Association of Fundraising Professionals

Fund-raising News, Research and Information for the Education Sector

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This new section in the *International Journal of Educational Advancement* is provided by the Association of Fundraising Professionals (AFP). With nearly 27,000 members in more than 180 chapters around the world, AFP is uniquely positioned to provide readers with the latest in research and information. Drawing on the wealth of expertise of AFP members and volunteer leadership, AFP conducts research on non-profit fund-raising and trends. In this issue, we highlight the results of the AFP 2005 *State of Fundraising Survey*. Questions or queries should be directed to jobrien@afpnet.org or visit the AFP website at www.afpnet.org.

About the Association of Fundraising Professionals

The Association of Fund-raising Professionals is a membership

organization based in the US representing more than 27,000 members in over 180 chapters around the world that works to advance philanthropy through advocacy, research, education, and certification programs.

For more than 40 years, AFP has been the standard-bearer for professionalism in fund-raising. Members sign their adherence to the *AFP Code of Ethics and Standards of Professional Practice* every year when they renew their AFP membership. First adopted in 1964, the *AFP Code*, as it is commonly referred to, provides members with a set of guidelines involving professional fund-raising practices. In addition, AFP, along with a member generated Ethics Committee, work together to enforce the *AFP Code*, ensuring members are held to the same standards set forth in its guidelines. By signing the *AFP Code*, members make a pledge to avoid unethical fund-raising or face

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reprimands, removal for chapter and association activities and also public expulsion from the Association.

In addition, members are able to take advantage of discounts for AFP conferences and educational courses, such as the AFP International Conference on Fundraising, AFP Audioconferences, the online and in person versions of the First Course and CFRE Review Course, and also receive discounts on books through the online AFP Bookstore, one of the largest offerings of specialized book on fundraising, volunteerism, and philanthropy.

Membership to AFP also provides a subscription to the bi-monthly, award-winning magazine, *Advancing Philanthropy*, free access to the AFP Resource Center, the weekly e-newsletter, *eWire*, and access to studies and research conducted by AFP.

For more information, or to join AFP, visit www.afpnet.org.

US Education-based Non-profits Exceed National Average for 2005 Fund-raising

Despite the single largest relief effort in history for the Gulf Coast region of the US, 69 percent of education-based non-profits surveyed exceeded their fundraising goals in 2005, exceeding

the US national average of all charities by nearly 6 percent.

According to the Association of Fundraising Professionals' (AFP) 2005 *State of Fundraising* report, 63 percent of US charities surveyed raised more money in 2005 than in the previous year, while 13 percent raised about the same amount and 24 percent raised less. The 63 percent figure is only two points lower than the 2004 survey, when 65 percent of US charities raised more money that year than in the previous year (see Table 1).

Education-based non-profits, in comparison, exceeded the national average with 14 percent of charities raising the same amount in 2005 as in 2004 and only 17 percent raising less. While some charities conjectured that the relief efforts for Hurricane Katrina would dramatically affect giving to non-relief charities, the survey results did not bear that out. Two-thirds (67 percent) of respondents reported no immediate impact on their organization's fund-raising from the relief efforts, and 94 percent believed they would experience no long-term effects.

"We heard the term 'donor fatigue' used a lot in 2005 to describe how donors might be feeling weary of charitable solicitations and not interested in giving to non-relief organizations," said Paulette V Maehara, CFRE, CAE, president and

Table 1: Percentage changes in funds raised, US, 2001–2005

Change in funds raised	2005 (%)	2004 (%)	2003 (%)	2002 (%)	2001 (%) ^a
Less than the previous year	24	25	27	39	30
Approximately the same	13	10	20	11	10
More than the previous year	63	65	54	49	60

^aWhile including a few Canadian responses, the 2001 survey contained predominantly US data. The 2001 survey data is included in US tables purely for comparison and should not be considered scientifically valid.

Table 2: 2005 Difficulty rating

2005 Difficulty rating	US (%)
1 (least difficult)	6.3
2	17.7
3	50.3
4	23.7
5 (most difficult)	2.0

CEO of AFP. “However, it’s clear that a large majority of organizations did not experience donor fatigue, and we have also seen this in previous years—with September 11 in 2001 and the Southeast Asia tsunami in 2004. These sorts of tragedies bring out the best in people and frequently lead to gifts from people who have never given, as well as additional giving from established donors.”

This statement held true for the education sector. While 30 percent of education-based non-profits expected some short-term affect on their fund-raising efforts due to relief efforts, only 18 percent of those surveyed experienced a decrease in overall giving due to Katrina.

The survey also asked participants to rate how difficult and challenging it was to raise funds in 2005 compared to the previous year (1 being the least difficult and 5 being the most), with the majority (50.3 percent) of respondents rating the difficulty at a 3 (see Table 2).

The single biggest challenge US fund-raisers cited for 2005 was “too many non-profits and increased competition for the charitable dollar” (16.8 percent). Other issues cited included “the economy” (13.6 percent), “staffing issues in the development office” (12.6 percent) and

“brand awareness of charity and mission” (10.1 percent). 2005 marked the first time that increased competition was ranked as the biggest challenge, supplanting the economy.

Despite these challenges, US charities continue to be optimistic about their fund-raising success for 2006. Nearly 70 percent of all non-profits surveyed believe their organization will raise more funds in 2006 than in 2005, while 21.9 percent think they will raise about the same, and 8.1 percent believe they will raise less funds.

Education-based non-profits displayed slightly more optimism when predicting 2006 fund-raising success, with 78.4 percent of respondents believing their organizations will raise more funds in 2006. Only 2.9 percent of respondents predicted they would raise less funds in 2006 than in 2005, while 18.7 percent think they will rise about the same.

“It is important to remember that 2004 was the best year for US charities in the five-year history of the survey, so a slight drop in 2005 performance is not surprising,” said Alphonse Brown, Jr., ACFRE, vice president of development for the National Association of Public Administration in Washington, DC, and chair of AFP. “Overall though, a majority of charities fared very well.”

The preliminary results of the AFP *State of Fundraising Survey 2005* were released during AFP’s International Conference on Fundraising held in Atlanta, GA, April 2–5, 2006, the largest gathering of fund-raisers in the world. The final report with more detailed information is now available at www.afpnet.org.