North Carolina Department of the Secretary of State

NEWS

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Generosity in Challenging Times: Annual Report Marks New Record High Percentage of Donations that Went to Charities in North Carolina in 2021-2022

(Note to Editors: A complete copy of the 2021-2022 Annual Report of Charitable Solicitation Licensing can be found online at www.sosnc.gov.)

RALEIGH – Charitable giving in North Carolina grew almost 40% in the past year as the state's giving public responded to increasing needs with unswerving generosity and charities worked tirelessly to do the maximum good with each charitable dollar, resulting in a record high 81.79% of donations going to charitable programs.

The just-released 2021-2022 North Carolina Secretary of State Charitable Solicitation Licensing (CSL) Annual Report reports that between July 1, 2021 and June 30, 2022, licensed fundraisers collected \$47,584,598.39 for the charity and nonprofit organizations they're working with – a \$13.5 million increase from overall giving in North Carolina in 2020-2021. A total of \$38,918,516.11 of that overall giving went to charities' programs instead of professional fundraising and administrative costs, marking the highest aggregate percentage going to charities in the 22 years that the Secretary of State's Office has been compiling this report.

"As North Carolinians have faced incredible challenges due to global economic disruptions and the lingering effects of the Covid pandemic, their neighbors across the state have responded with unmatched generosity," said Secretary of State Elaine F. Marshall. "This record high percentage of overall donations going to charities' programs shows that North Carolinians are doing their homework and practicing smart giving to charities that are continuing to stretch every dollar to meet the growing needs in our communities."

Secretary Marshall released the 2021-2022 Annual Report Monday at The Green Chair Project in Raleigh.

"The Green Chair Project has helped more than 11,000 families rebuild their lives since its founding in 2010, providing essential furnishings to help families referred by more than 90 agencies make their new houses and apartments true homes," said Secretary Marshall.

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 \$1,237,705,658.59 in total giving, a \$193 million increase from overall giving in 2020-2021. Of that total, charities netted \$1,053,536,778.21, or 85.12%.

The annual report provides a snapshot of giving under North Carolina's Charitable Solicitations statute (§ 131F) and is not a comprehensive view of all charitable giving in the state.

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.

Despite the gains in overall giving and a record high aggregate percentage of donations going to charities, 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 an invaluable resource for North Carolina's giving public," Secretary Marshall said. "It is always a good practice to look at the percentages going to individual charities over two or three years because the percentage can be effected by a number of factors in any given year, including beginning a fundraising campaign shortly before the reporting deadline."

The complete 2021-2022 Charitable Solicitation Licensing Annual Report is available on the Secretary of State's website at www.sosnc.gov.

"I am gratified that this year's report charts significant gains across the board compared to 2020-2021, but please don't take that to mean your contribution isn't needed – nothing could be further from the truth. Many charities are doing exemplary work and racing to keep pace with the need across our state and the world, and they continue to need our support every day," Secretary Marshall said.

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.