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# LGBTQ+ Nonprofits Are 'Grossly Underfunded,' Report Finds

By Emily Haynes
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A <u>new report</u> on giving to LGBTQ+ organizations found that, from 2015 to 2019, they received just 0.13 percent of overall philanthropic support but grew their giving faster than any other cause during that time.

Donations to LGBTQ+ groups increased 46.3 percent, while contributions to non-LGBTQ+ nonprofits grew just 24.9 percent. Researchers ended their study in 2019, the most recent year they could access near-complete tax filings from organizations. The findings come from Equitable Giving Lab, a research project of the Indiana University Lilly Family School of Philanthropy that digs into how philanthropy serves historically marginalized communities.

"This movement is grossly underfunded," says Elise Colomer-Cheadle, director of development for <u>OutRight International</u>, a global LGBTIQ human-rights group. Colomer-Cheadle also served as a member of the advisory council for the report. "While we are seeing positive growth patterns, the resources pale in terms of the need," she adds.

Past research has examined aspects of philanthropic support for LGBTQ+ nonprofits, such as the share of foundation funding they receive, but this is the first effort to establish a baseline for individual, foundation, and corporate giving to the sector.

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"Before, we didn't have a number to use to be able to tell whether things were going up or going down," says Tessa Skidmore, research associate at the Women's Philanthropy Institute and a primary author of the report. That baseline, she adds, "will allow us to continue to track changes as the philanthropic landscape, the social and political landscape, continues to evolve."

Along with the report, researchers also released a searchable, national <u>database</u> of more than 2,773 LGBTQ+ nonprofits, which includes information on their missions and budget sizes. In 2019, these groups collectively raised \$557.8 million.

Compared with other groups, LGBTQ+ nonprofits receive less philanthropic support, on average, bring in less revenue, and have fewer assets and expenses, the report found. That's common for nonprofits that serve marginalized communities, which tend to have few major donors and little if any fundraising infrastructure, says Una Osili, associate dean for research and international programs at the Indiana University Lilly Family School of Philanthropy.

Giving to LGBTQ+ groups tracked closely with headline-grabbing events, researchers found. Dollars surged to LGBTQ+ nonprofits in 2017 and 2018, correlating with the Trump administration's ban on transgender people serving in the military and a <u>sharp spike</u> in anti-LGBTQ legislation in statehouses across the country.

It's an ebb and flow of dollars similar to disaster philanthropy, says Osili. LGBTQ+ groups can learn from the tactics disaster groups employ. "They have that opportunity to engage new donors with these events," Osili says. She adds that advocacy organizations in particular should be mindful to communicate with their supporters year-round, not just when their mission is in the news.

"The challenge, as a movement, is how do you sustain that interest? How do you leverage that empathy? How do we educate and raise awareness and connect people to the everyday struggle?" Colomer-Cheadle says. She points to days of remembrance and celebration, such as the International Transgender Day of Visibility in March and Pride celebrations in June as opportunities to re-engage supporters.

In 2019, 52.8 percent of dollars given to LGBTQ+ organizations went to groups that focused on civil rights and advocacy — a statistic that Colomer-Cheadle says LGBTQ+ groups should remember. Groups that typically haven't been involved in advocacy may want to consider whether their programs could include an advocacy component, she says.

For LGBTQ+ groups trying to engage a polarized society that's about to head into a presidential campaign — and perhaps also an economic downturn — the baseline data in this report is crucial, Colomer-Cheadle says. With a clear picture of the recent state of philanthropic support they receive, she says, LGBTQ+ groups can set about strategically growing that support.

#### Among the other findings:

- Within the LGBTQ+ charitable sector, transgender-specific groups have seen the most growth in donations. In 2015, those groups received \$9.46 million but by 2019 their support had grown to \$27.85 million.
- In 2019, LGBTQ+ youth organizations received 19.2 percent of the overall dollars given to the sector, closely followed by HIV/AIDS groups, which won 18.7 percent.
- With 429 active groups, California has the biggest number of LGBTQ organizations, followed by New York, which has 243.

We welcome your thoughts and questions about this article. Please <u>email the editors</u> or <u>submit a letter</u> for publication.



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Emily Haynes is a senior reporter at the *Chronicle of Philanthropy*, where she covers nonprofit fundraising.

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