million dollar LIST
SCALING PHILANTHROPY

Methodology and Summary Statistics
October 2011

The Center on Philanthropy at Indiana University
Every culture depends on philanthropy and nonprofit organizations to provide essential elements of a civil society. Effective philanthropy and nonprofit management are instrumental in creating and maintaining public confidence in the philanthropic traditions – voluntary association, voluntary giving, and voluntary action. The Center on Philanthropy at Indiana University increases the understanding of philanthropy and improves its practice through programs in research, teaching, public service, and public affairs. The Center on Philanthropy at Indiana University is a part of the School of Liberal Arts at Indiana University-Purdue University Indianapolis. The Center has academic and research programs at the IUPUI and IU Bloomington campuses.

The Bill & Melinda Gates Foundation
Guided by the belief that every life has equal value, the Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people's health with vaccines and other life-saving tools and giving them the chance to lift themselves out of hunger and extreme poverty. In the United States, it seeks to significantly improve education so that all young people have the opportunity to reach their full potential. Based in Seattle, Washington, the foundation is led by CEO Jeff Raikes and Co-chair William H. Gates Sr., under the direction of Bill and Melinda Gates and Warren Buffett.

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Part I: Introduction

Charitable giving by high net worth households is an area of interest for scholars, practitioners, and donors. Research shows that high net worth donors contribute a disproportionately high share of all philanthropic dollars (Havens & Schervish, 2001; Havens, O'Herlihy, & Schervish, 2006). However, little is known about patterns in high net worth giving. Scholars continue to investigate the characteristics of high net worth giving and high net worth donors in an effort to better understand how and why this subset of donors contribute their time and money.

Million dollar gifts account for a significant share of charitable dollars contributed. Stakeholders are focusing an increasing amount of attention on the potential for large gifts to solve problems and address urgent needs in society. Despite significant attention, there have been very few studies that examine million dollar gifts, due in part to data limitations. Notable examples of previous literature specifically studying giving at this level include *The Coutts Million Pound Donors Report* (2009) and *The 2010 Bank of America Merrill Lynch Study of Nigh Net Worth Philanthropy*, both of which have been instrumental in framing the study of the Million Dollar List (MDL). Many other studies have examined the giving habits of the wealthy as they relate to contributions to higher education, including the oft-cited *Trends in Philanthropy* (1941) by J. Harold Goldthorpe, but knowledge about general trends in million dollar-plus giving is extremely limited.

The Million Dollar List is a unique dataset providing an in-depth view of high net worth giving. This resource consists of data about gifts of $1 million or more announced in the media and available through the tax records of nonprofit organizations. The MDL has been compiled by the Center on Philanthropy at Indiana University (the Center) since 2000. The purpose of the project is to enhance knowledge about giving at scale and to make that knowledge transparent and widely accessible. Information provided in the dataset has the potential to improve the understanding of philanthropy while serving as an informative and inspirational tool for donors, nonprofits, researchers, and the public.

The value of the MDL lies in its ability to shed light on trends in high net worth philanthropy using a unique set of data compiled over more than a decade. The MDL grants us a unique perspective on trends in giving at the highest level by the wealthiest Americans, successful corporations, foundations, and other grantmaking nonprofit organizations. In this paper we will examine four primary research questions using data included in the MDL.

- Who gives million dollar plus gifts? (Part IV)
- Who receives million dollar plus gifts? (Part V)
- What are the geographic trends in million dollar giving? (Part VI)
- How have these gifts changed over time? (Part VII)

Initial research into the MDL has produced a number of noteworthy findings. We see that the million dollar giving of individuals (primarily men, women, couples, and families) tends to be greater on a gift-to-gift basis than that of foundations and corporations. In fact, the average gift value for individuals is nearly five times higher than that of the other types of donors. We also find that gifts to higher education institutions dominate the number of gifts received, but these gifts tend to be relatively small as a fraction of total dollars given on the MDL. There are significant differences in per capita giving and receiving by state, due in large part to the geographic dispersion of large foundations and nonprofits. There are numerous opportunities for future studies using the MDL data, including detailed investigations into donor networks, gift dispersion based on source of donor wealth, and a study of institutional characteristics that attract million dollar plus gifts.

Part II: Description of the Data

There are a total of 61,461 qualifying gifts from calendar year 2000 to 2010 on the MDL. This figure includes gifts from individuals, private and corporate foundations, corporations, and other grant-making nonprofits. The largest gift on the MDL is an approximately $30 billion donation of Berkshire Hathaway Inc. stock from Warren Buffett to the Bill & Melinda Gates Foundation, pledged in 2006 to be paid out over twenty years. The majority of gifts fall below the $5 million level, and many of these gifts are made by donors who gave only one such qualifying gift. In fact, approximately 23 percent of all of the gifts captured on the MDL were valued at exactly $1 million at the time they were given. For some of our analysis gifts are divided into two distinct categories, based on the value of the gift at the time it was given. Gifts of $50 million or

more are dubbed "mega-gifts," and there seem to be some distinct differences between these gifts and smaller million dollar gifts.

Part III: Methodology

The data on the MDL are collected from public announcements of qualifying gifts since 2000. This sample consists of many of the donations of $1 million or more originating in the United States, but it is not a comprehensive list, as many such gifts are not announced publicly. The Center employs extensive web-crawling and internet search techniques to obtain the entries on the list. Specific details of each gift, donor, and recipient are limited to what has been reported in the media, self-reported by donors or recipients, and what could be verified through public records, such as tax documents.

Data collection for the original MDL began in 1963 with the work of Arthur C. Frantzreb, a nationally renowned philanthropy advisor, who kept a record of qualifying gifts for more than 33 years. Mr. Frantzreb and his wife collected the data by combing announcements in major publications, which he documented on index cards. Mr. Frantzreb's data has become part of the historical MDL housed at the Center on Philanthropy. It was Arthur Frantzreb's work that inspired the Center on Philanthropy to undertake the continued compilation and study of million dollar donations. In many ways the current method of data collection is similar to that pioneered by the MDL's originator. However, the advent of the World Wide Web and the proliferation of online media sources have made the collection methods more sophisticated and thorough, if not entirely divergent from their humble beginnings.

The data collection sources include: The Chronicle of Philanthropy's monthly publication and attendant website, The Chronicle of Higher Education's weekly publication, NOZA Search's weekly announced gifts, Factiva, LexisNexis Academic, the Philanthropy News Digest from the Foundation Center, and Yahoo! Email Alerts. Many of these sources provide daily and weekly updates. A major source for data on the charitable activities of private foundations, corporate foundations, and other grant-making nonprofit organizations is FoundationSearch America, provided by Metasoft Systems Incorporated. The Center also operates a "Report a Gift" function for donors, recipients, and others to directly report donations of $1 million or more. Gifts reported in this fashion are collected by Center researchers, verified with media reports, and then included into the central database.

Once qualifying gifts are identified, researchers code each gift and enter it into a central database. Specific data that are coded for each gift include donor name, donor city, donor state, donor type, recipient name, recipient state, recipient country, recipient subsector, gift amount, gift notes, source of information, date reported, and year and quarter of the donation. In some cases, not all of this information is available in the gift announcements, so Center researchers investigate further by checking secondary sources for the necessary information. These secondary sources include popular search engines and media sites, financial records and press releases reported by foundations and nonprofits, and various philanthropy websites and publications.

The list encompasses gifts given by individuals, including couples, families, and non-familial groups of individual donors. The information about these gifts from "individual donors" is collected from print and digital media sources available to the public. Gifts from private foundations, corporations (and corporate foundations), and other grant-making nonprofit organizations are included as well. These gifts are collected from similar public announcements as well as from FoundationSearch America, which uses advanced data-mining techniques to collect data from the tax records of foundations and nonprofit organizations.

Recipient organizations come from a range of nonprofit subsectors, including higher education, the environment, and human services, among others. The gifts are categorized into subsectors based on the receiving organization's primary mission, not the immediate cause for the specific donation. For example, if a donor makes a gift for "cancer research" to Indiana University Hospital, this gift would be coded as higher education rather than health, because Indiana University is first and foremost an institution of higher education.

The gifts range in value from $1 million to a pledge valued at approximately $30 billion. These gifts are coded according to the nominal value (dollar value of the gift at the time of the donation) in US dollars. Gifts that are announced as pledges, or

that are paid out over a protracted period of time, are coded in the year (and quarter, when available) when the pledge was announced.

Geographic data are included when possible, including the primary state of residence of the donating individual or the headquarters of the donating organization. Recipient organization geographic data, including city, state, and country when available, are taken from official sources produced by the recipient organization, generally the organization's website. The geographic data are often difficult to find, particularly with regards to the residency of individual donors, so these data are often limited or omitted entirely due to lack of available information.

Based on the initial analysis of the MDL, a number of patterns emerge. First, the data collection method employed since the project's inception in 2000 may underreport gifts made to religious organizations and small nonprofits, both of which are less likely to publicly report or obtain media coverage of such gifts. Second, specific gifts as reported may differ from the actual size of the gift or estimated value, for instance, of non-monetary contributions such as artwork, stocks, or in-kind support. Finally, there may be some duplication in gift reporting due to variations in how the media covers these contributions and the timing of the reports. Even though every effort has been made to remove duplicate gifts, validation of this data and methodology is planned for 2012 and will be guided by top researchers in the fields of philanthropy, nonprofits, economics, and the social sciences.

Inclusion and Exclusion Criteria

Of primary concern are the criteria by which gifts are either included or excluded from the MDL. As noted in the previous sections regarding collection methodology, only gifts that are publically available or otherwise reported directly to the Center on Philanthropy are considered for inclusion on the MDL. Once an announcement is found for a gift of $1 million or more, it must meet specific criteria in order to be made part of the data set.

Only gifts made from individuals or entities that are primarily located within the United States (or its territories) are included. The Center's research team screens each gift and accesses background information to locate the city and state of the donor's primary residence or the organization's business address. Often this is not possible based on the availability of public information about the donors. In such cases, anecdotal evidence obtained via trustworthy internet sources is used to determine if the donor is a United States resident or organization. When the city and state of a donor cannot be verified, this information about the gift is omitted.

Charitable donations must be valued at $1 million at the time the gift is announced. While analyses of these gifts often adjust the values of gifts for inflation, the criterion for inclusion on the list only requires that the gifts be valued at or above $1 million at the time they are announced. Additionally, only the total value of the announced gift is taken into consideration. Therefore, if a gift of $1 million or more is contributed by multiple individuals or families, or if it is given to multiple organizations, it will still appear on the MDL as a single gift, despite the fact that each donor may not have contributed $1 million or each recipient may not have received $1 million. Only the total value of the gift as announced is considered.

Pledges and gifts to be paid over time are considered single instances of specific donations and are included on the MDL at the time of the announcement. Though data are often available for the actual amounts and dates of payments made over time or from pledges, these data are not included. For instance, if a donor pledges on January 25 to give $1 million to a charity, this gift is included in quarter one of the year no matter when the actual payment is received by the organization. Likewise, if a donor makes a charitable contribution of $10 million to be paid over 10 years, the entirety of the $10 million gift is included on the MDL at the time of the announcement.

Donor Classifications

The complete Million Dollar List contains charitable donations of $1 million or more from all types of donors, with individuals, corporations, and foundations being the broad categories. The broad category of individuals encompasses individual males and females, couples, families, and other groups of individuals. Couples are defined as two people engaged in a domestic partnership. Families are groups of related people who are not also categorized under couples,

such as sibling groups or parents and children. Other individuals include groups of multiple families or unrelated people. The "corporations" category includes all private, for-profit business entities and their associated charitable funds and corporate foundations. The "foundations" category includes private grant-making foundations, including family foundations and community foundations. Other groups are grant-making nonprofit entities aside from foundations, such as the American Heart Association and Howard Hughes Medical Institute.

Subsector Classifications

Recipient subsectors are based on the National Taxonomy of Exempt Entities–Core Codes (NTEE-CC). The system employed for the MDL uses the underlying mission of the recipient organization to categorize each gift, rather than the specific cause or purpose of each gift. For example, if a donor contributes a $5 million gift for medical research at a university administrated hospital, the gift would be categorized as "higher education" rather than "health." The subsectors included on the MDL are as follows:

- Arts, Culture, and Humanities (e.g., museums, theaters, public broadcasting)
- Educational Institutions (e.g., K-12 schools, libraries, scholarship funds)
- Environment (e.g., conservation funds, animal shelters, climate protection, zoos)
- Foundations (e.g, family foundations, corporate foundations, donor-advised funds)
- Governmental (e.g., municipalities, US states, federal agencies)
- Health (e.g., independent hospitals, nursing homes, medical research centers)
- Higher Education (e.g., universities, university hospitals, university research centers)
- Human Services (e.g., poverty prevention, crime and delinquency, food aid, child services)
- International (e.g., US-based organizations operating primarily outside of the US)
- Overseas (e.g., all organizations headquartered outside of the US)
- Public/Society Benefit (e.g., community foundations, independent social/scientific research)
- Religious Organizations (e.g., churches, synagogues, mosques, religious organizations)
- Unknown/Other

Some of these categories require further explanation. The *Educational Institutions* subsector includes all organizations whose primary function is to educate, except those that focus on post-secondary education. *Higher Education* includes all colleges and universities, as well as their associated nonprofit organizations, such as medical and research facilities. The distinction between education and higher education offers the opportunity to examine trends in giving to universities and university affiliated organizations, which constitute a larger portion of $1 million gifts than of general charitable donations. The *Environment* subsector includes any organizations focused on environmental issues, sustainability, and animal rights and protection. *Foundations* include private and family foundations, as well as those associated with corporations. *Human Services* organizations are those that provide direct assistance and intervention to people such as youth development, disaster relief, public safety and crime, employment, and housing organizations. *International* organizations are those entities based in the United States that specifically provide assistance or services in foreign countries, regardless of the services provided. *Overseas* organizations are those headquartered outside of the United States. An Overseas classification supersedes other subsectors. For instance, a university in the United Kingdom would be classified as Overseas instead of Higher Education. The *Public/Society Benefit* subsector includes civil rights, social science research, science and technology, and community foundations.

Geographic Considerations

Geographic data is included for many of the donors on the MDL. This data takes the form of the specific city and state where the donor claims primary residence or where the donating organization is headquartered, when that information is available. Recipient geographic data is included in the form of the state and country where the receiving organization is headquartered, not where the funds will be directed for the specific cause. When a recipient is unspecified in a gift announcement, the MDL contains geographic data for where the cause is located instead, such as for "Haiti earthquake relief."

This particular method of coding gifts causes some interesting clustering of the geographic data. Specifically, numerous charities are located in a relatively small number of urban areas. The District of Columbia and the metropolitan areas of

New York City, Los Angeles and San Francisco all have significantly more nonprofit organizations and foundations than do other geographic areas. Many of the organizations located in these urban areas serve other cities, states and countries, and their resources are often spread across the country and around the world. Ultimately however, the data about where the donations received by nonprofits are directed is largely unavailable, so the geographic data contained in the MDL tends to appear skewed toward a few cities and states. Additionally, some gift announcements in the media inaccurately report the details of where donors live. For example, a gift announcement might say something like "DC area" for a donor who lives in Alexandria, Virginia, causing the data to inaccurately reflect the state in which the donor lives.
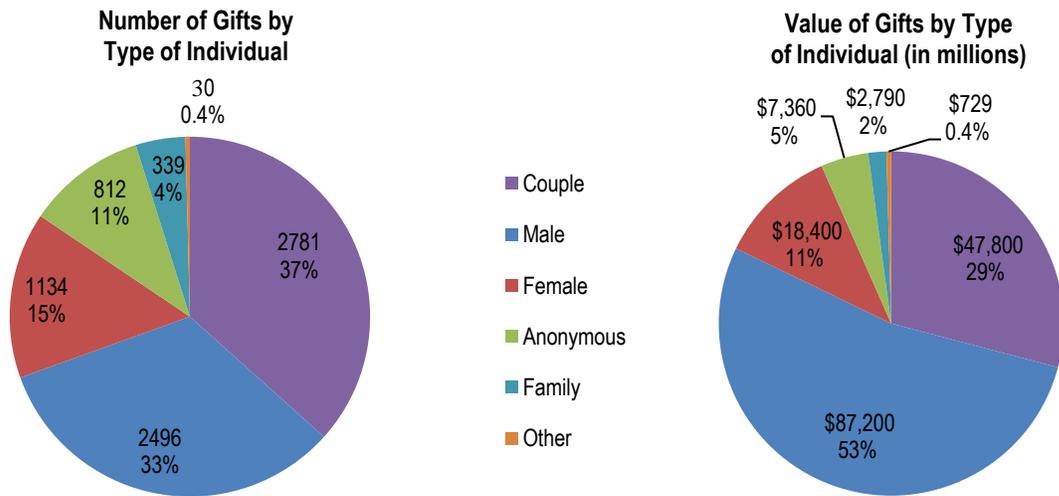
Part IV: Who is Giving Million Dollar Plus Gifts?

Individual donors account for a significant portion of total dollars given on the MDL, while foundations account for the greatest number of gifts on the MDL. Private foundations and other grant-making nonprofits make up the majority of the Million Dollar List in terms of total number of gifts/grants made, but most of these gifts are considerably smaller than the average gift from individuals, as shown in Figure 1.

Figure 1

Number of Gifts by Donor Type — Average Value of Gifts by Donor Type (in millions)
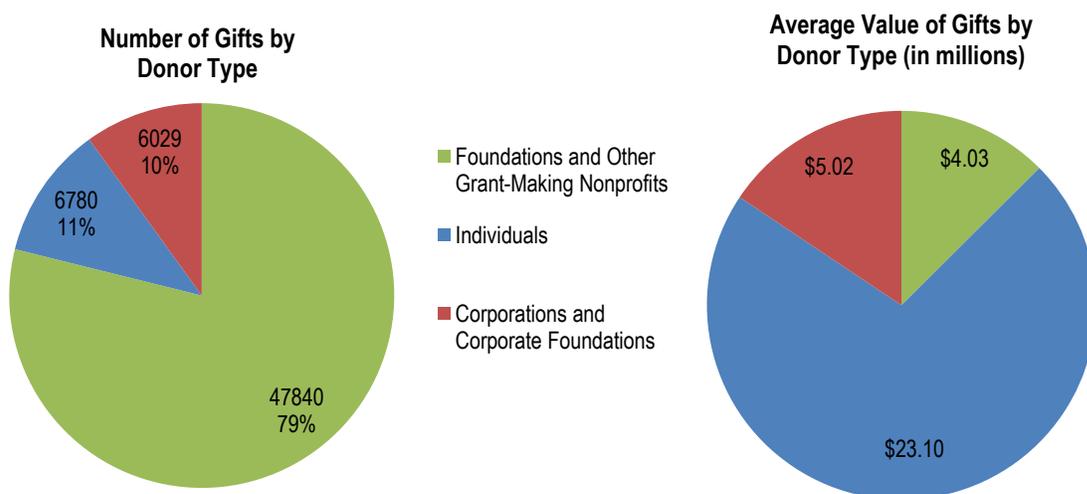
Within the individual donor group, Figure 2 illustrates the number and value of gifts given by each type of donor on the MDL. The role of gender is particularly noteworthy. Men gave 33 percent of all gifts represented on the MDL and approximately 53 percent of total dollars. On the other hand, women gave 15 percent of all gifts and approximately 11 percent of the total dollars. Giving by couples and families accounts for a large number of charitable donations (41 percent when combined). This large number of gifts makes up only 31 percent of the total dollars contributed by individuals on the MDL. As noted previously, a few extremely large outliers such as Warren Buffett's $30 billion dollar pledge in 2006 inflate total dollars donated by men, changing the distribution of dollars for all other individuals.

Figure 2

Number of Gifts by Type of Individual

- Couple — 2781, 37%
- Male — 2496, 33%
- Female — 1134, 15%
- Anonymous — 812, 11%
- Family — 339, 4%
- Other — 30, 0.4%

Value of Gifts by Type of Individual (in millions)

- Couple — $47,800, 29%
- Male — $87,200, 53%
- Female — $18,400, 11%
- Anonymous — $7,360, 5%
- Family — $2,790, 2%
- Other — $729, 0.4%

The mean gift size for gifts from individuals (shown in Table 1 in three different categories) is $5.88 million for all gifts of less than $50 million. Among gifts of $50 million or more, termed 'mega-gifts,' the mean value is $430 million, though these large donations only constitute approximately 4 percent of the gifts on the MDL. The two categories of gift values provide a clear picture of differences between mega-gifts and the rest of the MDL. There are some significant outliers among the mega-gifts, including several gifts of $1 billion or more. These outliers are responsible for skewing mean gift values when all gifts are examined. Evidence for this skewness can be discerned in the large disparity in mean values of all gifts and gifts of less than $50 million, even though median values are comparable ($2.63 million and $2.50 million, respectively).

Table 1

Gifts from Individuals in the Million Dollar List (dollars in millions)

Year	All Gifts		Gifts < $50 Million		"Mega-gifts"	
	# of Gifts	Mean	# of Gifts	Mean	# of Gifts	Mean
2000	644	$ 32.40	621	$ 6.96	23	$ 718.00
2001	632	$ 27.50	618	$ 6.81	14	$ 941.00
2002	451	$ 15.80	429	$ 5.29	22	$ 220.00
2003	397	$ 15.00	370	$ 6.52	27	$ 131.00
2004	489	$ 26.00	468	$ 6.18	21	$ 467.00
2005	702	$ 9.54	680	$ 6.17	22	$ 114.00
2006	802	$ 61.60	764	$ 6.26	38	$ 1,170.00
2007	858	$ 16.50	822	$ 5.47	36	$ 269.00
2008	745	$ 17.50	708	$ 5.21	37	$ 253.00
2009	455	$ 11.10	438	$ 4.86	17	$ 172.00
2010	605	$ 7.34	586	$ 4.88	19	$ 83.20
Total	6,780	$ 23.10	6,504	$ 5.88	276	$ 430.00

Table 2

Gifts from Private Foundations and Other Grant-Making
Nonprofits in the Million Dollar List (dollars in millions)

Year	All Gifts		Gifts < $50 Million		"Mega-gifts"	
	# of Gifts	Mean	# of Gifts	Mean	# of Gifts	Mean
2000	3,002	$ 4.66	2,976	$ 3.61	26	$ 125.00
2001	3,372	$ 5.19	3,342	$ 3.67	30	$ 174.00
2002	3,547	$ 4.41	3,519	$ 3.36	28	$ 137.00
2003	3,830	$ 4.06	3,806	$ 3.33	24	$ 120.00
2004	4,067	$ 3.87	4,046	$ 3.10	21	$ 153.00
2005	4,870	$ 3.90	4,846	$ 3.13	24	$ 158.00
2006	4,676	$ 3.65	4,656	$ 3.12	20	$ 128.00
2007	6,114	$ 4.25	6,062	$ 3.32	52	$ 113.00
2008	6,945	$ 3.55	6,911	$ 3.04	34	$ 107.00
2009	6,312	$ 3.67	6,273	$ 3.07	39	$ 100.00
2010	1,105	$ 4.06	1,094	$ 3.47	11	$ 62.40
Total	47,840	$ 4.03	47,531	$ 3.24	309	$ 126.00

Table 3

Gifts from Corporations and Corporate Foundations
in the Million Dollar List (dollars in millions)

Year	All Gifts		Gifts < $50 Million		"Mega-gifts"	
	# of Gifts	Mean	# of Gifts	Mean	# of Gifts	Mean
2000	297	$ 6.19	291	$ 3.93	6	$ 116.00
2001	597	$ 5.92	590	$ 4.13	7	$ 157.00
2002	375	$ 6.52	368	$ 3.07	7	$ 188.00
2003	343	$ 7.71	337	$ 2.72	6	$ 288.00
2004	436	$ 3.77	433	$ 2.98	3	$ 119.00
2005	822	$ 3.41	820	$ 2.96	2	$ 188.00
2006	596	$ 6.29	583	$ 3.27	13	$ 142.00
2007	770	$ 4.81	763	$ 3.28	7	$ 171.00
2008	865	$ 3.73	859	$ 2.80	6	$ 136.00
2009	600	$ 5.45	592	$ 2.70	8	$ 209.00
2010	328	$ 4.39	327	$ 4.10	1	$ 100.00
Total	6,029	$ 5.02	5,963	$ 3.20	66	$ 170.00

Private foundations and other grant-making nonprofits (Table 2) make up the largest subsection of the MDL, totaling 47,840 gifts. The average gift size for private foundations and other grant-making nonprofits was $4.03 million. Comparing the mean across years, it is evident that the mean gift size for this group fluctuates significantly less over time than in the case of individuals. Further, the mean gift size is less for both mega-gifts and gifts of less than $50 million. Data collection for 2010 gifts from foundations and other grant-making nonprofits is incomplete, due in large part to a lag in available tax data for the 2010 fiscal year.

Gifts from corporations and corporate foundations (Table 3) are strikingly similar to those of private foundations in terms of mean value and relative consistency over time. Data collection for 2010 gifts from corporations and corporate foundations is incomplete, due in large part to a lag in available tax data for 2010.
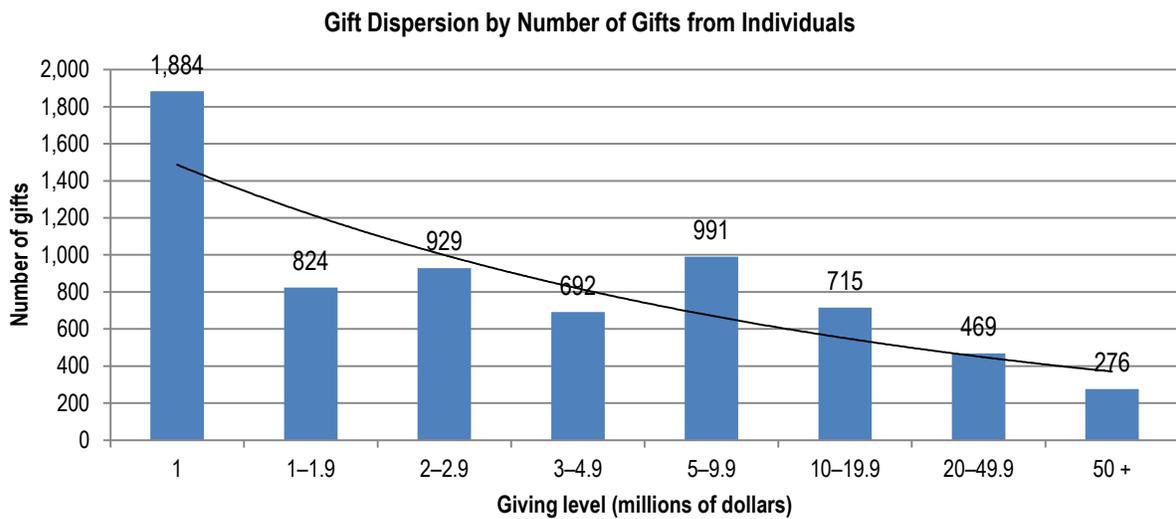
Figure 3.1

Gift Dispersion by Number of Gifts from Individuals

Figure 3.2

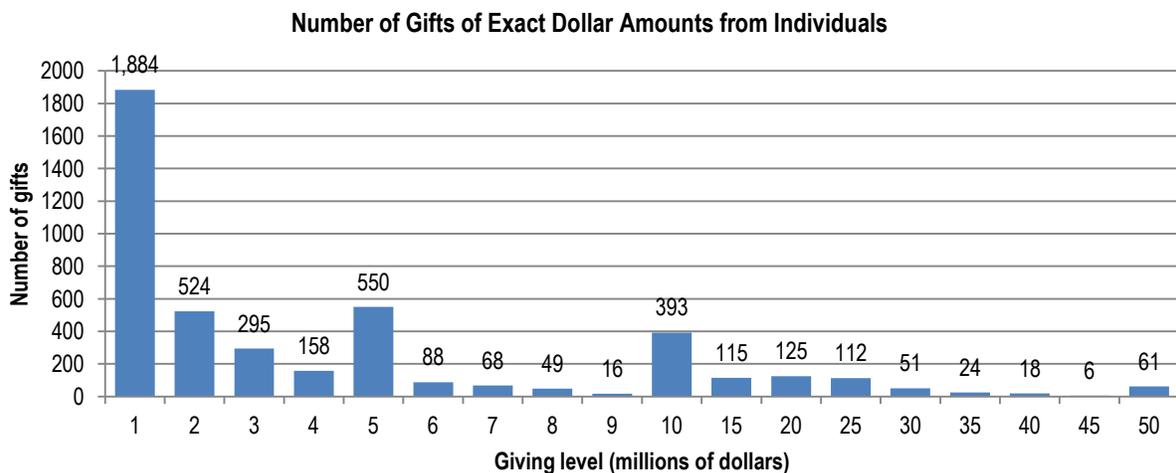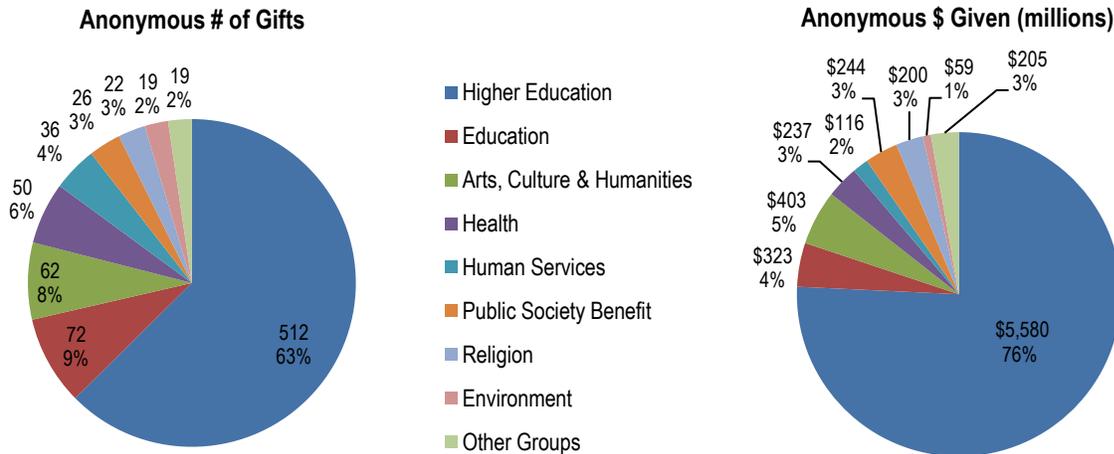**Number of Gifts of Exact Dollar Amounts from Individuals**

Figure 3.1 shows the overall dispersion of gifts from individual donors based on gift ranges. Figure 3.2 shows more specifically how many gifts from individuals are valued at exact dollar amounts. There is an interesting propensity for clustering of gifts from individual donors. For example, $1 million, $2 million, and $5 million seem to be "threshold" numbers, as a large percent of gifts fall at exactly these levels (Figure 3.2). The MDL contains 1,884 gifts of $1 million (27.8 percent), 524 gifts of $2 million (7.7 percent), 550 gifts of $5 million (8.1 percent), and 393 gifts of $10 million (5.8

percent). Gifts shown in Figure 3.2 make up 4,537 of the 6,780 gifts from individuals. This clustering may indicate something about the strategies and motivations behind giving at this level, but it may also indicate a propensity for media reports to approximate the value of large donations, leading to skewing of data toward these round dollar figures.
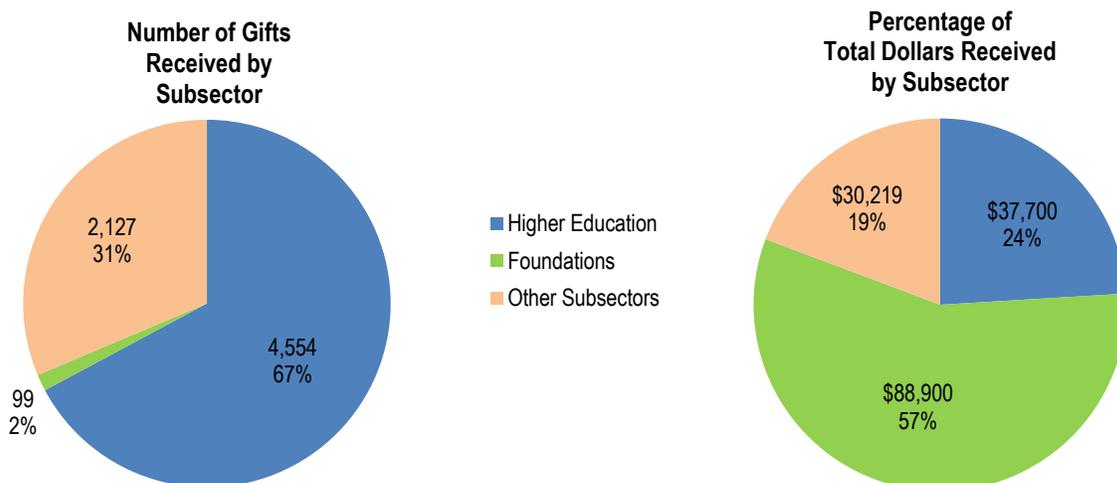
Figure 4

Anonymous # of Gifts

Anonymous $ Given (millions)

Legend:
- Higher Education
- Education
- Arts, Culture & Humanities
- Health
- Human Services
- Public Society Benefit
- Religion
- Environment
- Other Groups

Anonymous # of Gifts values:
- 512 63%
- 72 9%
- 62 8%
- 50 6%
- 36 4%
- 26 3%
- 22 3%
- 19 2%
- 19 2%

Anonymous $ Given values:
- $5,580 76%
- $323 4%
- $403 5%
- $237 3%
- $116 2%
- $244 3%
- $200 3%
- $59 1%
- $205 3%

Anonymous giving (Figure 4) on the MDL appears to be somewhat different from individual giving in general. Gifts to higher education made up over 60 percent of the number of gifts and over 75 percent of the total dollar value for anonymous donations. This is a stark contrast to the typical breakdown between the number and value of gifts received by higher education from all individual donors. While the percent of the number of gifts is approximately the same (63 percent vs. 67 percent), the value of the gifts is much higher than is typical for individuals recognized for their gifts (76 percent vs. 24 percent). This may reflect a tendency for those who give large gifts to higher education institutions to wish to remain anonymous.

Part V: Who Is Receiving Million Dollar Plus Gifts?

Figure 5

Number of Gifts Received by Subsector

Percentage of Total Dollars Received by Subsector

Legend:
- Higher Education
- Foundations
- Other Subsectors

Number of Gifts values:
- 4,554 67%
- 99 2%
- 2,127 31%

Percentage of Total Dollars values:
- $37,700 24%
- $88,900 57%
- $30,219 19%

There are twelve charitable subsectors, as noted in part III. We note substantial differences between the number and dollar value of million dollar gifts received by various charitable subsectors on the MDL. As shown in Figure 5, higher education received significantly more gifts from individuals than did all other subsectors combined. However, despite receiving 67 percent of the number of gifts, only 24 percent of the total dollars went to higher education. Conversely, 2 percent of the number of gifts from individuals went to foundations, but these gifts constituted more than half of all of the dollars donated.

Figure 6

Average Gift Size by Subsector

■ Individuals ■ Corporations ■ Foundations
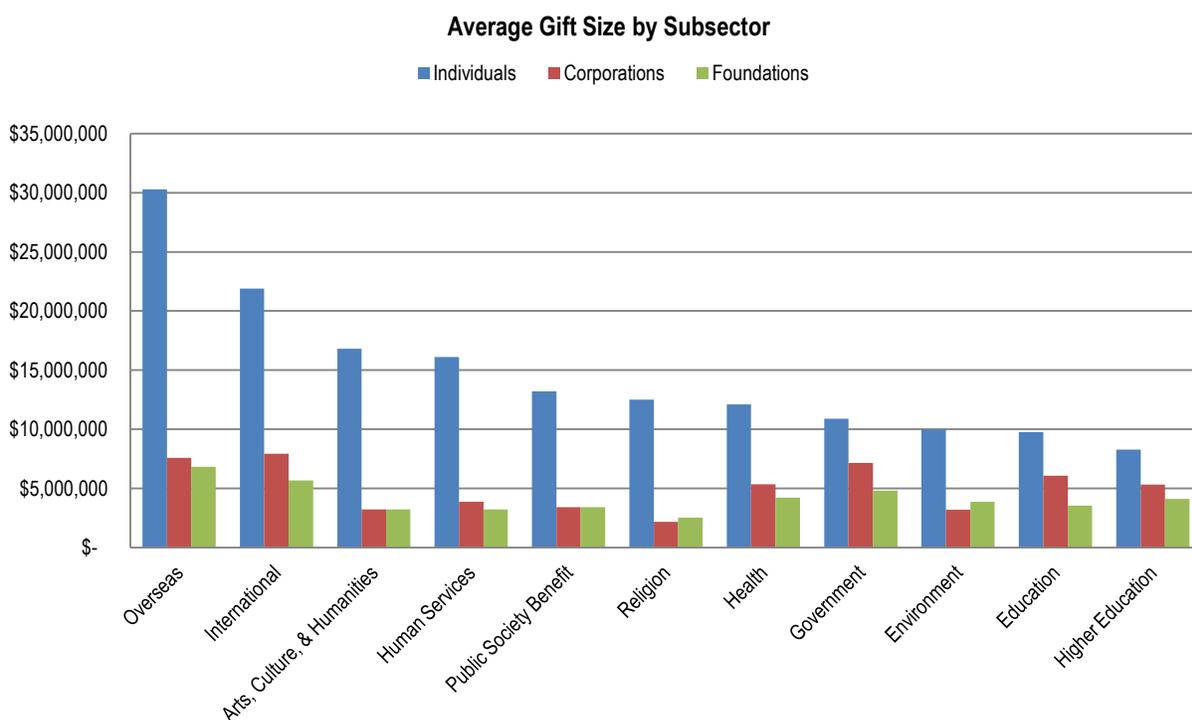
As discussed earlier, the mean gift value for individual donors is considerably greater than both corporate and foundation donors, and this is true across all recipient subsectors. The *Foundations* subsector has been removed from Figure 6, as its mean is nearly $900 million, which is nearly 30 times larger than the next highest mean value. The *Overseas* and *International* subsectors stand out as the subsectors with the next highest mean gift size from individual donors. These two subsectors are also the fastest growing in terms of number of gifts being received annually, based on data within the MDL. Also of note is the relatively low mean value of MDL gifts to the *Education* and *Higher Education* subsectors, the latter of which is shown to be one of the fastest shrinking subsectors on the MDL, with regards to the number of gifts received annually.

Part VI: What Are the Geographic Trends in Million Dollar Giving?

Table 4.1

	# of Gifts by U.S. Individuals	% Within
Within US	6,665	99.54%
Within Donor's Census Region	5,034	78.08%
Within Donor's Census Division	4,659	72.27%
Within Donor's State	4,120	63.64%

Table 4.2

	# of Gifts by Foundations and Other Nonprofits	% Within
Within US	43,942	95.74%
Within Donor's Census Region	28,526	65.25%
Within Donor's Census Division	25,968	59.40%
Within Donor's State	22,789	52.03%

Table 4.3

	# of Gifts by Corporations and Corporate Foundations	% Within
Within US	5,445	97.81%
Within Donor's Census Region	3,170	59.63%
Within Donor's Census Division	2,719	51.15%
Within Donor's State	2,217	41.21%

We observe that individual donors on the MDL prefer to give close to home (Table 4). Over 99% of the reported gifts from individual donors go to charities or nonprofits within the United States. Over 63% of these donations go to groups within the individual donor's home state. The data in the MDL also shows that nearly four out of five gifts from individuals stay within the donor's census region.

When considering foundations, corporations, and other grant-making nonprofits, there are predictable differences for the percentage of donors who give within their respective states and regions. As larger philanthropic organizations are more frequently dedicated to giving on a nationwide or international scale, the percentage of groups giving within their respective country, region, division, or state is considerably less than that of individuals at each geographic level. While corporations and corporate foundations are more likely to give within the United States than are foundations, they are much less likely to give within their own state. This tendency toward spreading large donations throughout the country may be attributable to the fact that corporations with the capacity to give at this level often have operations throughout the United States, and thus serve more geographic areas.

Table 5

Top 10 Dollars Given per Capita

State	$ per Capita
Nebraska	$ 23,965
Washington	$ 6,989
New York	$ 2,580
Utah	$ 2,324
Indiana	$ 2,030
Hawaii	$ 1,873
Delaware	$ 1,709
California	$ 1,663
Pennsylvania	$ 1,264
Nevada	$ 1,185

Top 10 Dollars Received per Capita

State	$ per Capita
Washington	$ 7,833
Nebraska	$ 4,405
Utah	$ 2,508
New York	$ 2,353
Massachusetts	$ 2,104
Hawaii	$ 1,909
Indiana	$ 1,489
California	$ 1,457
Virginia	$ 1,331
Maryland	$ 1,264

Several states are key players for large philanthropic gifts. As discussed earlier, most individuals choose to give to their home state, creating some states that both give and receive very large sums of money. Seven of the top ten states for

dollars gifted also appear on the top ten states for dollars received. It should be noted that due to the effect of Warren Buffett's $30 billion pledge to the Bill & Melinda Gates Foundation, Nebraska and Washington have been boosted heavily in their respective lists. Other notable outliers include William Hewlett of California ($6 billion), Gordon and Betty Moore of California ($5 billion), James L. Sorenson of Utah ($4.5 billion), Leona Helmsley of New York ($4 billion), Susan Buffett of Nebraska ($2.4 billion), and Joan B. Kroc of California ($1.5 billion).

Part VII: Trends in Million Dollar-Plus Gifts, 2000–2010

Within the MDL there is a strong correlation between economic conditions and philanthropy. Looking at the connection between the number of gifts from individuals and the Standard & Poor's (S&P) 500 Index (Figure 7), we find that the business cycle has an immediate effect on the number of large gifts made. The period from 2006 to 2008 also shows the largest number of recorded mega-gifts from individuals (Table 1), with a combined total of 111 gifts of $50 million or more within the three-year period. In the same time period we observed substantial increases in the value of the S&P 500. While it is likely that some donors choose to give less in periods of downturn, for gifts less than $50 million, the mean gift changes very little over the decade.

The amount of money donated by individuals tends to be quite volatile over time since it tends to be influenced by very large gifts from a handful of ultra-wealthy individuals. Unlike dollars given, the number of gifts from individuals behaves in a far more predictable way. The number of million dollar gifts given tends to fluctuate with the state of the economy, as represented by the stock market. In periods of recession (2001/2002 and 2008/2009), the number of gifts per quarter is less than half that in more prosperous periods (2000 and 2007). There appears to be a slight lag (approximately 1 quarter) in giving on the MDL when compared to the S&P 500. There are two potential explanations for this lag, a delay in reporting of these gifts by the media and the lengthy process of planning a major gift and executing the transfer of funds.

Figure 7

Quarterly Individual Number of Gifts vs. S&P 500*

*Source: http://finance.yahoo.com
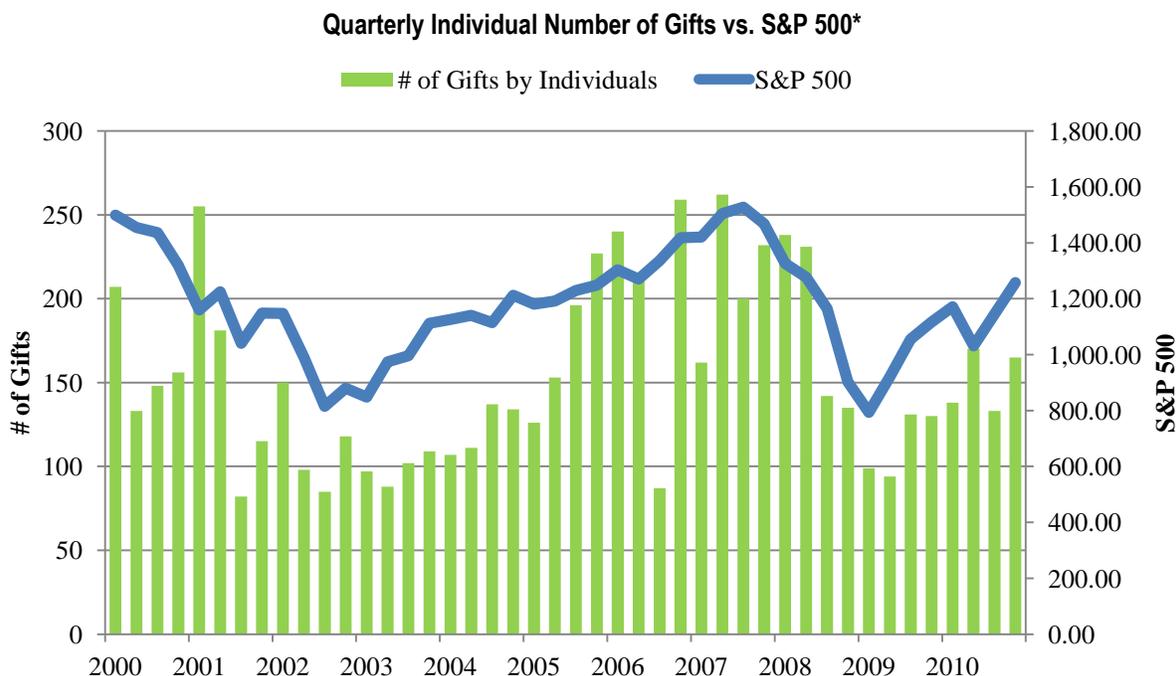
Charitable contributions from individuals at the $1 million dollar-plus level are far more susceptible to economic conditions than are smaller contributions. According to *Giving USA 2010*, total estimated giving decreased by 2.4 percent from 2007 to 2008, and decreased by 3.2 percent in 2009, after adjusting for inflation (Giving USA). The number of gifts from

individuals of $1 million or more fell by 13.2 percent from 2007 to 2008, and fell by 38.9 percent from 2008 to 2009. The value of the gifts from individuals on the MDL decreased by 8.5 percent from 2007 to 2008, and decreased by a substantial 61.2 percent from 2008 to 2009. While million dollar-plus giving among corporations and foundations are also susceptible to economic conditions, neither shows the same degree of volatility as individual giving on the MDL.

Part VIII: Conclusions

The Million Dollar List offers unparalleled access to information about gifts of $1 million or more, combining data from thousands of media and tax records of thousands of nonprofit organizations. While the MDL was not conceived by its originator specifically as a research tool, and despite the list not being a representative sample of all gifts at the million dollar level, much can be gleaned from it. The list acts as a basis for comparison between the giving patterns of individuals, corporations, foundations, and other groups, illustrating how strategies and goals may differ among each. The list also illustrates how various types of nonprofits benefit differently from this high-level philanthropy than from philanthropy in general. While the data do not create a complete picture of all giving at the million dollar level, they do provide some keen insights into the patterns of these donors. The data show us, for example, that many individual donors choose to give fewer million dollar gifts, or stop giving them altogether, during economic downturns.

Future studies using MDL data are anticipated, including examinations into the donor networks and relationships present on the list, based on geography, source of donor wealth, recipient subsector, and others. These studies and others will lead to a better understanding of high net worth philanthropy, and may strengthen the practice of philanthropy going forward. Researchers have the opportunity to examine the MDL data to help answer important questions about how million dollar-plus gifts, and mega-gifts, transform organizations and their capacity to fulfill their missions. There also exists an opportunity to look at the impact that making such gifts has on donors, using the MDL as a sample for qualitative investigations. While the study of gifts of $1 million or more is still in its early stages, there exist opportunities for collaboration with similar projects around the globe, such as the *Coutts Million Pound Donors Report*, which would help generate some a context for comparison of such major giving within global philanthropy.

Please visit the Million Dollar List website at www.milliondollarlist.org to learn more.

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