

# North Carolina Department of the Secretary of State

## NEWS

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**Elaine F. Marshall**  
Secretary of State

Contact: Tim Crowley (919) 814-5342  
Liz Proctor (919) 814-5341

### **Annual Report Charts Increases in Charitable Giving and Charities' Effectiveness in North Carolina in 2019-2020**

*(Note to Editors: A complete copy of the 2019-2020 Annual Report of Charitable Solicitation Licensing can be found online at [www.sosnc.gov](http://www.sosnc.gov).)*

**RALEIGH** – North Carolinians were generous in their giving to charities and nonprofits in the past year, and a record high percentage of their donations went to charities' programs, according to a report released today by the NC Secretary of State's Office.

The just released 2019-2020 North Carolina Secretary of State Charitable Solicitation Licensing (CSL) Annual Report states that between July 1, 2019 and June 30, 2020, licensed fundraisers collected \$44,916,161.73 for the charity and nonprofit organizations they are working with – a \$1.3 million increase over the prior fiscal year's amount. An aggregate percentage of 80.53% of donations went directly to charities' programs instead of professional fundraising and administrative costs, marking a 6.24% increase from the record-high percentage tracked in the 2018-2019 fiscal year.

"North Carolinians have responded to the incredible needs that we've all seen during this Covid crisis by giving generously and wisely," noted Secretary of State Elaine F. Marshall. "The record high percentage of overall donations going to charities' programs in this challenging time is a testament to our state's giving public and to the effectiveness of many great charities working to meet growing needs in our communities every day."

The increase in dollars donated and the overall percentage of donations being netted for services was also partly due to a few nonprofits working on economic development and civic issues that fall outside the traditional charitable role associated with this report, as well as an umbrella organization that raises and disperses charitable contributions.

The news is also good regarding data reported from national solicitation campaigns that included North Carolina residents. Such multi-state or national campaigns reported raising \$1,137,596,962.52 in total giving, an increase of almost \$113 million. Of that total, charities netted \$985,977,198.77, or 86.67%, an 11.78% increase from the percentage that went to charitable services in the 2018-2019 fiscal year.

The annual report does not look at every charity and non-profit operating in North Carolina. It specifically examines groups that choose to use professional fundraisers registered with the NC Secretary of State's Office and that are not legally exempted from reporting their numbers.

The Secretary of State's Office licenses charities and nonprofit organizations that:

- Use professional fundraising services for their solicitation campaigns,
- Compensate their officers,
- Or, raise at least \$25,000 and are not exempt from state law for reasons such as being a religious institution or volunteer fire department or educational institution.

"This report is not a comprehensive picture of charitable giving in North Carolina, but it is a meaningful snapshot of the state of charitable solicitations in our state," noted Secretary Marshall.

Despite the gains in giving and aggregate percentages going to charities overall, there are still individual organizations where low percentages of money raised by professional fundraisers went to charities' programs.

While the Secretary of State's Office regulates fundraising activity, it cannot legally penalize a charity for using the majority of its donations on fundraising or administrative overhead.

"The annual report is a tremendous tool for informed giving," Secretary Marshall said. "I always advise folks examining an individual charity's numbers to look at the percentages over two or three years to get a better perspective on how efficient the organization is. Any charity might have off numbers in a given year due to reporting deadlines. If their percentages are low year after year, ask them why or look at groups getting better percentages. After all, each time we give to a charity we are making an investment – and investment in our community, in a cause we care about, an investment in the future. And we want that investment to be used efficiently to do as much good as possible."

While this year's report charts gains across the board compared to 2018-2019, Secretary Marshall cautions that needs continue to grow across North Carolina. "As we head into the holiday season, which also is going to be a season of intense need due to the ongoing pandemic, remember that charities are still struggling to keep up with growing demand and they still need our support," Secretary Marshall said.

The complete 2019-2020 Annual Report is available on the Secretary of State's website at [www.sosnc.gov](http://www.sosnc.gov). Secretary Marshall also released a [video](#) today remarking on the Annual Report and offering tips for wise giving.

People with questions about individual charities or charitable solicitation activities in general can call the Secretary of State's Charitable Solicitation Licensing Division at 1-888-830-4989.

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