

Animal Charities 'Somewhat Confident'

Half that benefit dogs and cats expect to meet their goals.

Posted: December 20, 2008, 5 a.m. EST

Due to the economic slump, many charities are bracing for a drop in year-end gifts in 2008 compared to 2007, according to a recent survey by Charity Navigator, a nonprofit charity evaluator.

Survey respondents indicated that year-end gifts — roughly the time from Thanksgiving to New Year's — count for more than a quarter of their annual contributions.

Still, animal charities are 50 percent somewhat confident that they will be able to meet their year-end giving goal, according to the survey. Thirty-two percent reported they were not very confident and 8 percent were not confident at all. Three percent of animal charities surveyed felt completely confident and 7 percent felt very confident that they will be able to meet the goal.

Religious charities expressed the greatest confidence (10 percent completely confident) while international charities expressed the least (15 percent not confident at all).

Although a majority of the charities stated they are at least somewhat confident that they'll meet this year's goals, their goals appear to be less aggressive than 2007's, according to Charity Navigator.

The median charity anticipates a decline of 15 percent in year-end giving in 2008 versus the year prior. International charities are predicting the largest decline (median decline of 20 percent), while animals, arts, culture, humanities, and health charities are forecasting the smallest drop in year-end gifts (median decline of 10 percent), according to the survey.

Of the charities that anticipated a drop in funding, the median value reported was \$72,000. International charities reported the biggest anticipated decline (median drop of \$125,000), while environment charities reported the least (median drop of \$32,500).

In related news, Charity Navigator noted that online giving may be stronger during the holidays than other types of giving, probably because of convenience. Network for Good reports that 45 percent of annual giving via its online donation system occurs during December.

Charity Navigator also recently released its Holiday Giving Guide 2008 To aid in donating efforts, the nonprofit offers the following tips:

Make it stretch: Charity Navigator says it is critical that donations go to charities that maximize the use of every dollar. Its research shows that the most efficient charities spend at least 75 percent of their budgets on programs and services while the remaining 25 percent is spent on administrative and fundraising costs.

Marry philanthropy and gift giving: Consumers who buy directly from their favorite, well-run charities, rather than purchasing cause-related products from retailers, make the biggest philanthropic impact.

Give to charities that help the less fortunate: Human services charities such as food banks and rescue missions report an increase in demand for their programs as the economy continues to weaken.

Choose charities where the chief executive officer is reasonably compensated: The nonprofit's analysis puts CEO pay around \$150,000 or 3 percent of expenses. However, it points out that donors should also consider variables such as the charity's location, size, mission, and overall performance.

Donate online: Charity Navigator, which also has an online giving section, says that the Internet is one of the cheapest ways for charities to receive donations. It is less expensive than checks by mail and credit card contributions made over the phone.