLAR GROWTH (MEDIAN)
1	I. Arts, Culture, and Humanities	3.9%	12.4%	-3.3%
2	VIII. Religion Related	9.7%	8.4%	-4.2%
3	III. Environment and Animals	5.4%	2.6%	11.5%
4	X. Unknown, Unclassified	15.4%	-0.6%	-5.1%
5	VI. International, Foreign Affairs	2.6%	-1.0%	-10.1%
6	II. Education	13.9%	-2.6%	-5.3%
7	VII. Public, Societal Benefit	6.3%	-7.3%	-2.9%
8	IV. Health	12.6%	-12.9%	-0.7%
9	V. Human Services	30.2%	-13.1%	-6.4%

% DOLLAR GROWTH (MEAN) - Year-over-year dollar growth for all organizations of this NTEE major group. More informative about the sector as a whole.

% DOLLAR GROWTH (MEDIAN) - The median year-over-year dollar growth across each organization of this NTEE major group. More indicative of a typical organization's fundraising experience.

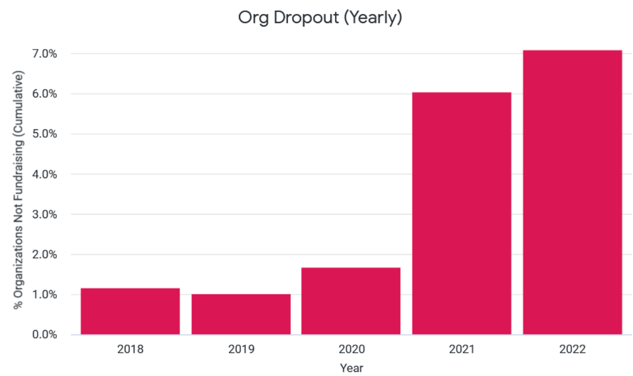
Organizations Not Reporting: Time Series

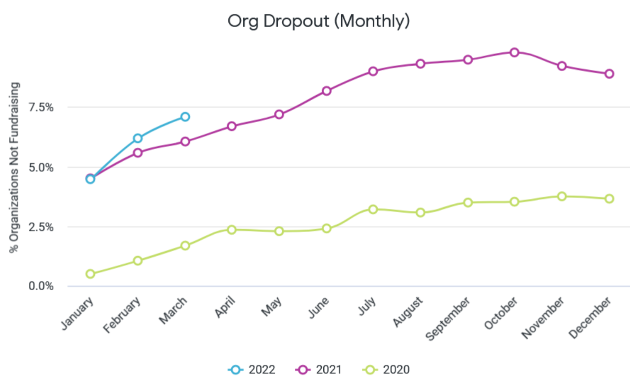
Year-to-Date Nonprofit Sector Trends

Q1 2022 (JAN 1, 2022 - MAR 30, 2022)

Key Insights

- Dropout is higher than last year, with 7.4% of expected organizations not reporting
- Organizations stopped reporting in larger number in 2021





- Organization dropout decreases as late data comes in as well
- Dropout rates might fall below 2021 as late data arrives

NOTE: We only look at organizations within the panel of a given year based on our panel rules: stable organizations over the past 3 years w/ $5K - $25M received in the prior year. This ensures consistent historical data & shields the results from outliers.

UPPER: percent year-over-year change (on month totals) through this quarter, over the last 5 years. Shows what’s typical across years.

LOWER: percent of organization drop-out in each month. Organizations may drop out one month, and then return in a subsequent month.

FUNDRAISING EFFECTIVENESS PROJECT

The Fundraising Effectiveness Project (first established in 2006) and the Growth in Giving database (created in 2012) are both administered jointly by the Association of Fundraising Professionals and GivingTuesday. The Growth in Giving database is the world's largest public record of donation activity, with more than 241 million donation transactions, and is continuously updated by top fundraising software partners (in alphabetical order) Bloomerang, DonorPerfect, Keela, and NeonCRM. Additional partners include the 7th Day Adventists, The Biedermann Group, DataLake Nonprofit Research, and DonorTrends (a division of EveryAction). For more information and how you or your fundraising software provider can participate, please visit www.afpfep.org

METHODOLOGY

We removed organizations that did not have a minimum of 25 donors and $5,000 in revenue in each of the previous three years. We removed organizations at either tail of the revenue growth curve. If revenue growth was more than 300% or less than -66% in any of the past three years, organizations were removed. We weighted our data by organization size and NTEE major group to make it reflective of 2018 IRS filers in the $5K - $25M range of contributions. In 2018, there were 222K IRS filers in this contributions range and passing our growth and size filters, making this report representative of 3.9% of the total relevant filers. Details regarding estimation methodology for data drift (late reported data) can be found here.

DATA PROVIDERS

The FEP wouldn't be possible without data. These software providers make the collection of data for this analysis possible.

DATA REPORTING

The Quarterly Report wouldn't be possible without the data processing and analytics provided by these firms.