



REPORT OF FINDINGS OF A SURVEY OF MINNESOTANS' CHARITABLE GIVING HABITS AND PERCEPTIONS OF CHARITABLE ORGANIZATIONS

Prepared by the Charities Review Council

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BACKGROUND

Charitable organizations exist to serve the public good. They depend on the financial support of donors to pursue their public missions. The single greatest threat to charities from effectively serving their communities is the loss of public confidence. High-profile charity scandals in the past 10 years have threatened public trust in charities.

To help understand Minnesotans' level of trust in charities and how it affects their decisions to support charities with time and money, the Charities Review Council surveyed 606 Minnesotans to determine their giving habits and their perceptions of the trustworthiness and practices of the charitable sector. The statewide survey, conducted with the assistance of the Survey Research Center at St. Cloud State University, provides new information that can be helpful to the nonprofit sector in its efforts to strengthen public trust. The survey also looked at the perceptions of Minnesotans compared to the "Confidence in Charitable Organizations" national survey conducted by Paul Light of New York University.

METHODOLOGY

The Charities Review Council is pleased to present the results of a statewide telephone survey fielded June 18 – 27, 2007, of 606 randomly selected adult Minnesotans. Conducted by the Survey Research Center at St. Cloud State University, the survey has a margin of error of plus-or-minus 3.9

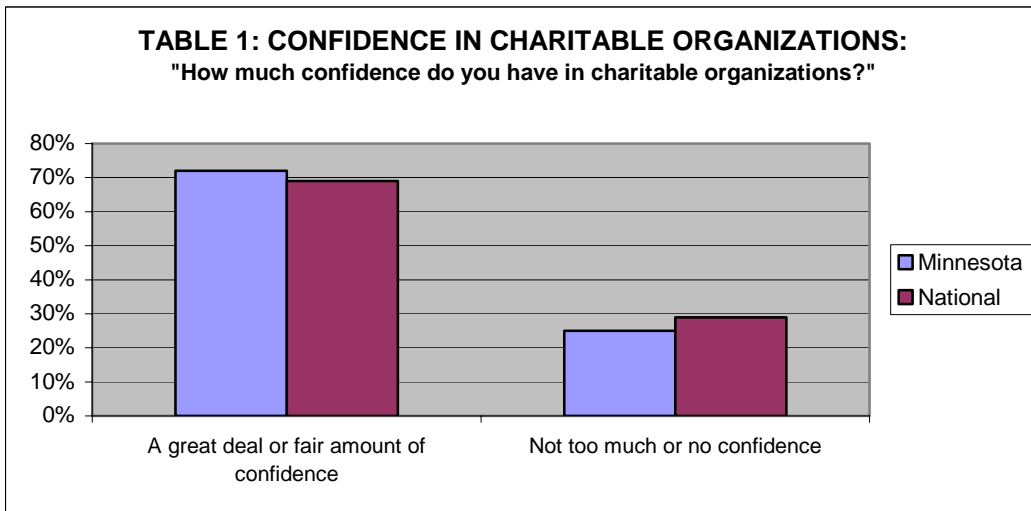
percent at the 95 percent of confidence level. This means that if this survey were to be replicated 100 times, in at least 95 instances, the results would be within 3.9 percent of those reported here.

Respondents who answered “refused to answer” are not included in the data collection, which is standard practice.

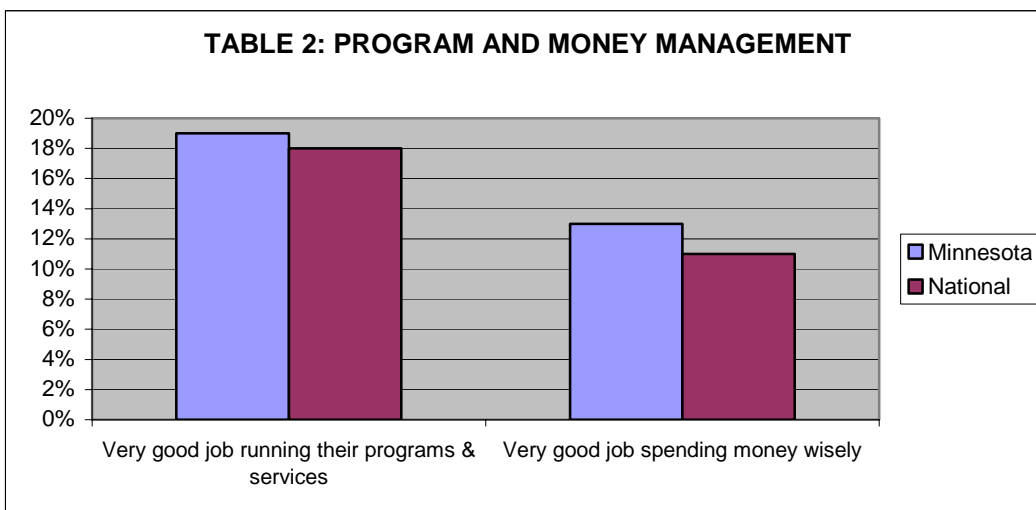
FINDINGS

PERCEPTIONS AND TRUST

Overall, 72 percent of Minnesotans said that they have a great deal or a fair amount of confidence in charitable organizations compared to 69 percent nationally (Table 1).



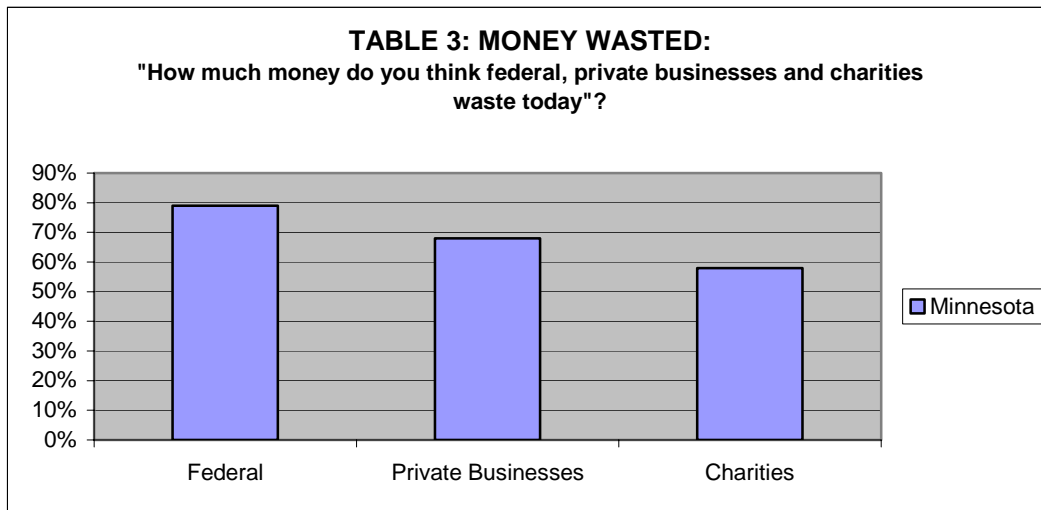
Most Minnesotans believe that charitable organizations do a good job running their programs and services and spending money wisely (Table 2):



- 80 percent of Minnesotans said charitable organizations do a very good or somewhat good job running their programs and services (19 percent very good compared with 18 percent nationally)
- 72 percent said charitable organizations do a very good or somewhat good job spending money wisely (13 percent very good compared with 11 percent nationally)

Minnesotans feel that charities waste less money than do private businesses and the federal government (Table 3):

- 79 percent of Minnesotans said that the federal government wastes a great deal or fair amount of money.
- 68 percent of Minnesotans said that private businesses waste a great deal or fair amount of money.
- 58 percent of Minnesotans said that charities waste a great deal or fair amount of money.



A very high (83) percentage of Minnesotans believe that Minnesota charities are ethical.

- 22 percent strongly agree they are ethical.
- Only 7 percent disagree and 1 percent strongly disagrees.

Most Minnesotans support oversight of nonprofits.

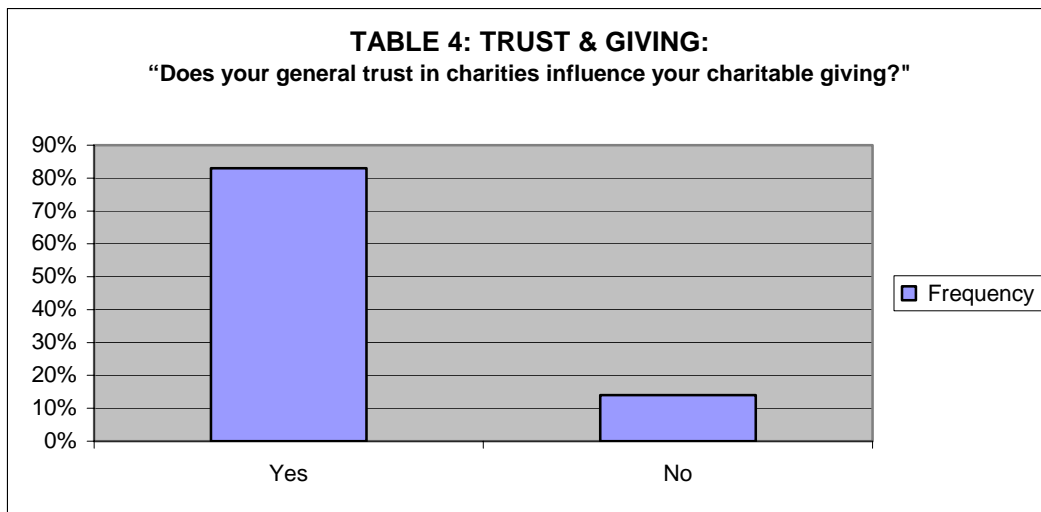
- Three times as many people believe that charity watchdog groups should play a larger role than believe government should regulate more than it currently does.
- 8 percent believe there is little need for reform.

A plurality (42 percent) of Minnesotans said that employees of charities should receive wages comparable to for-profit employees.

- 34 percent said charity employees should be paid less than their for-profit counterparts but enough to make a living.
- 14 percent said charity employees should be drawn to their work out of commitment and paid no more than a stipend.

GIVING DECISIONS

The primary obstacle to giving or increased giving is financial capacity, followed by distrust that donations will be well spent. Data indicate a correlation between trust and giving—most Minnesotans (83 percent) said that their general trust in charities influences their charitable giving (Table 4).



Data show that 94 percent of Minnesota households donate something of value, whether it is money, time, property or stocks, to charities.

- In the past year, nearly four of five Minnesota households (78 percent) contributed money to a charity other than their religious congregation or their college.
- Of those Minnesotans who give:
 - More than half (53 percent) give more than 1 percent of their annual incomes to charities;
 - Five percent report giving more than 10 percent of their annual gross income to charities;
 - More than half (61 percent) support primarily Minnesota charities. Minnesotans give to Minnesota charities more than national charities by a factor of 3:1;

- Half (51 percent) say that organization mission is an important factor in their charitable giving decision-making. Other leading factors listed include charity impact on communities, financial health of the organization, the percentage of funds spent on programs and services, and whether the charity has met standards of accountability.
- Nearly half of Minnesotans volunteer their time.

Most Minnesotans' giving is unaffected by the fact that charities receive some of their funds from government agencies.

- 59 percent would give the same amount to a charity if the charity received some of its funds from government agencies in the forms of grants or fees for services; 23 percent of Minnesotans said that they would give less; 10 percent would give more.

CONCLUSION

Generosity appears to be a core value of Minnesotans: nearly all Minnesota households donate something of value, whether it is money, time, property or stocks, to charities. Overall, the trust level of Minnesotans in charities conforms generally to trust levels expressed in national surveys, with Minnesotans having slightly greater trust—especially in Minnesota charities. There is a strong belief that Minnesota charities are ethical, yet there is room for improvement in Minnesotans' perceptions of the performance of charitable organizations.