

## Charities, Churches Brace for Downturn in Giving

U.S. nonprofits will face a slowdown in giving during the all-important fourth quarter, according to newly released data from *The Atlas of Giving*<sup>TM</sup>.

Overall contributions to charities and churches through the first three quarters of 2010 are up 7.7% from the same period last year. However, **consumer mindsets coupled with persistently high unemployment and a slowdown in economic recovery will leave many nonprofits with little to celebrate this holiday season.**

*The Atlas of Giving* forecasts fourth quarter aggregate U.S. charitable giving at \$104.18 billion, a decline of 1% over the same period in 2009.

“The timing of the decline is significant,” said Rob Mitchell, CEO of Philanthromax, which publishes *The Atlas of Giving*. “For many charities, fourth quarter income is the difference between a good year and a bad year.”

Unemployment and slower economic growth aren't the only factors driving the expected decline. The anticipation of dramatic increases in individual federal tax rates, which become effective January 1, 2011, means that deduction-minded donors may see benefits to delaying gifts in order to reduce higher taxes in the future.

“Historically, year end giving has been associated with prudent tax planning,” said Mitchell, who is also the former president of the American Cancer Society Foundation. “Would-be donors who are looking ahead to greater tax liability in 2011 will entertain the possibility of waiting to create charitable deductions when they are more valuable.”

The decline in giving will be greatest in November and December, when gift totals are expected to drop 3.1% versus the same two months in 2009.

**“The best thing nonprofits can do right now is to get fundraising appeals out early,”** according to Mitchell. “The later into the year they wait, the more negatively their results will be impacted.”

Prior to the introduction of *The Atlas of Giving* by Philanthromax, the nonprofit industry lacked a reliable means of tracking and anticipating monthly and quarterly trends in giving.

*The Atlas of Giving* was created by a team of 25 PhD mathematicians, analysts, and statisticians who evaluated more than 50 possible variables over four decades to establish the groundbreaking model. Unlike recently introduced indexes and forecasts which rely on limited sampling, or modeling which correlates only with recent giving figures, *The Atlas* is based on over 40 years of published giving and economic data.

“The fact that *The Atlas* correlates at over 99.5% with four decades of published giving and economic activity is extremely significant,” said Mitchell. “It means that the impact of fluctuations in the economy and world events on philanthropy can be reliably determined almost instantly. This information is critical to the nonprofit decision-maker.”

Those on the cutting edge of nonprofit management have been quick to embrace what the new technology represents.

“What *The Atlas of Giving* has accomplished in terms of providing charitable giving data to charities in real time represents a major innovation,” said Stephen Nill, Founder and CEO of CharityChannel.com, an online resource for nonprofit professionals with over 30,000 members. “*The Atlas* is a game-changer for nonprofits in terms of the management of operations related to gift income.”

*The Atlas of Giving* (pat. pending) is a subscription-based product combining an accurate charitable giving forecast with a report of monthly, quarterly, and annual aggregate charitable giving. Each month it provides real-time reports that take the

guesswork out of budgeting and monitoring performance. *The Atlas* provides current data and forecasts that are vital to the effective and efficient operation of any organization that relies on charitable giving for its success. For more information, visit [www.atlasofgiving.com](http://www.atlasofgiving.com).

**Philanthromax LLC** designs and provides innovative technology and business solutions that maximize the revenue, reputation, and effectiveness of America's charities and churches. Philanthromax delivers one-of-a-kind solutions that provide organizations with effective, accountable and successful fundraising and giving outcomes. For more information, visit <http://www.philanthromax.com>.

**Contacts:**

**Product inquiries:**

Hank Zachry

Philanthromax

877-414-0078

[hank@philanthromax.com](mailto:hank@philanthromax.com)

**Media inquiries:**

Paul Maynard

PE Maynard & Associates

817-891-1167

[paul@paulemaynard.com](mailto:paul@paulemaynard.com)