



June 14, 2010

Ms. Stacy Palmer, Editor  
Chronicle of Philanthropy  
1255 Twenty-Third Street, N.W.  
Seventh Floor  
Washington, D.C. 20037

To the Editor:

Giving USA Foundation and the Center on Philanthropy at Indiana University appreciate the *Chronicle's* coverage of giving in America ("Americans Didn't Pull Back on Their Giving Last Year, Report Finds," June 9). However, the reporting of different surveys, covering different timeframes and using different methodologies, may create unnecessary confusion among readers representing nonprofit organizations across the country.

There is no question that 2009 was a very difficult year for all nonprofit organizations. The many stories reported in the *Chronicle* are extremely useful in learning about the experience of specific nonprofits, but they only show part of the picture. As the *Chronicle's* own survey confirmed, some organizations experienced a decrease in giving while others experienced an increase or saw philanthropy remain flat. This is true *every year* whether giving overall is up or down. And while these surveys are useful, they don't really tell us the magnitude of the increases or decreases nor the overall cumulative effect on giving nationally.

This is where *Giving USA* provides a unique and valued service to the nonprofit community. Not only are these annual data based on a proven model, grounded in rigorous scientific research, *Giving USA* is the only study that tracks sources and uses of philanthropy going back *more than 50 years*. Because of this, *Giving USA* is able to identify trends, including the impact of recessions and economic downturns, as well as factors that impact giving by sources and uses, all of which help inform the work of the nonprofit practitioner..

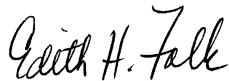
On the subject of the reliability of *Giving USA's* numbers, as the *Chronicle* story also reported, *Giving USA* revises its estimates annually as IRS data are released. Reviewing this information for the period 2002 through 2007, the time frame of the last full set of revisions of tax records by the IRS, we can confirm that *Giving USA's* estimates are

*within 1.15 percent* of the final IRS numbers for those years. (The one exception occurred in 2005, when the Katrina Emergency Tax Relief Act (KETRA) inspired additional giving that the report did not attempt to estimate.) This is an astonishingly close estimate, given all of the factors that affect giving, that give us confidence in the *Giving USA* annual estimates.

We appreciate the work of other scholars and practitioners who work to shed light on the direction of giving in this country and the factors that affect that giving. We believe this encourages healthy debate and ultimately enriches the body of knowledge. But for that debate to have meaning, it is essential to understand the model and methodology used to gather that data, and to ascertain the reliability of that data over time. *Giving USA* shares its methodology widely and engages scholars and nonprofit professionals across the country to review and further strengthen its research.

Giving USA Foundation and the Center on Philanthropy welcome all efforts to increase understanding of giving and to provide additional information that helps nonprofits. *Giving USA* plays a critical role in that process. We invite a robust discussion on giving in America and encourage the *Chronicle* to continue to help facilitate it.

Sincerely,



Edith H. Falk, Chair  
Giving USA Foundation™



Patrick M. Rooney, Ph.D., Executive Director  
Center on Philanthropy at Indiana University