Religious Giving Increases Slowly but Change is Coming

*Giving USA 2015*

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The good news is that charitable giving is up; religious giving too. The amount contributed to religion in 2014 totaled $114.90 billion, its highest inflation-adjusted value ever. The bad news is that this growth continues to slow. In 2013, revised numbers saw giving to religion increasing by 6.0% (4.5% adjusted for inflation). According to *Giving USA 2015*, religious giving increased only 2.5% in 2014 (basically a flat rate of change - 0.9% adjusted for inflation). It remains by far the largest of the charitable subsectors measured by *Giving USA* (increasing from 31% to 32% over the past year), but a far cry from its height of 57% of the total over the 1985-1989 period.¹

For those engaged in faith-based fundraising and leadership in religious organizations, however, these facts probably are not surprising. In light of these numbers, there are several points from *Giving USA* to highlight:

(Remembering that *Giving USA* defines religious giving predominantly as congregations.)

**Giving by Individuals:** While foundations, bequests, and corporations are important components of philanthropy, giving by individuals is by far the key component. Individuals make up nearly three quarters of all 2014 contributions. According to *Giving USA 2015*, “The single largest contributor to the increase in charitable giving in 2014 was an increase of $13.88 billion in giving by individuals – 58% of the total giving increase.”² Religious organizations often lag behind other sectors in large grants and gifts from foundations and bequests, but they are fueled by committed individual members and givers. Other subsectors look at religion’s ability to inspire and engage donors with envy. The takeaway for faith leaders is to redouble your efforts to build and deepen relationships with those persons engaged in your community.

**Continued rise of the Unaffiliated:** The positive but slower growth of religious giving cannot help but be analyzed alongside the Pew Research Center’s recent America’s Changing Religious Landscape report. Between 2007 and 2014, the U.S. Christian population declined from 78.4% to 70.6% and the religiously unaffiliated has grown to 22.8% of the population (second only to evangelical Protestants at 25.4%). The Pew study gives us some important insights into the influence of religion and religious organizations in American society even if a fear of the “rise of the nones” may be a bit overblown. The important point for religious institutions to note is that attendance at religious services has traditionally been one of the best predictors of religious giving, and Pew and other research has demonstrated that attendance and affiliation are declining. Yet, it has always been the social networks formed in religious communities and not the attendance or affiliation itself that led to increased engagement and giving.
We know that the large majority of the religious unaffiliated are not irreligious. The majority were reared in a religious tradition, continue to engage in forms of religious practice, and seek forms of spiritual community. What Giving USA or Pew does not measure is the religious motivations of the unaffiliated. Religious organizations must not “write off” this population, but rather think creatively for ways to challenge and include them in your work.

New Ways to Engage:

1. **If your organization does not have a robust online giving presence, it is time to start.** This online presence must be much more than a method of receiving donations, rather it must be a way to engage, participate, and motivate those inside and outside your community to embrace and participate in your mission.

2. **Consider new economic models.** Beyond weekly tithes and offerings, annual funds, and pledges, have you considered renting space, starting social entrepreneurship businesses, or making micro-loans to bolster the economies within your community.

3. **Partner with others.** The time for silos is over. Work across denominational lines, across faith lines, and if there is common ground, consider working with other sectors or secular partners. We know that the millennial generation as well as the religiously unaffiliated are less interested in religious brands but are very interested in outcomes, and they are willing to invest their time and money in causes that matter: raising funds for the families of the victims of the Emmanuel AME Church massacre, fighting hate, and bolstering communities. This makes sense for donors and organizations. It makes sense in helping us accomplish our missions as well.

Overall, the religious subsector still dominates charitable giving, but the recent Giving USA report hints that times are changing. Religious giving is not going away, but we must be attentive to the changing contexts around us and be willing to change as well.

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2 Giving USA 2015, p 27