

WHEN GIVING IS DOWNSTIZED

SLUMPING ECONOMY HURTING NONPROFITS, TOO

By Herb Johnson

Toy drives, food drives, raffles and holiday fundraisers have been seasonal staples of our nonprofit economy for decades. With the themes of love, joy, peace and hope prominent during this season, nonprofits have relied on a natural response to those themes — giving — to support many of their programs throughout the year.

Now, however, many of these traditional forms of fundraising are falling short for the nonprofits in our midst. With a slumping economy, many people find themselves without jobs, or even homes, for the first time. Many of those who once gave now find themselves in need of the very social services they generously supported.

According to the Bureau of Labor Statistics, the number of unemployed people had risen to 10.3 million, or 6.7 percent of the work force, as of November. That is an increase of 2.7 million since December 2007.

Perhaps an even more tangible indicator of the status of our economy can

be found under our Christmas trees. While the economy continues to limp, so does spending for holiday gifts. American Research Group Inc. notes that the average shopper plans holiday spending of \$431 in 2008, down nearly 50 percent from the planned spending of \$859 in the 2007 survey.

While banks, retailers and the auto industry are making headlines during this economic downturn, nonprofit social service agencies across our nation are quietly feeling the effects as well.

On Dec. 10, the Center for Nonprofit Advancement released the results of a survey it conducted throughout the greater Washington, D.C., area to assess the impact of current economic conditions on the area's nonprofits. The results showed that 25 percent of its members have already heard from current funding sources that they will give less in the future. As a result, 41 percent of the organizations anticipate suspending or closing programs and/or reducing staff size in 2009. Nearly half anticipate their organizations will experience an increased demand for services next year, and some already have experienced increased demand as a result of the economic downturn.

The Washington Regional Association of Grantmakers reported similar statistics among its members. It also

noted that 67 percent of respondents to its survey reported increased requests for funding over the past year. These numbers are indicative of a trend across our nation. At the moment when charitable giving is most needed because of higher demand, many charitable organizations are experiencing a decline in funding.

Consequently, many nonprofits have become creative with their fundraising tactics.

For example, Lincoln Park Community Shelter in Chicago offers consumers the option to buy gift cards directly from its Web site for major restaurants, retailers, entertainment venues and even hotels. Up to 8 percent of every dollar spent is given back to support the shelter. This allows consumers to do their holiday shopping or continue with their regular spending habits while supporting a cause.

In a more green-themed approach, the Orlando Union Rescue Mission has partnered with FundingFactory to receive used printer cartridges and cell phones, which can be recycled to help the organization earn money.

One homeless rehabilitation center in Texas, the Austin Street Centre, appeals to our human desire for happiness. Citing a Social Capital Community Benchmark survey, its Web

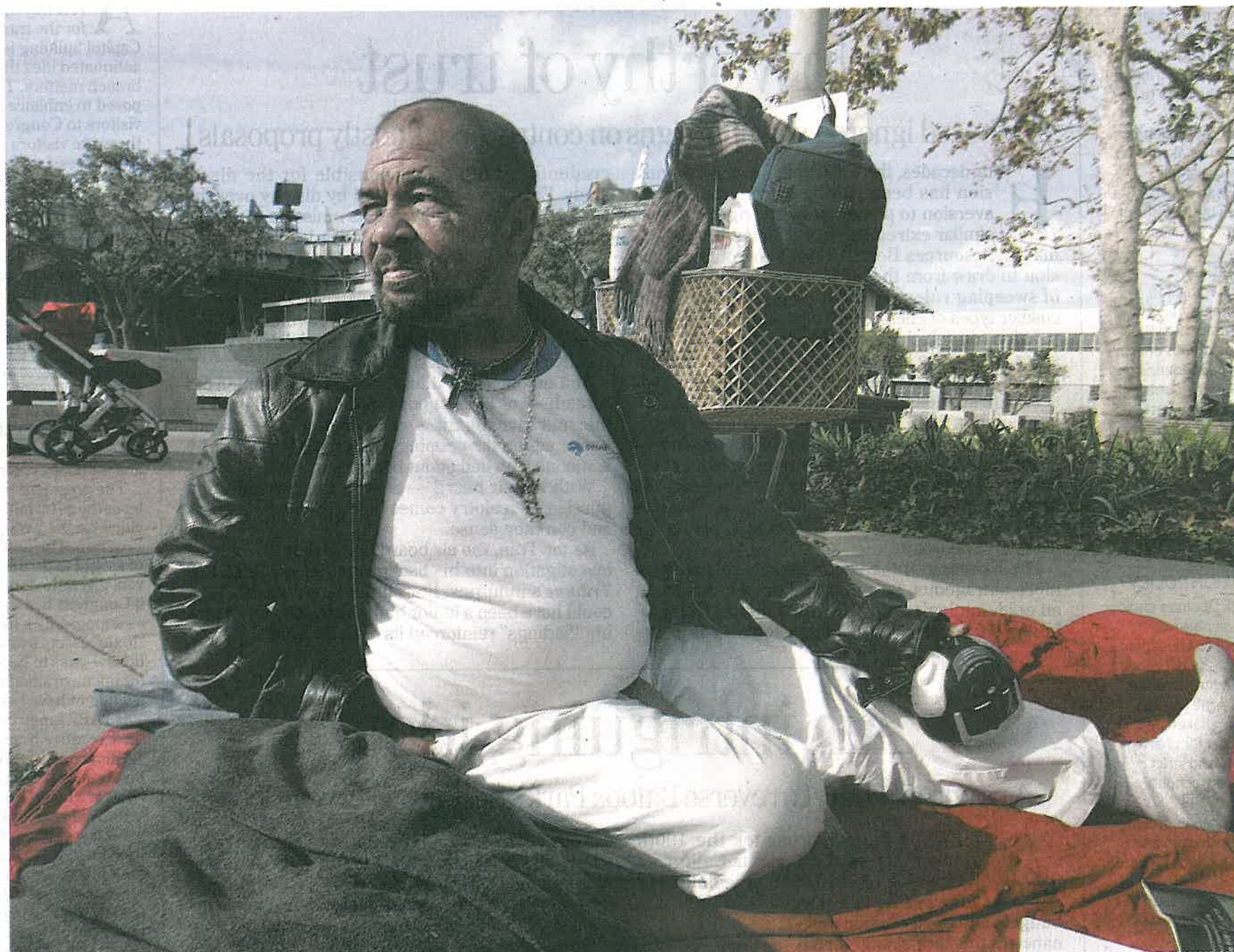
site states: "People who gave money to charity were 43 percent more likely than non-givers to say they were 'very happy' about their lives." The short article ends with a link to the mission's donation form and the exhortation: "Give now — be happy!"

In the face of the consumerism of the season and the increasing needs in the United States and abroad, many churches across the nation are participating in Alternative Christmas Markets, a model of giving whereby the participants choose to spend less on presents and, instead, give to charitable causes. While many of us face increasingly tough economic times, I'd like to invite you to participate in your own Advent Conspiracy — your personal creative charitable works during the holiday season. While giving funds is not possible for many, there are opportunities to donate your time or skills to satisfy nearly every cause or passion — homelessness, needy youth, victims of abuse, environmental preservation, education, health care and more. It is a great opportunity to involve the family and kids and instill a sense of social responsibility in future generations.

This is a time to reflect not only on the meaning of the season, but also to demonstrate an understanding of one of the most important themes of all — giving.

While giving funds is not possible for many, there are opportunities to donate your time or skills to satisfy nearly every cause or passion.

Johnson is president and CEO of the San Diego Rescue Mission.



One of San Diego's homeless settles in last Sunday along Harbor Drive, near the Midway Museum. *Peggy Peattie / Union-Tribune*