



CHARITABLE GIVING REPORT SPOTLIGHT

Using 2021 Data to Transform Your K-12 School's Strategy



FOREWORD

I am delighted to introduce the Blackbaud Institute Charitable Giving report on K-12 education. Blackbaud and the Council for Advancement and Support of Education have enjoyed a long and deep partnership, and it is my distinct pleasure to comment on their outstanding work.

As an independent school alumna, donor, former external affairs director and senior leader, and now Sr. Director of Communities Engagement with CASE, I can attest personally and professionally to the power of philanthropy in our schools. From faculty professional development to financial assistance to buildings and grounds, philanthropy empowers schools to deliver unparalleled education and student experiences. The work of advancement is to engage our constituents deeply in the mission of the school, inviting them to invest in the future and honor their connection to the institution. Moreover, it's an investment we cannot do without; annual giving makes up anywhere from 5-10% of the average U.S. school's operating budget every year and plays a vital role in supporting all independent and international schools globally.

It is important, therefore, to pause and reflect on what this Charitable Giving Report highlights. With an increase of 7.5% year over year, and a 6.9% increase over a three-year period, the pandemic has presented a boon to independent school fundraising. At CASE, our research echoes these trends: parents and alumni have been unprecedentedly generous to our schools. While the landscape for independent education grows ever more complex and challenging, we can take heart in the clear willingness our constituents have to make a significant investment in our future.

Other key highlights include an increase in online giving and an increase in average gift size. Leveraging excellent technology – like the products and services offered by Blackbaud – is imperative to our success. Donors of all generations and all levels want to give gifts with their thumbs via their smartphones. We must continue to pay attention to the ways in which we can make giving easy in order to ensure that average gift sizes continue to climb into fiscal years 2022 and 2023.

We at CASE wish you well in the excellent work you are doing, and we will continue to partner to ensure you have every resource at your disposal so that together we can transform lives and transform our society.

Ann Snyder

Senior Director, Communities Engagement
Council for Advancement and Support of Education (CASE)



INTRODUCTION

Charitable giving continued to grow in 2021 in response to the ongoing needs associated with the pandemic. While the world adjusts to a new normal, the growth in giving exceeded nearly everyone's expectations. Not only was there growth in both overall giving and online giving; the average donor was more generous than ever. In years past, it was common for overall giving and online donations to fall back to normal levels following major episodic events. That was not the case in 2021. Giving not only recovered, but grew more than it has in a decade.

In this *Charitable Giving Report* spotlight, you will find an overview of 2021 giving numbers and trends. Remember that charitable giving data is just one facet of the philanthropic prism. Giving trend data is an invaluable tool, but it is only a retrospective that shows us what has already happened. As you navigate the months ahead, track trends across your full portfolio and benchmark your performance.

Tracking over \$46 billion in U.S.-based charitable giving from the Blackbaud Institute Index, the Charitable Giving Report is one of the most credible resources on fundraising performance in the social good community. Continue reading this spotlight to explore trends from the K-12 subsector, and view the full report at www.blackbaudinstitute.com/charitablegiving.

[Read now](#)



2021 OVERALL GIVING

In 2021, overall charitable giving in the United States increased 9% on a year-over-year basis. Charitable giving has seen amazing growth in 2021, which is represented in the increase in overall giving for every subsector, and the 10% increase in the average overall donation amount. Organizations continued to grow, and donors were more generous than ever. With all the uncertainty and hesitation the pandemic

continued to bring into the year, data proved the nonprofit sector's ability to adapt, adjust and overcome in changing times.

2021 OVERALL GIVING TRENDS BY SUBSECTOR

SUBSECTOR	YOY % CHANGE	SUBSECTOR	YOY % CHANGE
Animal Welfare	14.6%	Human Services	1.8%
Arts and Culture	15.2%	International Affairs	7.2%
Environment	19.3%	K-12 Education	7.5%
Faith Communities	11.0%	Medical Research	9.7%
Healthcare	5.0%	Public and Society Benefit	5.9%
Higher Education	14.5%		



Taking a longitudinal view of giving allows a more representative picture of this subsector. A three-year view of fundraising revealed a 19% increase in overall giving. The K-12 subsector experienced a 6.9% increase in giving over this time period.

OVERALL GIVING BY SUBSECTOR, THREE-YEAR ROLLING TREND

SUBSECTOR	% CHANGE	SUBSECTOR	% CHANGE
Animal Welfare	20.3%	Human Services	26.2%
Arts and Culture	10.9%	International Affairs	7.6%
Environment	21.2%	K-12 Education	6.9%
Faith Communities	18.8%	Medical Research	-3.6%
Healthcare	2.6%	Public and Society Benefit	15.5%
Higher Education	10.3%		

2021 Average Donation Amounts

Across all subsectors, the average gift amount in 2021 was \$813. The average gift amount to K-12 institutions in 2021 was \$1,494.

AVERAGE DONATION AMOUNT

\$1,494

K-12

\$813

All Subsectors

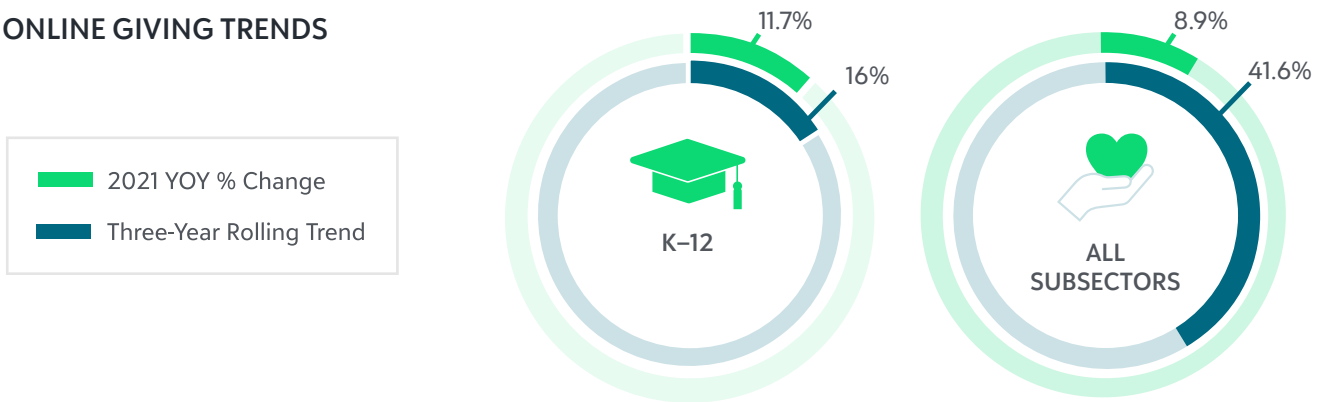
K-12 institutions enjoyed a \$1,494 average gift amount, which was the second highest average gift amount of any subsector, with higher education coming in first.



2021 ONLINE GIVING

Overall online giving increased 9% in 2021. **K-12 institutions performed very well and reported a 11.7% year-over-year increase in online giving.**

ONLINE GIVING TRENDS



2021 Average Online Donation Amounts

Across all subsectors, the average online donation amount in 2021 was \$204. **The average gift amount to K-12 institutions in 2021 was \$1,640, which was the highest average online gift amount among any subsector that year.**

AVERAGE ONLINE DONATION AMOUNT



In 2021, the K-12 subsector experienced a 11.7% increase in online giving compared to 2020. This is the biggest increase we've seen in this subsector over the past six years.

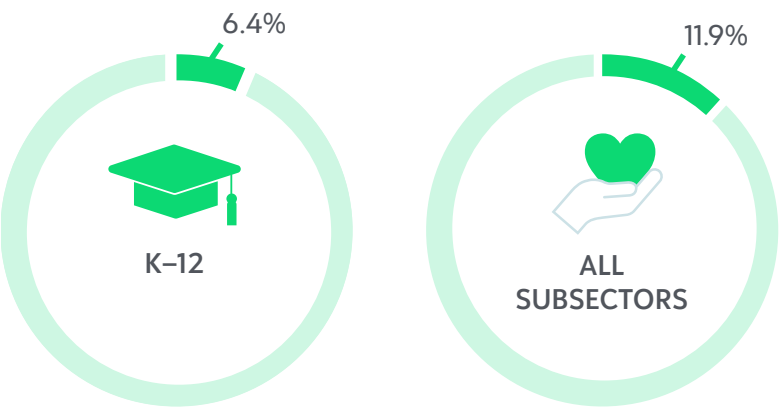
2021 Trends by Percentage of Total Fundraising from Online Giving

We have measured the growth of online giving for more than 20 years. A key metric is the percentage of total fundraising that comes from online giving. It appears that online giving is continuing to increase compared to pre-pandemic levels. As a point of comparison, the US Department of Commerce estimates that e-commerce sales in the third quarter of 2021 accounted for 13% of total sales.

The data reveals that consumer behavior is also donor behavior.

In 2021, 12% of total charitable giving contributions came from online giving. **K-12 institutions received 6.4% of their total fundraising from online giving in 2021.**

PERCENTAGE OF TOTAL FUNDRAISING FROM ONLINE GIVING



2021 Overall and Online Giving Trends by Month

December was the largest giving month in 2021 for both overall and online giving. The K-12 subsector experienced 20.1% of overall giving and 20.8% of online giving during that month. In June, 11.1% of

overall giving occurred, making it the second largest month for overall giving in the K-12 subsector. Traditionally, June represents a high percentage of giving, due to fiscal year-end.

2021 K-12 OVERALL AND ONLINE GIVING DISTRIBUTION BY MONTH

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Overall	5.3%	4.3%	15.5%	5.7%	6.3%	11.1%	5.3%	4.7%	6.6%	6.5%	8.4%	20.1%
Online	5.1%	6.6%	7.6%	7.5%	7.1%	10.1%	3.1%	4.4%	6.7%	9.4%	11.5%	20.8%

TAKEAWAYS AND BEST PRACTICES

1

Donor retention remains a critical challenge—and opportunity

Most donors begin their philanthropic relationship with annual giving. However, as K–12 education development teams craft new annual fundraising programs, many are finding success by starting with an understanding that major gift donors are not only giving larger gifts, but they're also giving for a shorter length of time. In light of this, K-12 gift officers are focusing on finding strong donors early on in their lives and moving donor relationships forward—no matter their gift band—to set a pathway for lifelong parental and alumni giving.

Successful donor retention is more attainable with the school board's leadership and involvement in fundraising. This means that the board should not only hold its own giving campaign each year; it should also be involved in helping build a fundraising network by leveraging board members' own relationships to help the school grow its prospect list. Once that database is established, it must be maintained to customize the experience for each student and parent. Individuals who feel engaged with their school community become evangelists and donors long after their involvement with the school ends.

[K-12 Engagement](#)

[Donor Retention and Attrition](#)

2

Continue to make digital engagement a priority.

Parents see value in personalization and responsiveness from the schools their children attend. To meet the level of responsiveness parents have come to not only expect, but require, K-12 institutions should include digital engagement in their strategy. It can open a line of communication between the parent and school, which helps foster a positive experience and relationship for the parents. Incorporating a personal touch through digital engagement is a necessity to keep K-12 institutions in line with an online-focused world.

[K-12 Engagement](#)

3

Find ways to engage younger audiences, while continuing to care for older donors.

From 2016 to 2021, the average donor age in the US increased from 62 to 65. This is an indication that the mature donor cohort has demonstrated their reliability in giving back. However, this is also an indication that nonprofits have not yet fully tapped into the charitable behavior of younger generations.

According to The State of the K-12 Education Subsector, in 2020, one of every seven dollars contributed to K-12 school was given online, an increase of 8.7% over the previous year. For fundraisers, this suggests that building relationships with prospective donors will require a broader array of tools and channels. The new age of engaging with donors requires a more technology-focused approach. K-12 institutions will increasingly be welcoming generations of parents who value the use of technology and look for it in the way in which they engage with the schools their children attend.

[K-12 Engagement](#)

4

Make the most of the parent experience.

K-12 institutions' focus should be as much on the students' experiences as the parents' experiences. The parents' experience starts with their first contact with a school, and thus should be thoughtfully planned and designed throughout the entire relationship. This is especially critical in fundraising efforts, as the experience parents and their children receive will be a deciding factor in determining their likelihood of giving. Parents want to be engaged through regular, personal and high-touch communication with the school. Understanding parents' expectations in this way will allow for smoother school management and ensure a positive experience.

Parents also view a school's use of technology as important criteria in choosing a school. In *Moving Forward: Enriching the Parent Experience with a Focus on Technology*, parents were asked how important nine aspects of technology were in selecting schools. Even the lowest-rated choice—virtual tours—was selected by 70% of respondents. Parent portals that provide a wide array of information about the school and its students were the most popular choice in the survey, at 90%. This suggests an emphasis on the use of technology to deepen the relationship with parents. From embracing virtual distance learning and reducing manual processes through workflow automation to thriving in remote administrative working environments, institutions must adhere to a new focus on delivering strong digital experiences.

[K-12 Engagement](#)



For an in-depth look at the full 2021 giving numbers and trends, read the [2021 Charitable Giving Report](#). For further reading, head over to our online knowledgebase, [The Explorer](#), for a breakdown of best practices aligned with these giving trends.

About The Charitable Giving Report

The US report's findings are based on giving data from 8,635 nonprofit organizations, totaling \$46.4 billion in fundraising revenue. The online fundraising findings are based on data from 4,535 nonprofit organizations and \$2.9 billion in online fundraising revenue.

Organizations were grouped into three size categories: total annual fundraising less than \$1 million (small), total annual fundraising between \$1 million and \$10 million (medium), and total annual fundraising exceeding \$10 million (large). It is based on recorded giving in each organization's fundraising system, reported fundraising in IRS Form 990, and matching completed through the National Center for Charitable Statistics.

Organizations that did not meet all the research criteria have been excluded. Organizations based outside of the United States have also been excluded. We have not included the unfulfilled portion of pledge gifts or recurring gifts processed offline in our research. *Giving USA*® figures are used to weight the data to ensure that no individual organizations or subsectors are overrepresented in the analysis.

To be included in the analysis, these organizations needed to have at least 27 months of complete giving data without gaps or missing information. Each organization was then classified by subsector using its NTEE code, as reported on its Form 990. If you are unsure which subsector your organization falls under, you may refer to your 990 to find your NTEE code. Visit the National Center for Charitable Statistics for a complete list of subsectors.

The Blackbaud Institute Index has also grown to include additional data sets in other geographic regions. In addition to the U.S. Index, we have included a section to provide information on Canada, the United Kingdom, and Australia/New Zealand. For our Canadian Index, we analyze approximately 305 Canadian organizations, with more than \$669 million in giving. We track £223 million from approximately 260 organizations in UK-based charitable giving. And, we track approximately \$286 million from more than 100 organizations in Australian and New Zealand-based charitable giving. The Blackbaud Institute Index is updated for each of those regions each quarter and reports year-over-year percent changes and giving to date for the last 12 months.

For quarterly insights, see the [Blackbaud Institute Index](#) and sign up to receive quarterly updates via [The Source](#).



About The Blackbaud Institute

The Blackbaud Institute drives research and insight to accelerate the impact of the social good community. It convenes expert partners from across the philanthropic sector to foster diverse perspectives, collective thinking, and collaborative solutions to the world's greatest challenges. Using the most comprehensive data set in the social good community, the Blackbaud Institute and its partners conduct research, uncover strategic insight, and share results broadly to drive effective philanthropy at every stage, from fundraising to outcomes. Knowledge is powering the future of social good, and the Blackbaud Institute is an engine of that progress. Learn more, sign up for our [newsletter](#), explore our [knowledge base](#) of social good best practices and trends, see the [latest quarterly statistics on giving](#), and check out our most recent resources at www.blackbaudinstitute.com.

About Blackbaud

Blackbaud (NASDAQ: [BLKB](#)) is the world's leading cloud software company powering social good. Serving the entire social good community—nonprofits, foundations, corporations, education institutions, and individual change agents—Blackbaud connects and empowers organizations to increase their impact through software, services, expertise, and data intelligence. The Blackbaud portfolio is tailored to the unique needs of vertical markets, with solutions for [fundraising and relationship management](#), [digital marketing](#), [advocacy](#), [accounting](#), [payments](#), [analytics](#), [school management](#), [grant management](#), [corporate social responsibility](#), and [volunteerism](#). Serving the industry for more than three decades, Blackbaud is headquartered in Charleston, South Carolina, and has operations in the United States, Australia, Canada, and the United Kingdom. For more information, visit www.blackbaud.com, or follow us on [Twitter](#)®, [LinkedIn](#), and [Facebook](#)®.

