

June 2014 Nonprofit Newsletter

Nonprofits Describe the Double-Edge Sword of Receiving Government Awards

A recent study by the Urban Institute and the National Council of Nonprofits found that 56,000 nonprofits had 350,000 federal, state, and local government contracts totaling more than \$137 billion in 2012. Findings from these studies depicted nonprofits' frustrations in working with the government. Respondents describe the application and monitoring process as being fraught with duplication, multiple layered rules, and delayed payments. [Read more here.](#)

Mass SJC Rules that Conservation Land is Exempt from Property Tax

Massachusetts Supreme Judicial Court ruled last month that state owned land that has been shielded from development should remain exempt from property taxes, according to *The Boston Globe*. "The unanimous decision was a victory for groups such as the Massachusetts Audubon Society, which worried that if they were forced to pay taxes, it could threaten their ability to buy new land and protect it from development", states the *Globe*. The court denied an effort by the town of Hawley Massachusetts to tax 120 acres of woodland owned by the New England Forestry Foundation. The court backed the charity's argument that maintaining the forest and its wildlife habitats delivers a public benefit. "It would have been a huge change of the landscape of Massachusetts and the viability of conservation charities," said Frank Lowenstein, deputy director of the Forestry Foundation. [Read the full article here.](#)

Small and Midsize Foundations' Assets Grew 14% in 2013

A Foundation Source study found assets at small to midsize foundations grew by 14% in 2013 and that they gave out more than 7% of their assets. "Those grant makers, which have holdings of less than \$50-million, account for 98% of all U.S. foundations but only about 30% of all foundation wealth nationally," states *The Chronicle of Philanthropy*. Findings Include:

- More than one third of the foundations distributed 10% or more of their assets to nonprofits, double the 5% required by law.
- Of all grants these foundations gave last year, 29% went to support education, 17% went to human services, and 12% to arts, culture, and the humanities. [Read a free copy of the report here.](#)

Fidelity Reports that Giving From Donor-Advised Funds Climbed Last Year

Fidelity Charitable made grants worth \$2.1 billion in 2013, with the average grant size being more than \$4,000. "Donors, many of whom saw the value of their charitable accounts dip during the recession, are feeling more confident and ready to give more money more often," says Amy Danforth, Fidelity Charitable's president. Donor-advised funds allow people to take an immediate tax deduction for their contributions, then channel the money in their accounts to charities of their choosing. Unlike traditional foundations, donor advised funds are not subject to minimum-disbursement requirements, meaning assets can remain in the funds indefinitely. According to Fidelity, education institutions received the biggest share of grants, which was 34% of all the money awarded in 2013. [Read more here.](#)

Salaries on the Rise at U.S. Foundations

A survey by the Council on Foundations of nearly 1,000 grant makers found that the median staff salary rose 3% in 2013, to \$74,061. The higher salaries were made possible thanks to strong stock market returns that have increased foundations' assets. The council surveyed 936 U.S. grant-making organizations and compiled data of 8,404 full-time paid positions. Of those groups, 35% were community funds, 28% were private foundations, 20% were family funds, and the rest were other types of grant makers like corporate and public foundations. [Read more about how much foundation CEOs earn here.](#)

Online Fundraising Goes Mainstream

Internet giving grew by almost 13% last year, according to a *Chronicle of Philanthropy* survey of 100 of the largest nonprofits. To keep revenue flowing, nonprofits are testing online strategies carefully, integrating them with more traditional fundraising tactics, and hiring experts dedicated to online efforts. Six charities more than doubled their online donations where Internet giving climbed by 296% to reach nearly \$20 million. The Museum of Fine Arts in Boston received approximately \$150,000 from online giving. [Find out more here.](#)