

# The Board: A Role Model for Individual Generosity

## Our 2019 Report on NY Board Giving

Individual giving to nonprofits is a shrinking percentage of total giving, so what is the single most accessible constituency nonprofits can catalyze in order to bolster relationships with individual donors and prospects? The Board.

Board members who give generously inspire others to give. Diverse boards attract new categories of donors. Engaged board members are more effective visionaries, leaders and fundraisers. These are not anecdotal observations, but rather are rooted in research we began in 2012.

The findings from our 2019 study of board giving at New York nonprofits are consistent with themes that emerged in our first few years of research. And with more than 125 nonprofits having participated, confidence in our data set continues to increase. In this report, we share our key quantitative findings. In addition to the numbers, we gained valuable insights during conversations with participating organizations—particularly around the topics of diversity and engagement.

New York is among the most diverse cities in the United States. While 100% of our respondents reported they are pursuing board diversity, success in doing so falls along a broad spectrum of achievement.

Many organizations are adopting a board growth strategy. Our research has shown year-over-year that organizations with larger boards (30-plus members) realize higher individual board giving and higher total giving to the organization overall. In studying the effects of a more diverse board, we found that fundraising totals rose or remained the same. So growing the size of your board to allow you to increase diversity is a win-win.

We learned that the most substantial contributor to growing the size and diversity of the board is collaboration between the board chair and vice president. Working together to develop a matrix of the desired board composition and identifying the gaps provides clarity in recruitment strategies and creates a shared understanding of goals and objectives. To ensure both diversity and philanthropic capacity are realized, the nominating committee should include the chief executive officer and vice president for development.

The long-term effects of the Tax Cuts and Jobs Act are still unclear, and the stock market will continue to shape donor giving patterns. While these factors are outside the control of the nonprofit sector, cultivating boards that give more and raise the institution's total giving is well within reach.

## About Our 2019 Respondents

### Sector

Arts & Culture: 37%  
Higher Education: 21%  
Hospital & Health Sciences: 5%  
Independent Schools: 26%  
Other: 11%

### Overall Giving

Median Board Giving: \$1.3M  
Median Total Giving: \$6.2M  
Median Board Giving per Member: \$45K

### Operating Budget

Less than \$10M: 25%  
\$10M-\$24M: 28%  
\$25M-\$99M: 28%  
\$100M-Plus: 19%

### Median Member Giving by Budget

Less than \$10M: \$26K  
\$10M-\$24M: \$32K  
\$25M-\$99M: \$107K  
\$100M-Plus: \$159K

### Averages

Size of Board: 27  
Total Giving as Percentage of Budget: 20%  
Percentage of Total Giving from Board: 25%  
Board Participation: 96%

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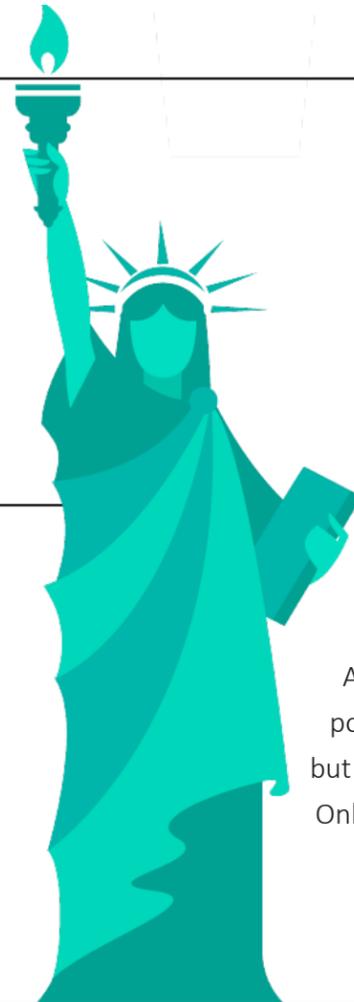
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We also thank **the organizations that have participated in our research** over the past six years. Your willingness to share your institution's data, and your personal perspectives, benefits all nonprofits. Thanks to you, the roadmap to cultivating a highly philanthropic board is becoming ever more clear.

# Themes that have emerged over the course of our research

## New York Boards Are GENEROUS!

NY board giving continues to outpace the nation. National studies report board giving represents 10% of total giving to the institution versus **24% in NY**. In 2019, median giving per NY board member was **\$55K**.



## BIGGER BOARDS ARE BETTER Twice as better

In each year of our research, we have found that organizations with boards of 30-plus members realized two times higher board giving and higher total giving to the organization overall than those with boards of fewer than 30 members.



## Highest Capacity, Highest Priority

Respondents who reported that philanthropic capacity was the highest priority in board candidates raised more from their boards: \$2.3M versus \$1.2M at organizations where it was a priority, but not the highest priority. Those who consider it but do not state it as a priority, median board giving is \$642K.

## ORIENTATION IS OPPORTUNITY

*Our research tells us that conducting a formal board orientation equates to higher board member giving and higher total giving overall.*

## “GIVE ONLY” EQUATES TO GIVE MORE

Across all operating budget sizes, institutions that have a Give Only policy versus a Give or Get policy realize higher total giving. Smaller institutions are more likely to have Give or Get policies, but even those with an operating budget of less than \$10M saw 17% higher total giving with a Give Only policy. The largest organizations (those with operating budgets of \$100M-plus) realized 189% higher total giving with a Give Only policy.

## COLLABORATE THE ASK

When the Vice President and Board Chair work together to solicit gifts, total board giving is higher. In 2018, the difference was nearly \$6 million on average-- \$1.5 million when the VP and BC are not working together versus \$7.1 million when they are working together.

## DIVERSITY ENRICHES More Than Board Conversation

Organizations that report they've increased board diversity in ethnicity/race and gender report higher total giving. Increasing generational diversity seems to lower total giving by a small percentage, which is not surprising but suggests that generational diversity is a longer-term strategy that assumes philanthropic capacity will rise with age.



## Healthy Engagement, Happy Marriage

44% of respondents report that one-on-ones with the CEO and Board Chair are their most successful engagement tool, followed by 39% who feel committee work is the most effective way to engage. Dedicate a staff member, ideally a major gifts officer, as Board Liaison to maintain focus on the institution's vision and ensure Board members buy in, literally.



## AFFINITY FOR DEVELOPMENT

Add members who already have an affinity for and experience in development and provide **ongoing training** for new and long-tenured members.

## The VP is a Multiple of Five

When the Vice President is on the nominations committee, total giving is five times higher.

