THE

GIVING

STATE

2017

A Report on Utah's
Philanthropic Landscape

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Contents

Foreword

Utah is a demonstrated leader when it comes to charitable giving. Utahns are more generous with their money and their time than residents of any other state in the country. They give more than twice as much of their personal income per year[1] and volunteer 50 more hours per capita than the average American.[2] That reality is immensely commendable by itself and—together with Utah's other top-of-the-list national rankings in doing business,[3] economic outlook,[4] and even mountain biking[5]—goes a long way toward creating the 'elevated life'[6] Utahns love.

At the same time, and because Utahns are committed to learning and continuous improvement, all these superlatives prompt questions such as:

- Who is giving in Utah?
  Why, to whom, and where?

- Who receives the donations?
  What are they doing with the funds?

- How does giving relate to the needs
  that exist in the community?

- What is being accomplished with all that giving?
  What is working? And what isn't?

- And, perhaps most importantly,
  is the giving accomplishing all that it can,
  or is there more that can be done?

As we raised these questions with leaders and experts in the philanthropic sector, we encountered significant interest and a variety of perspectives, but few comprehensive, data-driven answers.

Beyond simply being a matter of curiosity, the implications are significant. What if, for example, the $3.5 billion in annual donations throughout the state were twice as effective? What if even more money and time were focused on the issues and communities and people that need it? What if nonprofit organizations and funders collaborated more frequently to develop win-win solutions? How many more children could be ready for Kindergarten, or teenagers graduate high school ready for college and career? How could the current homelessness crisis in the Salt Lake area be more effectively addressed? How much more cultured or healthy or safe or educated could Utah's communities be?

How would such improvements increase economic opportunities and outcomes? In short, what is the true potential for Utah's 'elevated life'?

No single study can answer these questions definitively, but one of our main findings after hearing from hundreds of individual philanthropists, leaders, funders, nonprofits, and members of the general public is that we collectively face an enormous opportunity to focus on these types of questions. That is one of the reasons we conducted this study—to lay the groundwork for more informed dialogue and, especially, more effective action.

The study returned insights from over 765 responses to tailored surveys for funders, nonprofit leaders, and the general public. We conducted in-depth interviews with 49 nonprofit leaders, individual philanthropists, private and community foundation leaders, and corporate social responsibility officers throughout the state to understand their priorities, activities, and perspectives. We analyzed available data on registered nonprofits in the state to understand their focus, geographic distribution, and size. And we reviewed a variety of existing literature on the social sector both in Utah and around the world. Throughout the process, we were guided by an excellent group of advisors who represent the full range of experience and perspectives in the sector—nonprofit leaders, funders, business leaders, social sector experts, and interested citizens.

We fully recognize and discuss below that public, private, religious, and other actors play crucial roles in providing and funding social services and cultural offerings. For purposes of this report, we limited our investigation to 501(c)(3) nonprofit organizations with annual revenue of at least $25,000. To gain as representative a picture of Utah's nonprofit sector as possible we also excluded Intermountain Healthcare and Western Governors University from our data analysis since these organizations, while technically nonprofits, are significant outliers in terms of budget and scope.[7] In terms of funders, we looked at foundation, corporate, and high-net-worth individual donors to 501(c)(3) organizations. In particular, we focused on funders who engage in traditional donation- and grant-driven philanthropy, which represents the vast majority of Utah's philanthropic sector. The growing presence of impact investors and social enterprises aiming to address community needs is notable and a topic for another report.
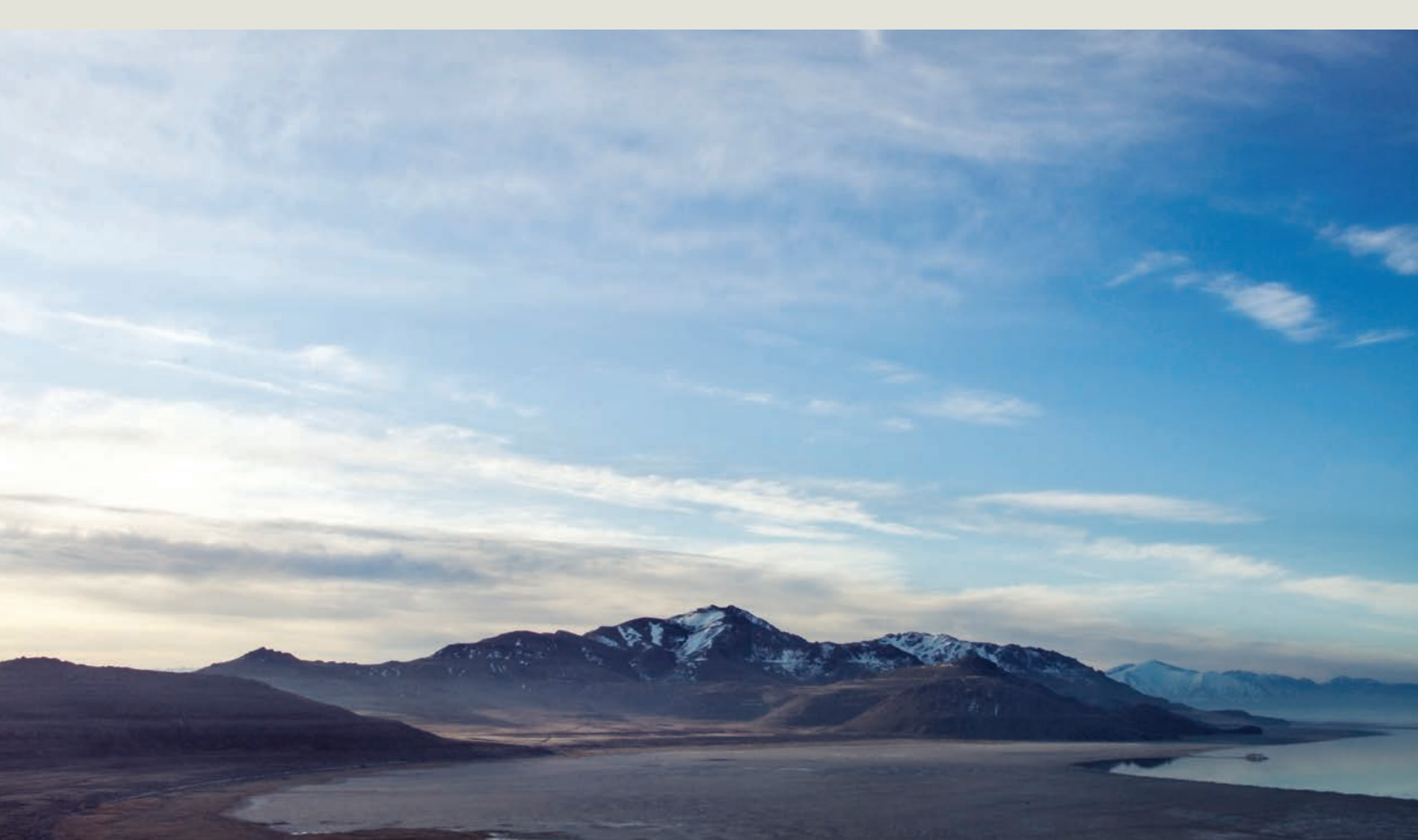
We embarked on this study with three specific objectives:

→ Provide a greater understanding of the number, size, motivations, and focus of funders and nonprofits in the state;

→ Articulate funders' and nonprofit leaders' priorities—identifying where they are and are not aligned; and

→ Propose concrete recommendations for ways in which funders and nonprofit leaders can work more effectively and efficiently to achieve these priorities.

You will notice that each of these objectives refers to both funders and nonprofit leaders. That is intentional: we believe there is significant value in moving forward together, rather than pointing fingers at the other 'side' and expecting 'them' to change. Indeed, philanthropy generally is moving away from a giver/recipient dynamic toward partnership and collaboration. Whether your primary role is that of funder or nonprofit leader, we encourage you to read this report with the twin goals of understanding others' perspectives and priorities, and determining how you might work together with others in the sector to achieve measurable progress over time.

Sariah Toronto, *Claritas* | Jacob Allen, *Cicero Group* | Anna Smyth, *Cicero Group* | David Schmidt, *Cicero Group*

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Giving in Utah

THE SOCIAL SECTOR IN CONTEXT

The social sector operates in concert with the public, private, and religious sectors to identify and address our communities' dynamic, changing needs. For purposes of this study, the "social sector" refers to nonprofit organizations that focus on addressing unmet social, environmental, educational, cultural, and other needs, and to the private and corporate foundations, corporate giving teams, and individual philanthropists who fund them.

At all levels, government is a significant funder of social services, the arts, and culture. In Utah, for example, the Department of Workforce Services provides more than $70 million annually to a wide variety of nonprofits to support low-income housing, employment, skills training, and more. Indeed, 56 percent of nonprofit survey respondents indicated that they receive some sort of public funding; of those, 64 percent said that at least one-fourth of their funding comes from the government.

Meanwhile, the private sector drives economic opportunity, employment, income, and innovation. The economy's health and performance greatly influence the social sector, both in terms of extent of social needs and private resources available to meet those needs. As the Great Recession fades into the past, Utah's economic outlook is strong. It is characterized by solid employment growth, low unemployment, healthy wage growth, a below-average cost of living, and strong and diversified growth in gross domestic product. This strength has resulted in increased total personal income. In 2016, for example, the state's total personal income increased to an estimated $124.5 billion from the prior year, the equivalent of a 4 percent increase in per capita income (see Figure 1). Utah is experiencing the country's seventh-fastest growing per capita personal income, and it is expected to continue growing.[8] Utah also continues to rise in rankings of millionaires per capita, currently sitting at 17 nationally after rising five spots in a single year. [9]

This economic strength is favorable for Utah's social sector. Fifty-eight percent of funders responding to the funder survey, for example, reported that their annual charitable giving increased over the last three years. A similar portion (56 percent) anticipate that their giving will increase over the next three years.

Religious organizations also address community needs, both directly and indirectly. They do so in a variety of ways, many of which are largely unmeasured. The role of religious organizations and their adherents in Utah's social sector is a highly salient and sometimes charged topic, largely due to the fact that two-thirds of Utah residents are members of the Church of Jesus Christ of Latter-day Saints (LDS Church). This dynamic is discussed in the following section.

The analysis and recommendations in this report thus focus on one important slice of an ecosystem. However, given the broader environment from which society's needs arise and in which funders and nonprofits operate, those working with and funding nonprofits would be well advised to keep sight of the whole picture.

The primary motivation behind Utah's exceptional giving is clear. Funder survey respondents nearly unanimously cited their desire to make a difference in and give back to their communities as primary motivations behind their philanthropy. Tax benefits ranked a distant third (see Figure 3). Among general public survey respondents, fully 70 percent indicated that outward-facing benefits such as recognition are relatively unimportant in their giving decisions.

The Utah giving landscape is relatively unique, with a small number of family foundations, three young community foundations, a sizable number of financial institutions giving in compliance with regulatory requirements, and an emergent technology sector driving new corporate and individual wealth. An upcoming generation of philanthropists and innovations in corporate giving models translate to an increasingly dynamic, malleable giving landscape.

Figure 1: Growth in Utah income and millionaire households

Total Personal Income Per Capita
Projection calculated keeping the 2016 growth rate of 4% constant

- $39,308 — 2015
- $40,964 — 2016
- $47,805 — *2020
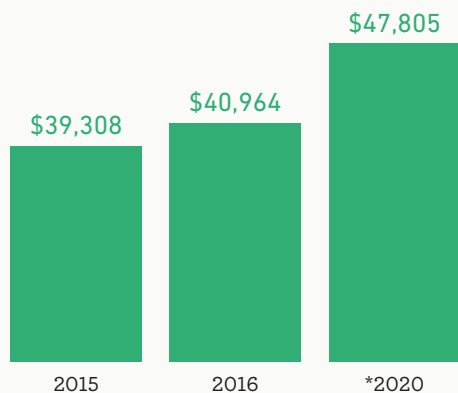
Percentage of Utah Households that are Millionaires
Projection calculated using a historical growth rate of 4.5%

- 5.4% — 2015
- 5.9% — 2016
- 7% — *2020
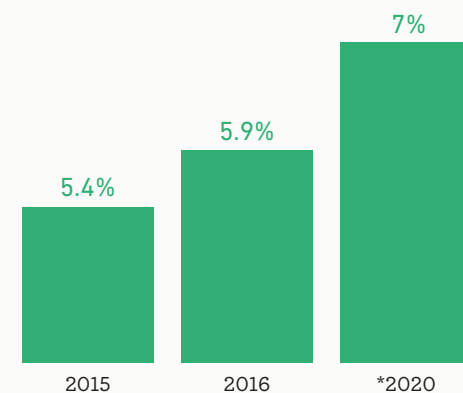
GIVING IN THE STATE

Utahns rank first in the country for charitable giving (see Figure 2). Among residents with $50,000 or more in income who itemize tax deductions, Utahns contribute 6.6 percent of discretionary income (a full percentage point higher than Arkansas, the next most charitable state). This translates to an average of $9,621 per itemizer, and amounts to more than two times the national giving ratio. [10] According to the Corporation for National and Community Service, Utah also ranks first in the country in volunteerism—43 percent of Utahns volunteer in 'formal' ways in their community (eight percentage points higher than the number two state, Minnesota); 78 percent engage in 'informal volunteering.' [11]

Figure 2: States' charitable giving and religious ranking[12]
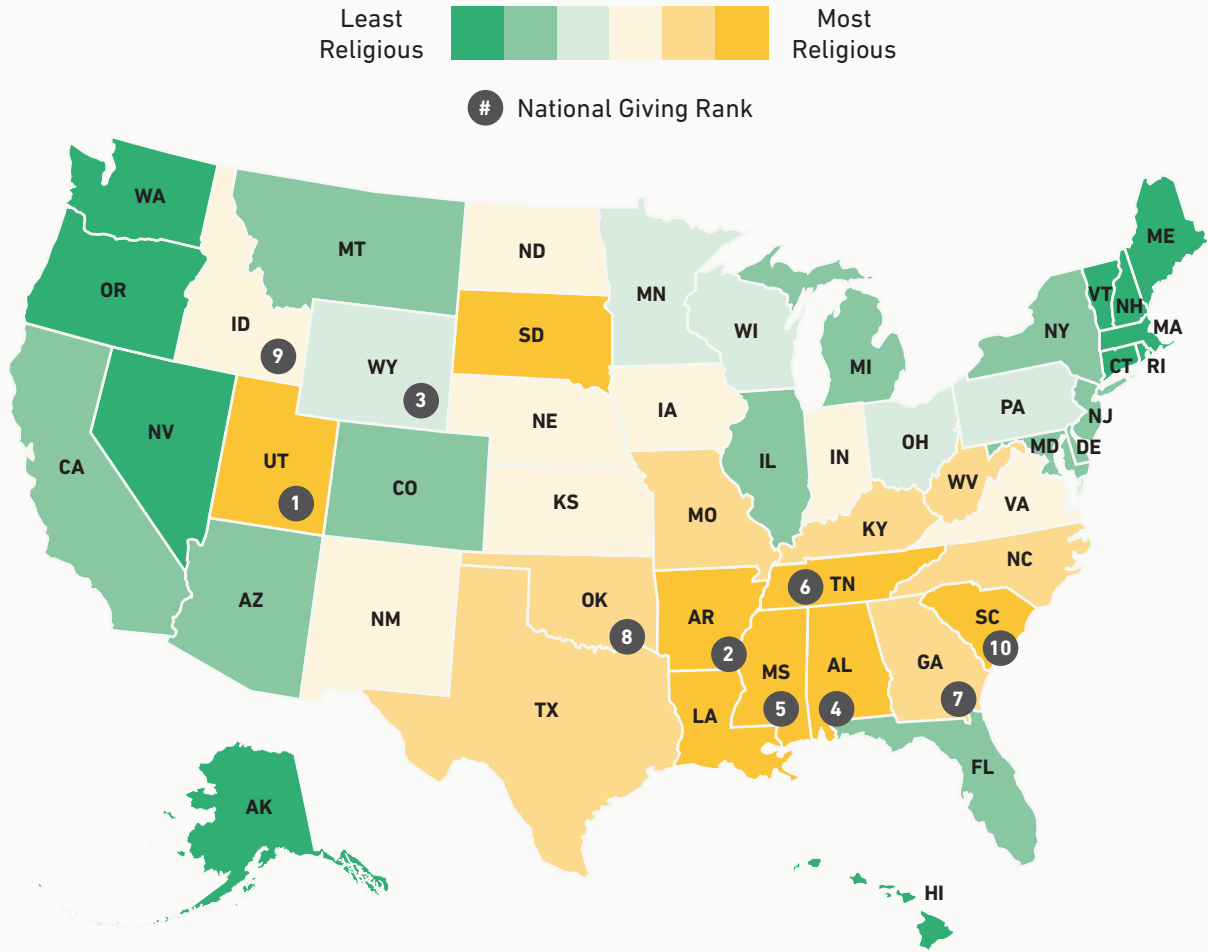
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Figure 3: Utah funders' motivations for giving

Philanthropy is primarily motivated by altruism; personal marketing and public visibility are not strong philanthropic motivators

Make a difference	Desire to give back	Tax benefit	Religious belief	*Other	Leave a personal or family legacy	Gain public visibility	Brand marketing
92%	87%	30%	29%	22%	17%	13%	9%
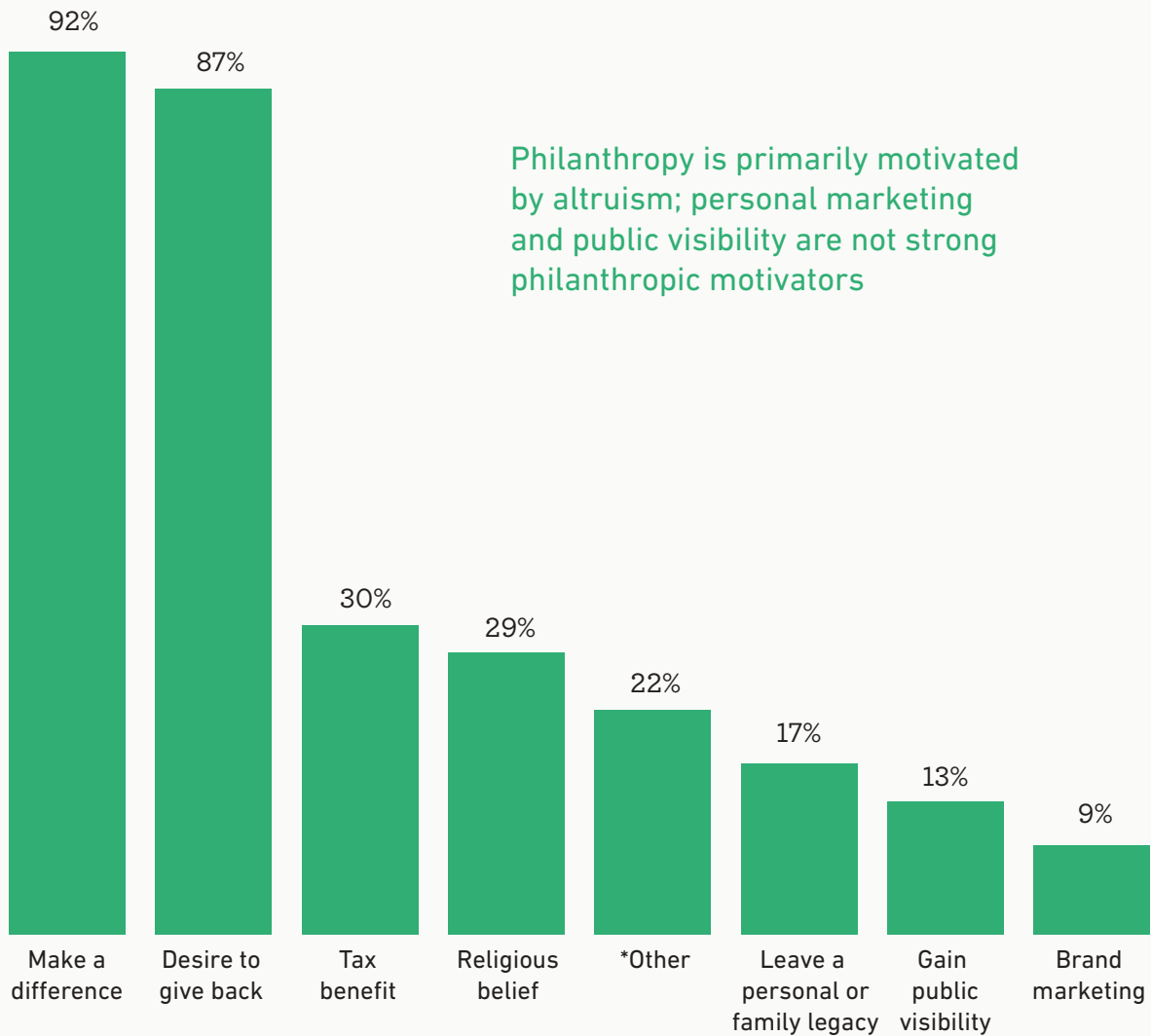
*Other includes Create change, relationships, and personal benefit
Survey Questions: "What are the top 3 factors that motivate your decision to be philanthropic??"
Sample Size: n = 76

Giving to Religious Organizations

It is perhaps not surprising that a significant portion of Utahns' individual giving goes to religious organizations. Indeed, 58 percent of general public survey respondents' donations go to religious organizations. Clearly, the prominence of the LDS Church plays a significant role in this dynamic. Survey respondents identifying as LDS reported giving approximately twice as much as non-LDS individuals. LDS individuals direct 84 percent of their donations to religious organizations, with only seven percent going to other nonprofit organizations. Relative to non-LDS respondents, this results in LDS individuals donating approximately $630 per year to nonprofits other than religious organizations, $330 per year less than non-LDS respondents.[13]

Though more extreme in the case of LDS respondents, this pattern is similar among adherents of other faiths both in and out of the state (see, for example, the portion of religious giving among Utah Protestants, Evangelicals, and Catholics in Figure 4). Nearly all of the top 10 most generous states in terms of individual giving are also among the top 10 most religious states (see Figure 2).[14]

Survey respondents and interviewees weighed in frequently on the topic of religious donations, given its salience in the state. As the quotes below illustrate, perspectives vary.

Figure 4: Distribution of Utahns' charitable donations by destination and religious affiliation

Respondent Religious Affiliation	Destination of charitable donations			
	Religious Organizations	Nonprofit Organizations	Private Foundations	Other
LDS n=343	84%	7%	3%	6%
Non Denominational n=45	11%	48%	11%	30%
Catholic n=44	31%	30%	15%	24%
Protestant n=27	40%	30%	10%	20%
Evangelical n=27	67%	16%	8%	9%
Other Religions n=7	6%	47%	0%	53%
Not Religious n=64	6%	53%	12%	29%
Atheist n=13	0%	45%	19%	36%

"There is room for people to support not only religious causes, but also many more in the state."

— *Beth Wolfer, Planned Giving Officer, Best Friends Animal Society*

"I don't have enough money to donate to multiple causes and I trust my church to extend the use of what I contribute in multiple ways."

— *General Public Survey Respondent*

"Many people are already giving 10 percent, and it is a burden to ask them to give more than that."

— *Nonprofit Executive Director*

At the same time, donations and volunteerism are just one set of dynamics associated with religious giving. Religious organizations also directly and indirectly influence social needs, either by reducing the demand for ameliorative social services or by increasing the supply for services by injecting additional resources into the community. Either way, religious organizations typically diminish overall resources required by other entities (including nonprofit organizations or government agencies) to meet community needs that would otherwise exist without the churches' presence.[15]

As depicted in Figure 5, religious organizations influence community needs in Utah via three mechanisms:

First, religious institutions influence values and culture, which have indirect effects on a wide variety of outcomes, such as promoting giving and volunteering, increasing individuals' self-reliance, and preventing negative social consequences as individuals adhere to teachings on morality.

Second, religious organizations engage in direct service provision, variously providing food, housing support, training, income supplements, and more to those in need (including their own members); providing a variety of services to specific populations like youth, seniors, etc.; and engaging in a variety of humanitarian, development, and relief services domestically and internationally.

Third, religious organizations frequently provide direct contributions, acting as funders by providing grants and other resources (including inviting volunteerism from their members and highlighting issues and causes) to support specific nonprofits and broader issues and causes.

Figure 5: Religious giving and other social sector influences

Immeasurable Societal Impact Through:

Values and Culture
(Community Well Being)

Donations to Other Agencies
(International Rescue Committee, Red Cross, etc.)

Direct Services
(Youth, Employment, etc.)

Measurable Religious Giving
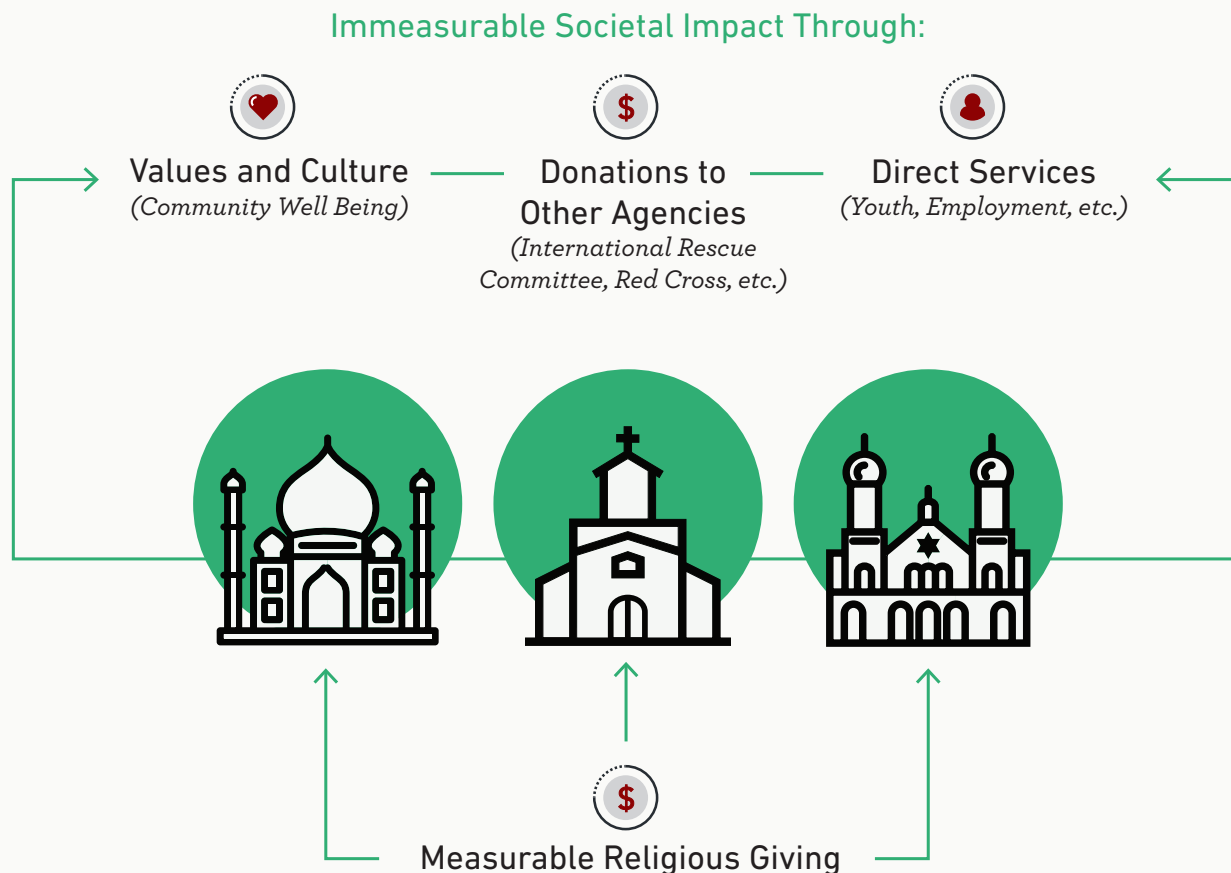
For a variety of reasons, it is difficult to measure these aspects of religious organizations' activities and the resulting impact. Much of the activity is not easily quantifiable (e.g., to what extent a church's theological principles affect society). Many religious organizations—including the LDS Church—prefer to keep their contributions and other activities anonymous, because they prefer to work quietly behind the scenes and/or because external reporting is not a high priority.

While a lack of transparency makes it difficult to understand churches' efficacy in addressing community needs, many nonprofit leaders and other experts in the sector noted in interviews that key religious organizations in Utah, including the LDS Church, the Catholic Church, and Jewish congregations, are significant service providers and funders for a variety of causes. Others described

ways in which one or more churches use their influence in the community to advance attention to, solutions for, and coordination around key issues such as homelessness, addiction recovery, and immigration and refugee integration.

Though far from comprehensive, two publicized examples illustrate this activity. In April 2017, the LDS Church reported donating more than $42 million over the last decade to eight nonprofit community organizations that serve the homeless in Salt Lake City, in addition to extensive and ongoing contributions of in-kind donations such as food, counseling services, and job placement.[16] In 2016, Catholic Community Services of Utah reported providing over 288,000 meals, enabling 632 refugees to start a new life in Utah communities, and giving more than 70 thousand service hours.[17]

UTAH NONPROFITS AND OUR COMMUNITIES

Based on recent IRS data, 9,751 charitable organizations are registered in Utah. These organizations report total revenue of $13 billion, which comes from a combination of foundation, corporate, individual, and government sources. The combined revenue of the roughly 70 percent of these that are registered as 501(c)(3) organizations is equivalent to 6.8 percent of Utah's gross domestic product (see Figure 6). This represents a contribution to Utah that is GDP 1.4 percentage points greater than the national nonprofit sector's contribution to United States GDP.[18]

Utah nonprofit revenue is heavily clustered along the Wasatch Front, with over half in Salt Lake County (see Figure 7). Another 10 percent is in Utah County, 7 percent in Davis County, and 4 percent in Weber County. Funder assets are similarly concentrated along the Wasatch Front, with an even greater emphasis in Salt Lake County.

Figure 6: Revenue of Utah's social sector and comparable industries relative to state gross domestic product

Transportation & Utilities	Construction	501(c)(3) Revenue	Retail Trade	Durable Goods Manufacturing
4.5%	6%	6.8%	6.9%	7.1%

Comparable Industries
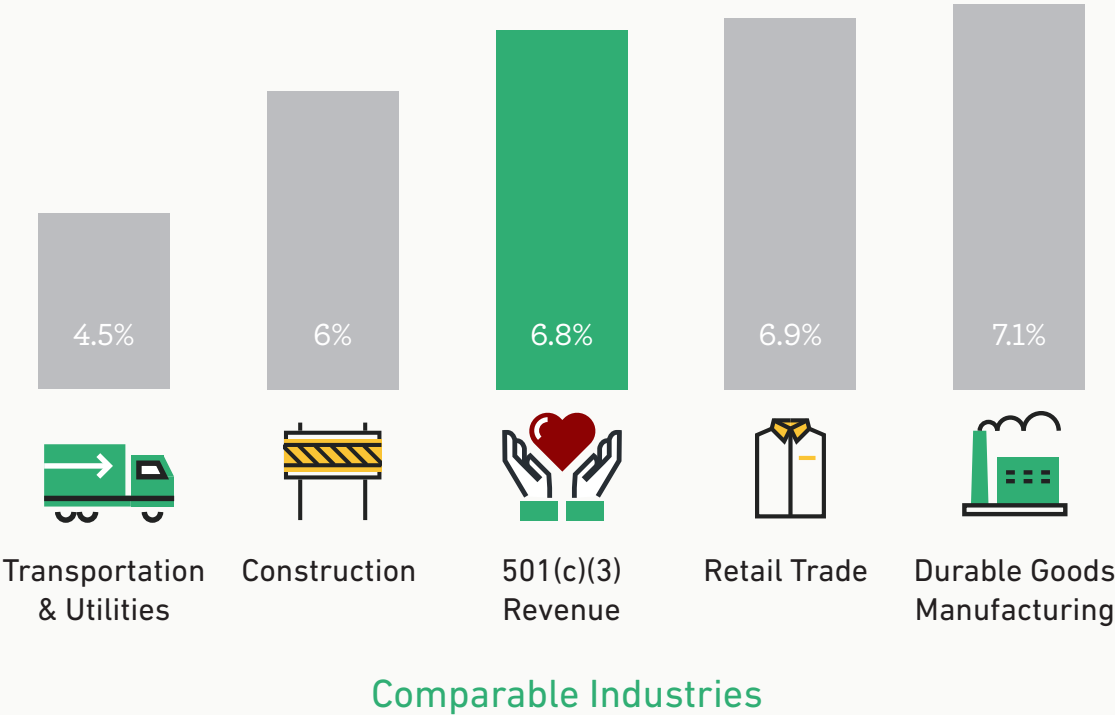
Figure 7: Geographic distribution of nonprofit revenue and funder assets

Utah Nonprofit Revenue by County

Nearly all of the funding is generated from the concentration of assets in Salt Lake County.

$0 ▬▬▬▬▬▬▬ $2B

Salt Lake County $1.99B | All other counties $1.53B

Utah Funder Assets by County

$0 ▬▬▬▬▬▬▬ $3B

Salt Lake County $2.66B | All other counties $0.73B

Revenue includes contributions (i.e. grants, donations), revenues received charging for services, and contributions from federal, state, or local governments
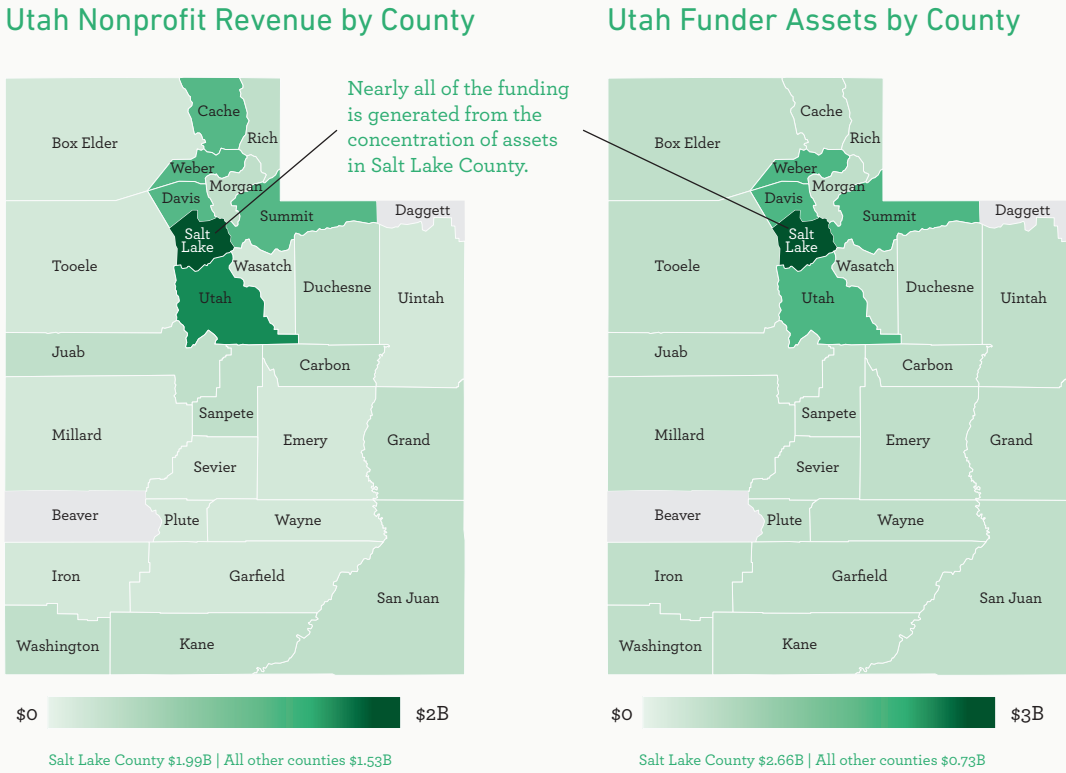
Figure 8: Top issue areas by stakeholder group

Funders

Issue Area	Rank
Civil Rights & Advocacy	5
Youth Development	3
Education	1
Human Services	2
Arts & Humanities	4

Nonprofit Organizations

Issue Area	Rank
Healthcare	5
Youth Development	3
Education	1
Human Services	2
Housing/Shelter	4

General Population

Issue Area	Rank
Humanitarian Aid	5
Human Services	3
Education	1
Healthcare	2
Housing/Shelter	4
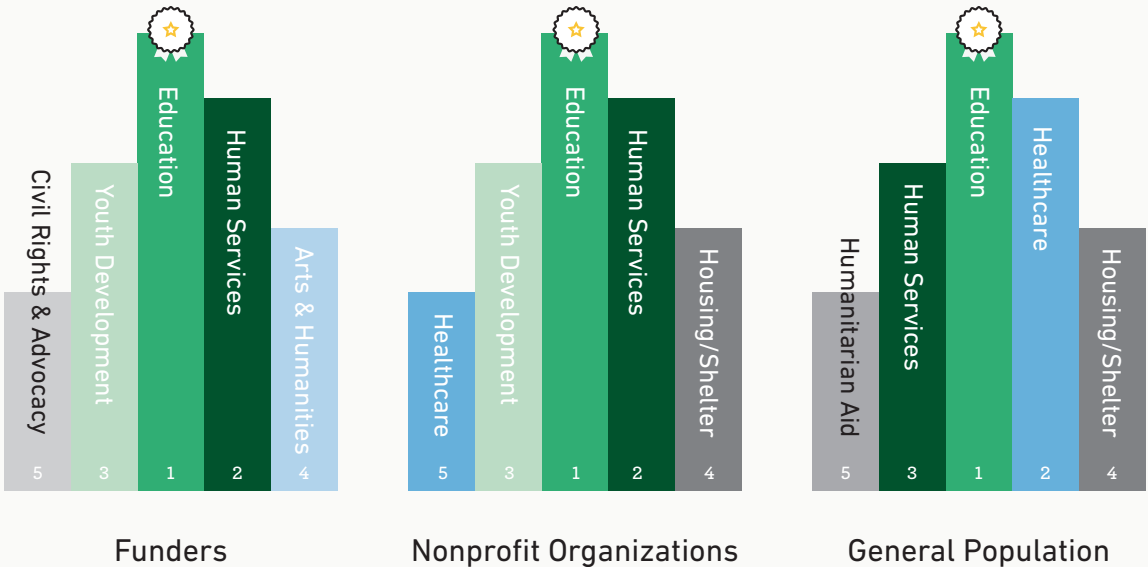
Issues that are top of mind for Utahns include youth development, healthcare, air quality, education, and homelessness.[19] In surveys, sector stakeholders—the public, funders, and nonprofits—reported relative alignment on priority issues (see Figure 8).

While Utah's economy is strong—the estimated poverty rate declined to 10.2 percent in 2016 from 11.3 percent a year earlier, and many residents are experiencing increasingly prosperous circumstances—all is not well. The seventh-lowest poverty rate in the country nonetheless translates to 307,000 Utahns living on less than $12,060 a year.[20] One hundred thousand children under the age of 18 (12.5 percent of all children in Utah) and nearly 20,000 families consisting of single mothers and their children live in poverty.[21] Similarly, while food insecurity declined in 2016 from the previous year by a statistically significant amount (from 14.3 percent to 11.5 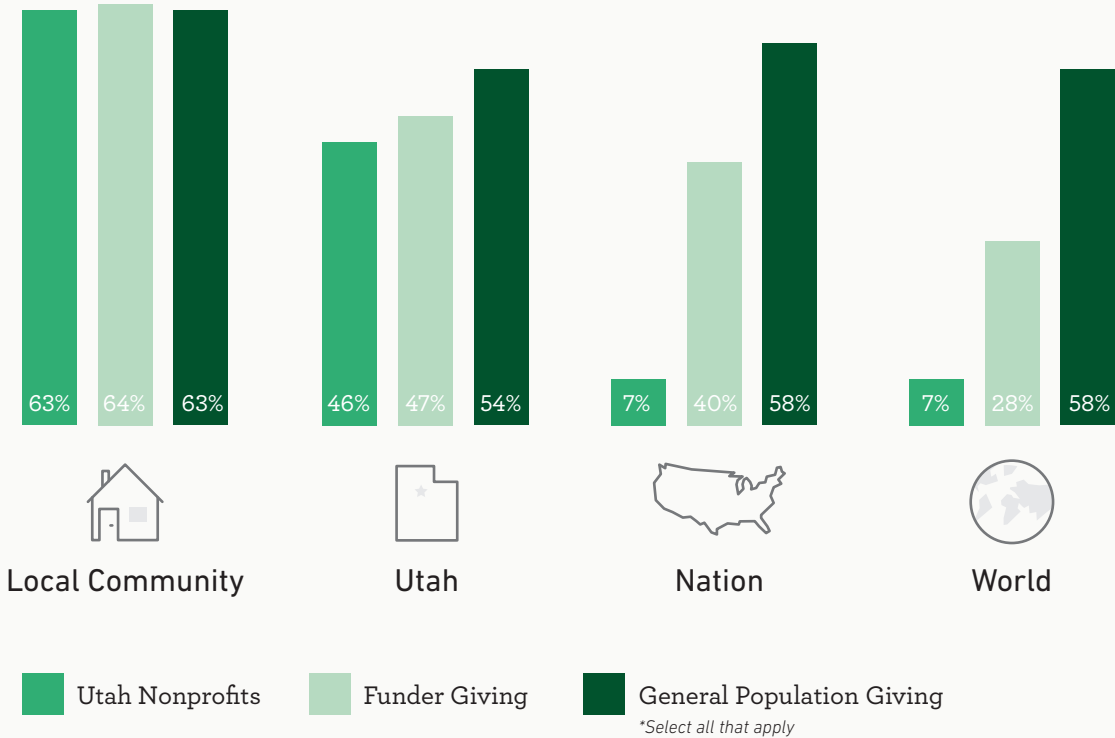percent), 112,000 households[22] nevertheless struggled to consistently access or afford adequate food last year. In more than half of Utah's counties, 50 percent or more of schoolchildren receive free or reduced price lunch, with three-quarters of Piute and San Juan county schoolchildren eligible in 2014.[23]

These statistics highlight some of the greatest needs in the neighborhoods and towns that physically surround us. Of course, our definition of "community" can range from the neighborhood to the globe. Seven percent of Utah-based nonprofit survey respondents provide services outside the state, while 40 percent of funder respondents indicated that they provide support on a national and international scale (see Figure 9).

Respondent focus by geography

	Local Community	Utah	Nation	World
Utah Nonprofits	63%	46%	7%	7%
Funder Giving	64%	47%	40%	28%
General Population Giving	63%	54%	58%	58%

Utah Nonprofits   Funder Giving   General Population Giving
Select all that apply

Survey Questions: Nonprofit "Where does your organization provide programs and services?"
Funder: "What is the geographic scope of your giving?"
Gen Pop: "Where do the nonprofit organizations that you donate to provide services?"
Sample Size: n = 89 | 76 | 600

Nonprofits and funders may vary in how they focus their work topically, geographically, and demographically, but this report's findings apply to any player in the social sector with an interest in bettering our communities, no matter how narrowly or broadly defined. This report is intended to spark collective reflection on how we can work together more efficiently and effectively to address our communities' needs.

Philanthropic Sector Trends

The face of philanthropy is shifting. Since the turn of the century, more fiscally constrained local, regional, and national governments, a move beyond philanthropy for philanthropy's sake to effective philanthropy, and a new generation of philanthropists have contributed to this shift. Private donors are increasingly funding social needs, often in concert with public entities or other funders.

Philanthropists are aligning their charitable goals with their personal values and are importing investment management principles into their giving portfolios. The result: an exploding emphasis on achieving measurable social impact with charitable and investment dollars.

A shift away from activities and outputs as acceptable end results toward sustainable, population-level outcomes and impact is well underway. Evidence undergirds this shift: it drives strategy definition and ongoing decision-making, it aids in defining progress and it helps to tell the story of programmatic and organizational outcomes.

Twenty-first century philanthropy values transparency, equity, and respect. It loves visionary thinking and big bets. Increasingly sophisticated grantmaking, impact investing, program-related investments, and social impact bonds are just some of the mushrooming investment approaches that philanthropists are deploying to address the needs they see in their communities, both local and global.

Insights and Opportunities

The Giving Mindset

Our sector's primary motivation is to "make a difference." In practice, however, in Utah we tend to focus on measuring and celebrating our efforts rather than the changes we aim to achieve. Both nonprofit leaders and funders frequently referred to outcomes and impact in interviews, yet the research demonstrated a gap in funders' and nonprofits' understanding and use of these results-oriented terms. Instead, as a sector we largely define success by outputs and activities—by how many dollars we donated, hours we volunteered, or people we fed.

A powerful paradigm drives this approach—that funding or pursuing a good cause inevitably results in real, meaningful, lasting positive change. Growing tomes of rigorous evaluation studies reveal that this is simply not the case.

Two large-scale examples illustrate the point. The first comes from the field of microfinance, which provides small loans to impoverished entrepreneurs to boost business success and reduce household poverty. After more than three decades of growth, billions of dollars in grants and investments, global claims that it provides a silver bullet solution to poverty, and even a Nobel prize, numerous impact evaluations of microfinance programs around the world have repeatedly demonstrated neutral or negative impacts at a much higher rate than expected.[24]

The second example hits closer to home, where a 2017 assessment of $3 billion invested throughout the United States to turn around failing schools—including many innovative approaches and high-tech investments—"had no significant impacts on math or reading test scores, high school graduation, or college enrollment" for students in those failing schools.[25]

Based on nearly 800 survey responses, dozens of interviews, and years of observation in the sector, it is clear we operate with a "hope-for-it" mindset in Utah (see Figure 10). One expert acerbically

described this paradigm as "ignorant contentment with mediocrity." Clearly, we have a tremendous opportunity to shift our mindset and define success in terms of outcomes and ultimately impact, or the change we observably effect in our communities. In many ways, the remainder of this report's findings are manifestations of the "hope-for-it" mindset. If not thoroughly addressed, this mindset will inhibit progress in efforts to positively impact our communities.

> "Too often we are content with an effort that is ultimately a failure, but because of a warm and fuzzy anecdote or one success story we think it is effective."
>
> — Mayor Ben McAdams,
>   Salt Lake County

Figure 10: Traditional social sector approach to impact

The 'Hope-for-it' Approach

An Exciting Idea... + Heartfelt Effort... = A Better World?

A manifestation of this mindset: less than half (45 percent) of funder survey respondents said they expected their grantees to focus on population-level outcomes. (Population-level outcomes are positive changes across an entire community or system, such as increasing graduation rates for the entire state, or decreasing the percentage of people in abject poverty across the globe.)
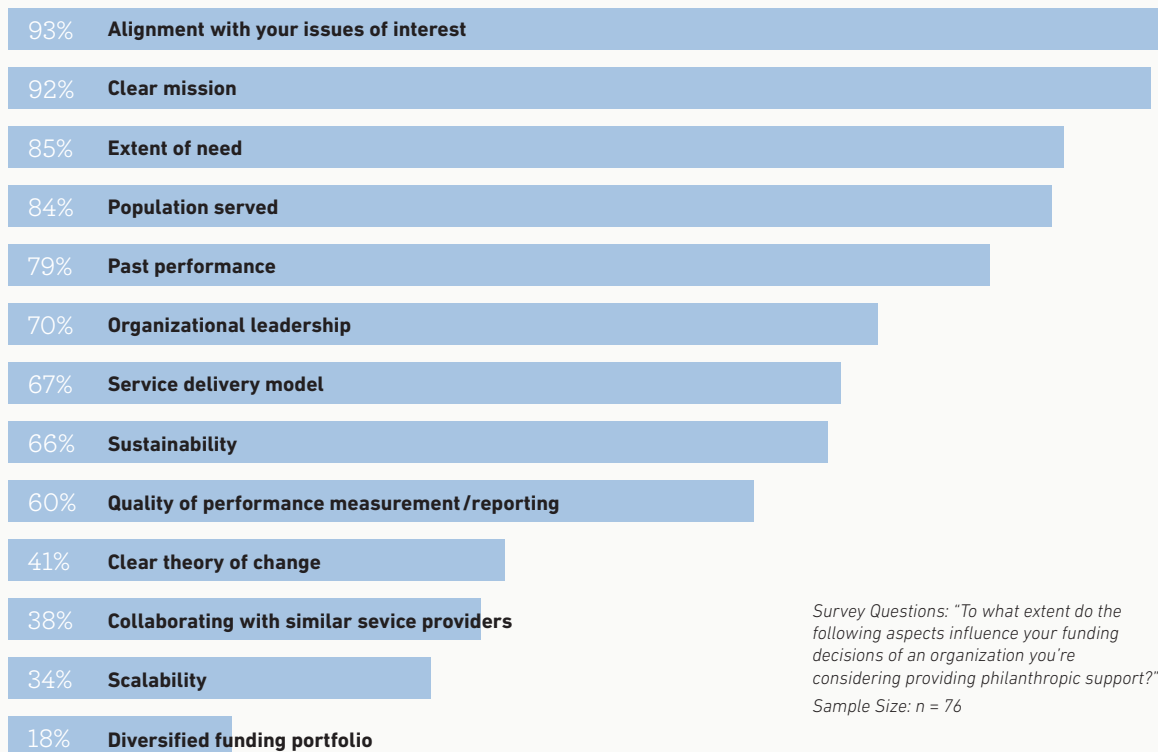
Only 34 percent of funder survey respondents reported scalability as a key factor in their funding decisions; just 38 percent reported how an organization collaborates with others as a key factor; and just 41 percent reported a clear theory of change as a key factor (see Figure 11 for greater detail). These are fundamental attributes related to an organization's ability to target solutions to address root problems, rather than simply delivering programs or services.

While nonprofit leaders appear to understand the value of thinking about their work from a population perspective, interviews with these leaders show that they lack the resources, expertise, and support to do so. One leader admitted, "We have 50 years of data but nobody knows what to do with it." In turn, funders indicated a frustration and lack of clarity about what they are accomplishing. One funder said, "Everyone talks about [. . .] impact, but if you can't show it or measure it, what does it really mean?"

Effectively addressing root causes and achieving long-term, sustainable solutions requires time and resources. It requires unswerving commitment and investment from all involved—nonprofit leaders, boards, and funders—to understand the issues thoroughly, develop and deploy programs efficiently, measure performance, experiment and improve, and scale. One nonprofit executive noted, "Funders need to see the difference between a program outcome and a population-level outcome. This will lead to the needed investment in backbone infrastructure."

Figure 11: Factors that drive Utah funders' grantmaking decisions

93%	Alignment with your issues of interest
92%	Clear mission
85%	Extent of need
84%	Population served
79%	Past performance
70%	Organizational leadership
67%	Service delivery model
66%	Sustainability
60%	Quality of performance measurement/reporting
41%	Clear theory of change
38%	Collaborating with similar sevice providers
34%	Scalability
18%	Diversified funding portfolio

Survey Questions: "To what extent do the following aspects influence your funding decisions of an organization you're considering providing philanthropic support?"
Sample Size: n = 76

How do we as a sector shift from a giving mindset to a results mindset? Figure 12 depicts a strategic approach to impact. To guide us in adopting a results- and population-oriented mindset, we can consider:

- Do we use a data-informed strategy to guide our work?

- Have we identified the specific population we aim to serve?

- Do we regularly review actionable data to continuously refine our approach and improve performance?

- Are we seeking opportunities to better understand the complex system dynamics that underlie the social sector in Utah and globally?

- Are we actively looking to invest our resources (money, time, etc.) in results rather than in activities or outputs?

- Are we actively advocating for use of the practices and tools used by leading funders and service providers?[26]

> **"We need to look at the desired future state and grant accordingly."**
>
> *— Chris Bray, Corporate Funder*

> **"It takes discipline to maintain alignment with your mission and avoid distraction. Funders need to increase their awareness and understanding of issues to be funded."**
>
> *— Nonprofit Leader*

Figure 12: Strategic social sector approach to impact

An Exciting and Informed Idea + **An Always-Improving Theory** ⟳ **Data-driven Tests...** = **A Better World!**
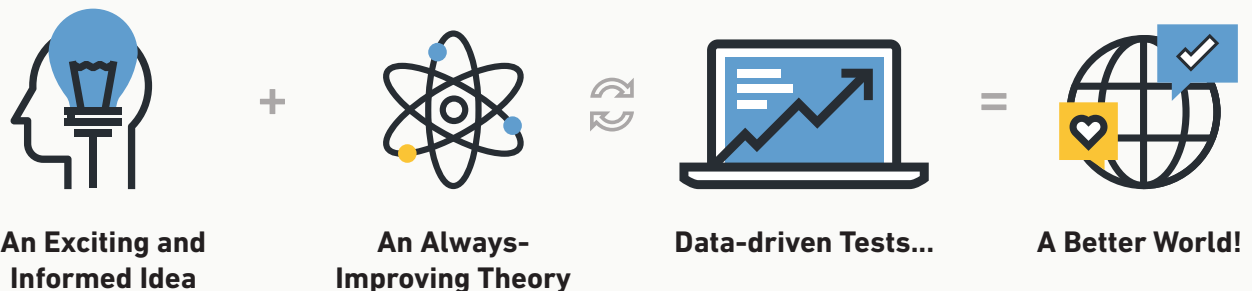
To be clear, a results mindset and the guiding questions above do not mean that every funder and nonprofit should work in the same way. Our communities need both immediate, remedial services (e.g., food pantries and homeless shelters) and long-term, preventative solutions (e.g., helping someone receive a good education that leads to a sustainable career, so they do not require food and housing support). We need some nonprofits serving the individual while others focus on improving complex systems. However, none of these approaches will truly make a difference unless nonprofits and their funders are aware of root causes, recognize and work within broader systems, and deliver high-impact solutions.

Deploying a results-oriented, population-centric mindset requires partnerships willing to work in new and different ways and to tackle challenges such as trust and infrastructure needs. Some of this mindset shift is in fact happening, but great opportunity exists for a more deliberate, conscientious mindset shift across funders and nonprofit leaders.

Much of the remainder of this report identifies specific ways funders, nonprofit leaders, and others who are invested in our communities' well-being can pursue more effective, impact-oriented approaches to philanthropy. When we take a strategic approach, think about our communities broadly and holistically, and invest in suites of programs and services spanning issues and needs, we can effect lasting change in our communities.

(i) RECOMMENDATIONS

Don't assume that doing good inevitably makes things better. Instead, focus on and invest in the people you are serving and the outcomes, or results, you want to see. Only declare success when you see those outcomes. Embrace the reality that in the social sector, excellence is self-imposed.

A FRAGMENTED LANDSCAPE

Utah's social sector is fragmented. Nearly every interview participant commented on this dynamic, which manifests both in the number and size of nonprofit organizations in the state, and in how nonprofits and funders typically operate in an isolated, siloed fashion. Fragmentation is driven primarily by:

- A pervasive do-it-yourself (DIY) approach, and

- A lack of awareness about what others are doing and about what works.

Our society lauds independence and entrepreneurship. This is especially true in Utah, where self-reliance and a "pioneer spirit" are cultural traits most Utahns take pride in. While innovation and individual efforts are valuable in achieving impact, a go-it-alone, DIY mentality is not conducive to maximizing the impact we can have.

Nonprofit leaders and funders frequently commented in interviews on the number of nonprofits in Utah. In 2012, 8,000 nonprofit organizations were registered in the state; today, more than 9,700 are registered, an increase of nearly 22 percent in a mere five years.[27] Some weeks, the Utah Nonprofits Association receives as many as 40 inquiries about starting a new nonprofit, despite the reality that over 9,700 nonprofit organizations already exist and half of them operate on less than $25,000 in revenue per year.

Market dynamics that lead poorly conceived business startups to shutter do not operate in the social sector. As a result, most of these proliferating, minimally-funded organizations will not be able to drive change for the people and communities that need it. Instead, they very often represent 'pet projects'—opportunities for individuals to engage in volunteer work on a very part-time basis—or a vehicle to gain tax benefits.

While some advocate for this "let a thousand flowers bloom" approach, others recognize the inefficiency and ineffectiveness that typically result from a DIY mindset. Mayor Ben McAdams of Salt Lake County, for example, referred in an interview to the oft-repeated starfish story to highlight the underlying problems and missed opportunities associated with a fragmented sector. The story goes something like this:

> As he walked along the beach one night, a young man came upon an area completely covered with thousands of starfish stranded by the receding tide. As he carefully found his way through the mass of flailing creatures, he looked up to see an older gentleman ahead of him stooping painfully to pick up a single starfish and fling it out into the waves. As the young man watched, the old man repeated the motion over and over and over. Exasperated at the impracticality of the other's efforts, the young man finally said, "What are you doing? You'll never save all of them! There are tens of thousands of starfish stuck on this beach. What you're doing simply won't matter." The old man calmly looked at his accuser and, without responding, gingerly bent down, picked up one more starfish, and threw it out to sea. He then turned toward the young man, quietly remarking, "It matters to that one."

Most who share and hear this story do so to praise and encourage efforts like those of the old man—individuals who do whatever they can to serve and save, regardless of the dent these actions make on the "bigger problem." Mayor McAdams, however, had a different take:

> "I will always be grateful for and encourage individuals and organizations to do what they can. But we can do so much better than solving a few isolated cases in isolated ways. As funders, nonprofit leaders, and other stakeholders who care deeply about making a difference, we have to do better! Why would we ever settle for saving a few starfish when so many more need it? What bigger, better tools can we devise to help all the starfish get back into the water? Why are they stranded on the beach at all? How can we avoid that situation in the first place? How do we engage the starfish in this process? In short, how can we actually improve things for everyone?"

Mayor McAdams returned to the problems of fragmentation when discussing the challenges associated with homelessness in Utah:

> "I get 20 ideas a week from people who want to start their own program around homelessness. Instead of creating a new nonprofit, people wanting to do good should go work with an existing provider already doing the same work. If you want to make a real difference at scale it is going to take collaboration. It is going to take a paradigm shift."

To be sure, innovation, new money, and fresh leadership in the sector are all valuable—especially when they fill gaps or create new and better solutions. However, doing something that is already being done is not innovation. It is duplication, and it leads to inefficient use of resources, an inability to learn from others' successes and failures, and ultimately less impact for our communities. Interviewees consistently commented on the duplication of services they observe, funders receiving multiple similar requests for funding, and general public confusion stemming from the proliferation of nonprofit organizations.
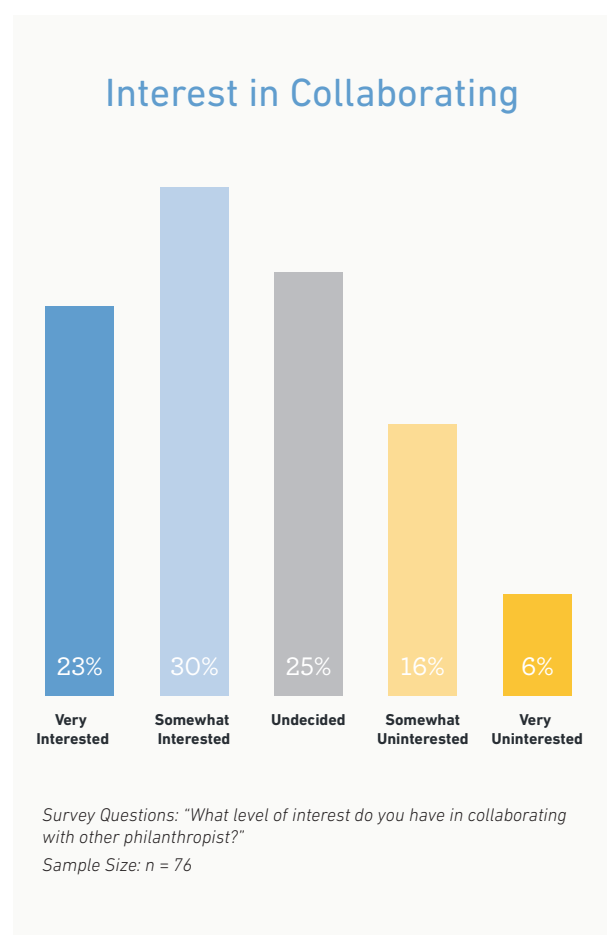
A noticeable lack of collaboration and coordination is another manifestation of fragmentation in Utah's social sector. While both funders and nonprofits noted an interest in collaborating, it appears to occur in practice less frequently and effectively than it could. Alex Eaton, CEO at the Community Foundation of Utah, noted, "We need to come together and collaborate in order to truly find success."

Sixty-eight percent of funder survey respondents indicated that nonprofits should collaborate more with one another, noting that collaboration could reduce duplication and represent a more efficient use of funding dollars. While nonprofit leaders said in interviews that they do sometimes discuss collaboration with peers, they acknowledged that it happens in practice far less than it could. Funders and nonprofit leaders noted that barriers to nonprofit collaboration include time and resource requirements, lack of leadership, and reluctance to give up scope of work.

Similarly, nonprofit leaders consistently highlighted a lack of coordination among funders as detrimental to collective aims. They noted that funders should communicate more with each other about their work. Fifty-three percent of funders are interested in some form of collaboration with one another (see Figure 13). They want to learn what is working for other funders, share best practices, and pool resources. Funders and nonprofit leaders noted that barriers to funder collaboration mirror those to nonprofit collaboration, including time and resource requirements, lack of leadership, and reluctance to give up scope of work. For family foundations, tension between founder wishes and community needs was another noted barrier to collaboration with other funders.[28]

Nonprofits and funders alike stand to benefit from partnerships and collaborative efforts. Debbie Hardy, Manager of Community Giving at Intermountain

Figure 13: Utah funders' interest in collaborating with each other

Interest in Collaborating

Very Interested	Somewhat Interested	Undecided	Somewhat Uninterested	Very Uninterested
23%	30%	25%	16%	6%

Survey Questions: "What level of interest do you have in collaborating with other philanthropist?"
Sample Size: n = 76

Healthcare, provided an example of how both could benefit: "Funders must make it easy for nonprofit organizations to apply for funding. We need to ask for the same things from each organization; this will create best practices. They will then see the value of investing in some of the key due diligence pieces that they can provide to all funders, rather than just going after the 'easy money,' which may not benefit them in the long run."

Strong examples of collaboration and coordination have emerged in recent years, such as the collective impact models led by Salt Lake County and United Way of Salt Lake, Cotopaxi forging long-term partnerships with nonprofits to develop a sustainable supply-chain, and Intermountain Healthcare's focus on corporate and nonprofit partnerships to improve a continuum of care for marginalized populations.

> "If [grantees] came together they could do better work and our foundation dollars could go farther."
>
> *— Jay Francis, Executive Vice President, Larry H. and Gail Miller Foundation*

> "I don't think donors talk to each other. If there was more discussion and collaboration by donors I think the sector would be better served."
>
> *— Nonprofit Leader*

> "Funders need to talk to each other about community needs."
>
> *— Shawn McMillen, Executive Director, First Step House*

> "If funders collaborate, nonprofits will collaborate."
>
> *— Sector Expert*

Changing the pervasive do-it-yourself dynamic requires a concerted effort to fight the urge to (re)invent and individually implement one's own approach. We need to learn about and from the efforts, insights, solutions, and platforms that already exist, including outside Utah. We need to discover which ones are effective, and which can be added to or replicated. We also need to invest more in understanding the root problems and causes of our communities' challenges and in identifying who is working on what issues.

Armed with this research, would-be change agents can make an informed decision to start a new nonprofit because no one else is effectively addressing a prevalent need. When they do, they will be much more likely to achieve the ultimate aim of driving meaningful change. Furthermore, such research could make it easier for funders and nonprofits to know what their peers care about. It could make it simpler for them to join forces to support innovations and improvements through existing organizations and partnerships in coordinated, scalable ways.

Funders can play a valuable role in increasing access to information by funding not just direct services and programming, but also studies and landscape analyses that inform the sector.

Nonprofits can play an important role, too, by being transparent about successes and, just as importantly, failures.

Finally, we must recognize that systems underlie social challenges and that no individual, nonprofit, or funder is an island. Complex challenges typically require multi-pronged solutions driven by deliberate, committed collaboration—which requires dedicated resources and visionary leadership to be successful.

RECOMMENDATIONS

Survey the landscape and learn from others; don't reinvent the wheel. Work together more often, more deliberately, and more effectively to achieve results.

Funders: Communicate with peers about funded work and observed results. Consider co-investing with peers. Invite group or partner funding applications. Encourage nonprofit collaboration by funding costs associated with collaboration.
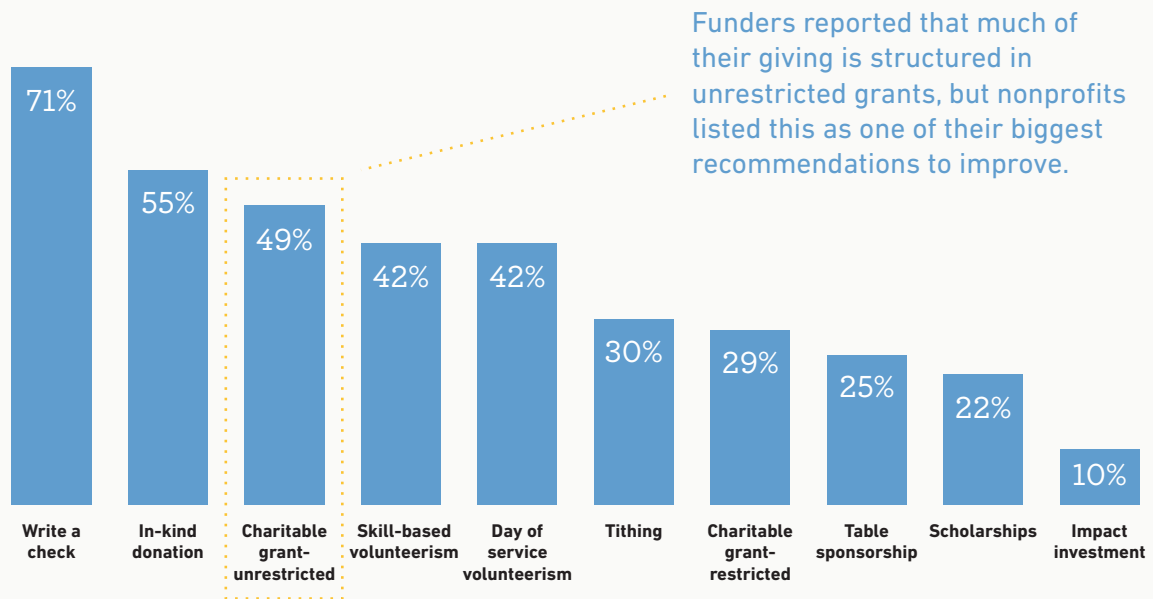
Nonprofits: Work with peers to more effectively meet common aims. Encourage funders to fund nonprofit partnerships. Ask private sector leaders for their insights.

APPROACHES TO FUNDING

At a high level, funder and nonprofit survey responses indicate a mismatch between Utah's projected nonprofit budget needs and funder budget availability over the next three years. Eighty-one percent of nonprofits expect their budget requirements to increase, compared to just 56 percent of funders who expect their budgets to grow. As nonprofits look ahead, questions around availability of federal funding further fuel uncertainty. In addition, many funders rely on a strong tradition of relationship-driven decision-making. We have an opportunity to rethink the funding paradigm in ways that will provide stability for our nonprofits in coming years.

Restrictions that funders place on how, where, and for what their dollars are used exacerbate the uncertainty and resource constraints that nonprofits indicated they grapple with. While 49 percent of funder survey respondents said they used unrestricted grants in 2016 (see Figure 14) and 76 percent of nonprofit survey respondents said they received some unrestricted funding[29] in 2016, in interviews nonprofit leaders clamored for more. Unrestricted funding can support salaries, utilities, and other administrative and operating costs, in addition to programmatic costs. One nonprofit leader noted, "We cannot be responsive to community needs without general operating support."

Figure 14: Mechanisms used by Utah funders to support nonprofits

Funders reported that much of their giving is structured in unrestricted grants, but nonprofits listed this as one of their biggest recommendations to improve.

Write a check	In-kind donation	Charitable grant-unrestricted	Skill-based volunteerism	Day of service volunteerism	Tithing	Charitable grant-restricted	Table sponsorship	Scholarships	Impact investment
71%	55%	49%	42%	42%	30%	29%	25%	22%	10%

Survey Questions: "In 2016, in which of the following ways did you structure your philanthropy?"
Select all that apply
Sample Size: n = 76

While 82 percent of funder survey respondents said they expected to give unrestricted funding over the coming three years, one-third of respondents did not say that funding for overhead is acceptable. Forty-five percent of the public also said that funding overhead is unacceptable.

Regardless, consensus is growing in the sector broadly around the value of unrestricted funding. As many experts and leaders have argued, successful, effective nonprofits (like high-performing organizations in any sector) require resources to support foundational capabilities, organizational resilience, and increasing impact (see Figure 15).[30] A burgeoning body of excellent arguments, data, and resources support this view.[31] Perhaps most telling is the move in recent years by nonprofit ratings agencies GuideStar, BBB Wise Giving Alliance, and Charity Navigator to jointly encourage nonprofits and donors to address the "overhead myth."[32] Of course, funders should perform due diligence to ensure that their nonprofit partners are excellent stewards of funds and are equipped to prioritize needs in accordance with shared goals.

Figure 15: Nonprofit starvation cycle

Nonprofit Starvation Cycle

- Misleading reporting and overhead phobia
- Unrealistic funder expectations
- Pressure on nonprofits to conform
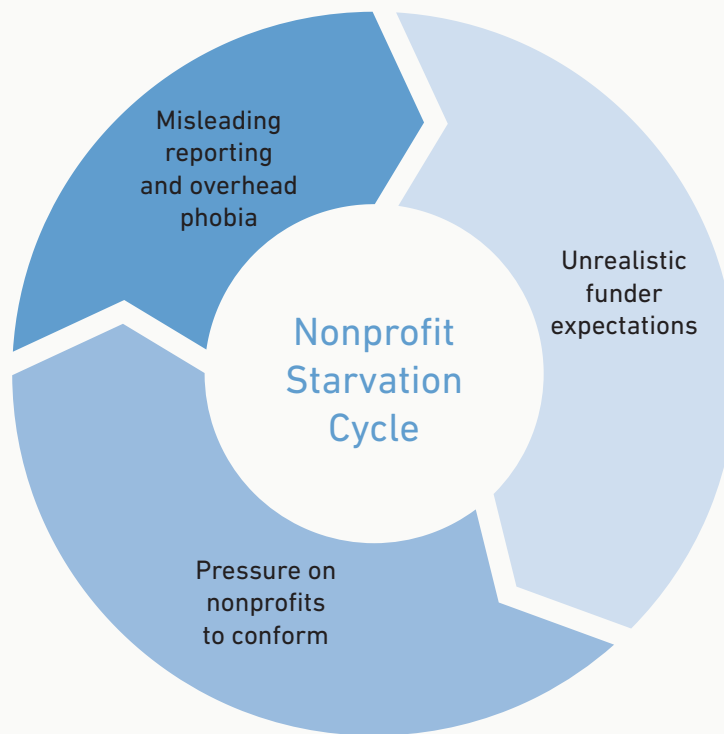
Expert Views

"'Unrestricted' does not equal 'unaccountable'. . . accountability should be tied to social outcomes, not 'overhead and administration.'"

— *Sir Paul Shoemaker, Founding President, Social Venture Partners*[33]

"Unrestricted money makes an organization work smoothly, enables innovation, and provides fuel for growth. It unlocks potential and allows people to get down to business and do what they're best at. It makes it possible for great organizations to weather crises without losing momentum. . . . What is important is the impact per donor dollar: the cost per child's life saved, per family out of poverty, per island species saved from extinction. If we like that number—if we think they are cost-effective in terms of impact—we don't have to get worked up about overhead costs or whether employees fly business class now and again."

— *Kevin Starr, Mulago Foundation*[34]

"We can't simply invest in our partners' projects; we have to invest in our partners themselves. We also need to be patient, commit to more long-term assistance, and remove the pressure of having to deliver results measurable in two- or three-year time frames. Only then will we demonstrate the trust we have in our partners and be able to amplify their impact."

— *Darren Walker, President, Ford Foundation*[35]

"I don't believe [expense ratios] reflect the true cost of doing business because nonprofit workers are historically underpaid and without benefits, and their most important work of innovating and collaborating is rarely funded."

– Funder Survey Respondent

"I trust the organizations I've taken the time to know to use my unrestricted donations wisely."

– Funder Survey Respondent

"Ultimately, if it benefits the organization, I'm for it. Spending money on staffing and education will ultimately benefit the program and retain great employees."

– Funder Survey Respondent

"Every organization lives or dies by its people, and attracting quality people to do the important work takes money. I am 100% in support of allowing nonprofits to use my donations for any overhead or programming costs as they see fit. In my experience as a board member of a nonprofit, I have gained an appreciation of how much good 'unrestricted' funds can do."

– Funder Survey Respondent

In addition, in Utah the primary driver of funding decisions is often relationships, as opposed to evidence of impact, clarity regarding community needs, or strong alignment with the funder's interests. One foundation representative noted, "In this market, it has so much to do with relationships. If you have organizations that are pretty much the same it comes down to where you have the relationships." An individual philanthropist indicated, "My giving is influenced by people that I am associated with and that I want to maintain a business, social or some other relationship with; by institutions that I have had a relationship with or ongoing loyalty to; and by wanting to be more involved and actively participate in creating impact." For the most part, funders recognized in interviews that relationship-driven decisions are not consistently compatible with a strategic, outcomes-driven funding approach. However, relationships continue to drive decision-making in practice.

This tendency is problematic because it can put funders in an uncomfortable "can't say no" bind, and it can sabotage funders' aspirations to make a difference. It also rewards nonprofits for investing heavily in relationships and donor experiences (such as galas and other events) rather than using that money to achieve and demonstrate impact.

Finally, Utahns are relatively enthusiastic about donating their time and in-kind resources. Sector leaders commented in interviews on the challenges associated with managing volunteers and matching in-kind donations with community needs. While administering these resources is unequivocally more complex compared to administering grant funds, volunteer time and in-kind donations are potentially valuable contributors to desired outcomes. Their value can be unlocked as nonprofits consider them in their strategic planning, and solicit them with clear, effective communications.

ⓘ RECOMMENDATIONS

Be clear about the resources required to achieve great results and be willing to pay, and ask, for what it takes to achieve those results. Ensure your funding approach is strategic, forward-thinking and evidence-driven.

Funders: Set clear strategy, with a crisp articulation of guardrails—what you will and will not fund. Establish (and communicate) processes and criteria that indicate how requests will be considered and how each grant will be reviewed. None of this needs to be onerous for either the funder or the nonprofit. Simple steps—such as establishing regular review meetings or standardizing grant request forms to help avoid in-the-moment responses—combine your heart's instincts with your head's review of the data, and increase the likelihood of achieving your ultimate goals. When providing unrestricted funding, ensure that you are working with partners who deliver validated outcomes and have accountability measures in place.

Nonprofits: While recognizing that relationships will continue to matter greatly, set yourself apart with a clear funding strategy that aligns with your strategy for impact and by prioritizing sources of funding that will fuel that growth. Additionally, make it easy for results-oriented funders to partner with you by proactively providing evidence to show you are truly making a difference. Then invite funders to deepen, strengthen, and scale that impact with you.

> **"We end up giving to things that I would just as soon not give to but because of relationships I feel like I have to."**
> *— Foundation Representative*

> **"Funders say they want measurements but I don't think they really do. At least the way they act and give is to relationships they have and success stories they hear."**
> *— Sector Expert*

> **"It's great to have companies who want to support us only through employee volunteerism; however, many don't understand the invisible costs associated with organizing and carrying out an event for groups of volunteers."**
> *— Chris Conard, Executive Director, Playworks Utah*

Media Relationships

Two organizations that participated in the study have ongoing relationships with local media—the Park City Community Foundation with The Park Record and Habitat for Humanity of Utah County with the Daily Herald. These relationships help to raise awareness of community needs and of the organizations working to meet those needs. The Daily Herald, for example, publishes a monthly article on housing in Utah County. Leveraging media can be a cost-effective way to communicate with the public and with funders, and helps to ensure nonprofit and funder accountability.

EFFECTIVE COMMUNICATION

A struggle to communicate well with one another inhibits the impact of Utah's funders and nonprofits. In interviews, funders repeatedly reported difficulty in understanding the basics of who would-be grantees serve, how requested funds would create an impact, and why a proposed approach is an appropriate solution to a community challenge. This lack of clarity, coupled with the number of funding requests funders receive, makes it challenging for funders to prioritize community needs and decide on best use of funds.

At the same time, nonprofit leaders noted how difficult it often is to understand funders' priorities and how to effectively engage with funders. One said, "Foundations are hands-off, and not that interested in communicating." Another commented that "a large chunk of funders is not transparent." Multiple nonprofit leaders noted that other than receiving a check in the mail, they have had no communication with some of their funders. Effective communication is an outgrowth of clear strategic aims, and is directly related to one's capacity to drive impact. Funders' and nonprofits' ability to clearly articulate the who, why, what and how of the challenges they seek to address will lead to increased understanding of and support for the work, as well as an improved ability to effectively collaborate.

Communicating persuasively also requires an understanding of target audiences—ideally aligned with an organization's mission and goals—and what they care about; the messages and value propositions that will resonate with them; and the optimal channels for reaching them. A "cast your net wide" approach will most likely resonate with no one and largely be wasted effort.

Clear communication also helps drive effective collaboration, which requires a 'win-win' mentality. That is, not simply asking for money or requiring new programs or ways of working, but also identifying mutual wins and using those to anchor communications.

RECOMMENDATIONS

First clarify your mission, strategic priorities, and the value of your work. Then describe your work in concise, compelling ways to the appropriate audiences—funders, nonprofits, beneficiaries, and the general public.

Funders: Strive for transparency and timeliness when communicating with grantees. Transparency includes clear objectives, guidelines, and deadlines that are easily accessible and consistent, as well as a crisp articulation of strategic aims and desired outcomes.

Nonprofits: Clearly outline how requested funding will be used, how it complements the funder's portfolio, and how the funding benefits the community. Research and respect funders' parameters and processes.

"Talk to us earlier in the planning phase. Draw us in as consultants and as a partnering connection rather than simply calling and asking for a check. We love to collaborate."

— *Cynthia Buckingham, Executive Director, Utah Humanities*

"All stories need data and all data needs a story. When we can tell a success story with compelling data, our employees are more likely to engage in our social impact work."

— *Ruth Todd, Vice President, Public Affairs, Nu Skin Enterprises*

"It can be just as challenging to give money as it is to ask for it. Nonprofits need to communicate alignment and build relationships with funders; funders also need to be reaching out strategically to nonprofits and attempt to attend the same events, do site visits, and other such things to improve communication."

— *Debra Hoyt, Director of Community Relations, Dominion Energy*

UNDERSTANDING THE EVIDENCE

Measurement that aids in understanding progress toward outcomes is a stated priority for Utah's nonprofits and funders. Seventy-five percent of nonprofit survey respondents indicated that they use data to refine their strategy and programs, while funder respondents noted that they are increasingly emphasizing data and reporting requirements. However, there is a gap between stated priorities and actual practice, representing a valuable opportunity for funders and the organizations they support to more effectively track and use data in setting strategy and evaluating progress toward impact.

A review of hundreds of Utah nonprofit websites and annual reports suggests that the majority includes no reference to outcomes, prioritizing instead financials (revenue and expenses) and services delivered or people served. In local pitch forums, nonprofits rarely have data on the size and nature of the problems they seek to address, or on the outcomes they intend to achieve. At a recent pitch event, for example, the panel of expert judges remarked that only one of 20 presenters had rigorous data depicting intended outcomes. Indeed, a significant minority of nonprofit survey respondents said they do not have the tools or software required to effectively conduct typical measurement activities (see Figure 16). Experience suggests that many of those who report having tools and software to manage measurement activities actually lack the capabilities (whether personnel and expertise or systems and tools) to measure and analyze impact in a sophisticated, robust way.

Figure 16: Utah nonprofits' access to measurement tools

We have the software/tools to...
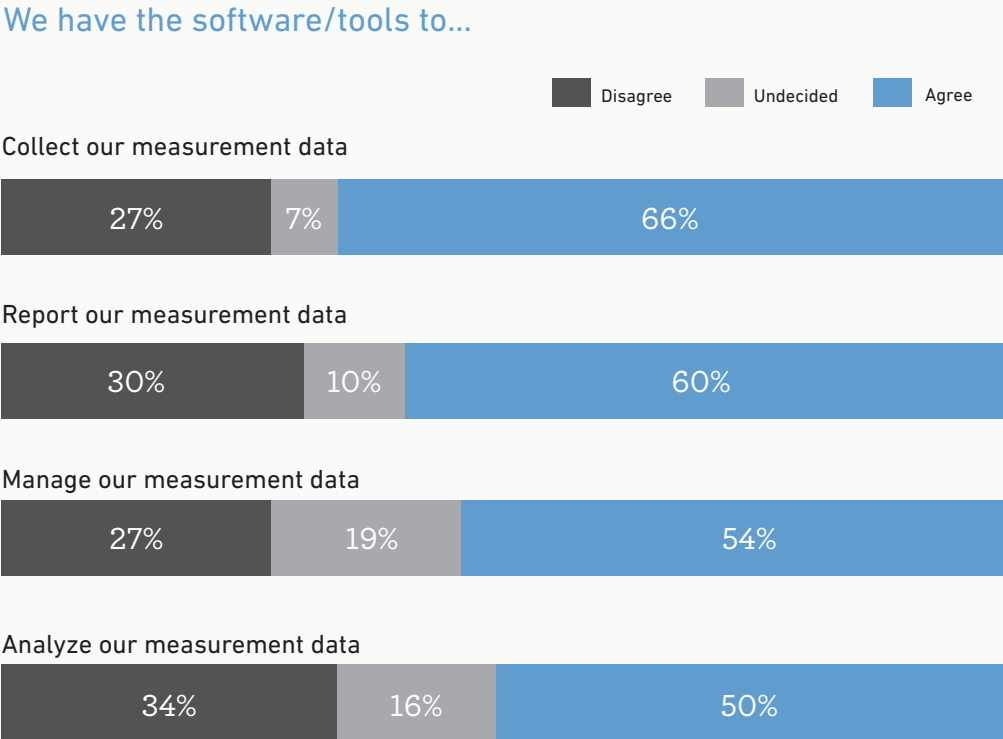
Survey Question: "Please indicate the extent to which you agree or disagree with the following statements about your organization."
Sample Size: n = 89

"If all funders would come together and be firm on outcomes, be firm on measurements, be firm on collaboration, then nonprofits would be influenced to work together and collaborate more."

– LaDawn Stoddard, Director, UServeUtah

"Requirements for funding vary dramatically between funders. Sometimes they simply want to know how we did with the outcomes they required."

– Stan Penfold, Executive Director,
Utah AIDS Foundation

"Pay-for-success has woken people up about data."

– Shawn McMillen, Executive Director,
First Step House

"Even though funders aren't asking for specific data, I think if we take data back to them, they are more likely to give more in the future."

– Edward Blake, Executive Director,
Salt Lake Valley Habitat for Humanity

"It seems everyone has a different definition of impact. Some think anything measurable is impact; others don't think real impact can be measured at all. But while it is surely challenging to estimate a program's impact on intangible life outcomes, it is incumbent upon each organization to measure impact in a manner as objective and rigorous as possible."

– Brittany Erikson, Program Officer,
Ray and Tye Noorda Foundation

Figure 17: Basic structure for a logic model

Inputs
Resources invested in or devoted to an activity. These can include dollars, staff or volunteer time, and tools.

Activities
Services, programs, or other efforts provided to generate a result (e.g., "Our program involves A, B, and C training methods," or "We provide 14 training classes and four types of internships.").

Outputs
Usually a measure of the volume of activity—the number of people served, services provided, certifications earned, etc. Delivering outputs does not always result in making a difference.

Outcomes
Changes in participants' behavior, knowledge, skills, status, and level of functioning.

Impact
Intended or unintended change for individuals, communities, populations, or systems that results from funder, program, or collaborative activities.

While funders noted in interviews that they require data and effective measurement from grantees, many nonprofits described their interactions with funders as perfunctory and stopping well short of productive discussions about evidence of progress. Further, there is little evidence tthat funders are thinking about measuring and demonstrating portfolio-level outcomes.

Utah is not unique in terms of the realities of measurement and evaluation. Broadly, barriers to effective use of data include limited staff time, lack of staff expertise, and insufficient funding. Lack of leadership commitment is also a substantial barrier. Among nonprofits nationwide, 79 percent said support from an organization's leaders was the most significant factor in determining whether an organization evaluates its work.[36] Funder and nonprofit board leadership commitment is thus key to increasing effective use of data in Utah.

In terms of funding, a national study of evaluation practices found that 84 percent of organizations spend less than the recommended standard of five percent on evaluation; an additional 16 percent spend no money at all on evaluation.[37] In fact, just six percent of Utah funder survey respondents indicated that it is acceptable for grantees to use their funding to track data. Nevertheless, fifty-eight percent of funder respondents noted that they want grantees to make more data-driven programmatic decisions, and a quarter indicated that improved grantee reporting would increase their own effectiveness. Utah funders have an opportunity to support their grantees' work, and by extension their own, by devoting funding to measurement and evaluation capacity and capabilities.

Understanding what to measure, how to measure it, and what to do with the resulting data can be overwhelming. Just because data can be collected and is interesting does not mean it should be collected, as it can lead to "paralysis by analysis" or "drowning in data." To wit, though valuable in certain situations, Randomized Controlled Trials (RCTs) are costly and not necessary for every evaluation. Rather, data collection and analysis should be tied to a concrete theory of change, or logic model (see Figure 17), and be right-sized for intended outcomes.

The logic model framework helps in charting a path to impact, typically by working backwards from outcomes to outputs, activities, and required inputs. It also aids in identifying what is most important to measure in order to understand progress toward outcomes and impact.[38]

In addition to measuring results and efforts over time to achieve impact, data can be used to:

- Identify who needs help, the issues they face, and the solutions that will be most effective.

- Determine whether there is really a gap in the sector and/or how to work with others.

- Inform the design and development of a funding approach, program, or service.

- Increase efficiency (or reduce the cost of achieving impact) by identifying which program components or activities generate the greatest outcomes and/or how to achieve similar outcomes in more cost-effective ways.

- Advocate that others adopt, scale, and improve upon evidence-based programs.

Regardless of the measurement and evaluation appropriate for a given situation, the key is to continuously seek, invest in, and rigorously use data as an organization's resources, scale, and needs grow. Funders need to lead the way by investing in organizations that prioritize and rely on data to continuously improve and to prove their impact, and by funding grantees to develop these capabilities.

RECOMMENDATIONS

Passion and effort are not enough. Capture and draw on actionable data to set and adjust strategy, evaluate progress, and drive true impact. Devote sufficient resources to appropriate measurement and evaluation.

Funders: Judge yourselves on your impact, not on your funding or other activities. Embed data-driven decision-making into your own practices. Start by seeking to continuously learn about the issues you are interested in and about proven solutions to those issues. Incorporate outcomes and impact (not just outputs) into your grantmaking or investment decisions. Just as importantly, prioritize funding grantees' (and the sector's) measurement capabilities, including expertise, tools and systems, and research. Work with other funders to coordinate investments in and expectations regarding data and evidence.

Nonprofits: Don't wait for others to make measurement a priority or a possibility for you. Decide to devote resources and expertise to identifying and tracking impact. Request support from funders for measurement and evaluation. Commit to continuously operating in a data-driven way when it comes to decisions about which populations to serve, what solutions to provide, and where and how to scale.

NAILING THE FUNDAMENTALS

As in the private and public sectors, capable leadership and management, effective use of data, standard operating procedures, and specialized skills and experience are essential for success in the social sector. In Utah, as elsewhere, money and time devoted to implementing systems, gathering data, building capacity, or hiring expertise is too often frowned upon. With nonprofits often operating on a shoestring budget and relying heavily on passionate but inexperienced volunteers, investments in fundamental capabilities and systems are typically not priorities. We have an opportunity to solidify the foundation of Utah's social sector to enable us to achieve the results we collectively seek.

Funders and nonprofit organizations alike have room to strengthen their own capabilities and capacity. Funders uniquely have room to support their grantees by stressing the fundamentals and including funding for administrative and operating costs. Such strengthening includes staff training, measurement and evaluation capabilities and tools, and board effectiveness. A solid organizational foundation built on these elements is a prerequisite for achieving results most effectively.

Multiple leaders in the sector note the potential that sits within our nonprofit boards. We can unlock this potential as we focus on clear board processes and procedures; board service and nonprofit management training; recruitment of diverse, qualified members; and board member accountability.

We also face opportunities to increase our collective efficiency. We can develop common approaches, tools and processes for basic activities such as grant applications, measurement, and back-office services. Funders are positioned to play a key leadership role in driving such improvements.

Intermediary organizations such as the community foundations and Utah Nonprofits Association can double down on support for the sector by refining, targeting, and promoting their training, capacity-building, and convening offerings.

As noted previously, grantees believe funders should communicate more with each other about their work. Broadly speaking, funder forums are typically where such communication and collaboration take place. They are thus a fundamental component of an effective philanthropic system. Indeed, a majority of Utah funder survey respondents noted an interest in collaborating to learn what their peers are funding, hear about funding approaches that are working well, share best practices, and pool resources.

While funder forums do form part of the Utah landscape, there is considerable room to increase their effectiveness and accessibility. We have the opportunity to establish a nationally recognized, formalized funder forum (such as those recognized by the Council on Foundations[39]) that includes representation from foundations, corporations, individuals, and notable public funders such as the Department of Workforce Services. An effective convening of funders who are passionate about and committed to understanding, supporting, and learning from one another's work would undergird Utah's social sector as we look to the future.

ⓘ RECOMMENDATIONS

Avoid building a house of cards. Be deliberate about—and willing to invest in—establishing the expertise, systems, tools, and processes required for lasting, scalable results.

Funders: Apply to philanthropy the strategy, leadership, and investment acumen you have gained elsewhere. Encourage your peers and enable your grantees to do the same. Seek opportunities to collaborate with other funders to elevate your own and the entire sector's ability to deliver efficient results.

Nonprofits: Seek out and apply best practices in leadership, management, and client service from other disciplines (with appropriate translation for the social sector). Ask private sector leaders for advice where applicable. Prioritize investments in staff, measurement capabilities, and board effectiveness to unleash impact.

"We pay close attention to the leadership of our nonprofit partners, both the board and the executive director. We see skilled, capable leadership as an indicator that our funding will be used appropriately."
— *Steven Akerlow, Vice President of Global Sustainable Finance, Morgan Stanley*

"We all need to invest in best practices to get to the next level as a sector."
— *Alex Eaton, CEO, Community Foundation of Utah*

Final Thoughts

We have an immense opportunity to enhance our communities' ability to thrive by working together in a more deliberate, effective, results-oriented manner. A growing volume of philanthropic dollars offers the opportunity to invest with greater impact in individuals, arts and culture, and our communities. We have access to greater swaths of information than ever before, enabling us to understand increasingly complex problems, identify solutions, determine what works and what doesn't, and adapt accordingly.

Doing so requires an evolution in the way we have traditionally operated. While the opportunities we face do not pair with easy solutions, as a state we enjoy an enviable confluence of assets waiting to be harnessed: a burning desire to give, a strong spirit of innovation, and a growing reservoir of wealth and know-how. Let's join forces to create a better future for our communities. Together, we can drive impact.

"We are facing incredibly complex needs at this moment in human history. It's important that our contributions of funds, time, and other resources are refined to focus on driving real progress and outcomes around identified needs. Improved efficacy and collaboration will yield more joy and engagement from donors and beneficiaries as well."

— Lindsey Kneuven,
   Head of Social Impact, Pluralsight

Appendix

Authors

Sariah Toronto is founder and principal at Claritas, a consultancy that partners with foundations, nonprofits, and other socially minded enterprises to do their best at doing good. Claritas brings clear, structured thinking to organizational strategy and measurement, learning, and evaluation. Previously, Sariah spent five years with the Bill & Melinda Gates Foundation, where she led on strategy, measurement, and evaluation for the foundation's $35 million media grant portfolio, and managed a portfolio of grants focused on understanding the impact media can have for social good. She also served as Chief of Staff to the Chief Communications Officer and as founding chair of the International Association for the Measurement and Evaluation of Communications (AMEC) Non-Profit Group. Prior to joining the Gates Foundation, Sariah spent a decade at Citibank and the Federal Reserve Bank of New York. She received an MBA in International Business and undergraduate degrees in International Relations and Latin American Literature. She serves on the board of the Gina Bachauer International Piano Foundation.

Jacob Allen is Managing Director of Cicero Social Impact, which partners with mission-driven leaders to maximize their impact through strategy, measurement and evaluation, performance management, and donor and beneficiary analytics. At Cicero and, previously, at the Bridgespan Group, he has worked with dozens of clients in the US and around the world, including Prudential, the George W. Bush Institute, the Clinton Foundation, United Way, Goldman Sachs, the Alzheimer's Association, the Nature Conservancy, the National Academy Foundation, and many more. He co-wrote Stop Starving Scale: Unlocking the Potential of Global NGOs, which outlines how funders have fueled the growth of global NGOs in recent years but imposed restrictions that thwart organizations' ability to achieve impact at scale. Jacob currently serves on the international board of Mary's Meals, which provides a daily meal in school to over one million children living in desperate poverty.

Anna Smyth works with family foundations, companies, and individuals engaged in philanthropy to develop customized, strategic social impact goals and accompanying systems to measure success. Prior to joining Cicero Social Impact, Anna worked for a commission of the Lieutenant Governor managing annual grantmaking of over $4 million to Utah-based nonprofits and universities. During her tenure with the state government, she developed needs assessment analytics tools, curricula, and strategic statewide partnerships to improve budgetary and service provision efficiency. Accordingly, she engaged regularly with legislators and policymakers around issues affecting Utah's communities. Prior to her role with the state, she served as Assistant Director of International Development at a prestigious private university in Guatemala. Her team curated educational forums for top policymakers, Nobel Prize winners, and government leaders from around the world. Anna earned her Master's degree in Community Health Promotion and Education from the University of Utah. She is insatiably curious and highly engaged in her local community-serving on several nonprofit advisory boards and founding a TEDx event in Salt Lake, now in its sixth year.

David Schmidt is a Business Analyst with Cicero Group. Since joining Cicero, he has developed an extensive understanding of strategic consulting and change management. He has contributed to numerous engagements serving the needs of clients in the Technology, Telecommunication, Pharmaceutical, Distribution, and Manufacturing industries. Prior to joining Cicero Group, he worked at Apple on the US iPhone team as a Financial Analyst, evaluating internal deal structures and analyzing nationwide iPhone sales. David was also a nonprofit consultant with a focus on operational transformation efforts and redesigning marketing strategies. As a student employee, his analyses drove key decisions in the technology overhaul of a major university library. David received a bachelor's degree in Finance from Brigham Young University.

Acknowledgments

Funding Partners

THE CHURCH OF
JESUS CHRIST
OF LATTER-DAY SAINTS | LDS Philanthropies

UServeUtah
Utah Commission on Service & Volunteerism

Collaborating Partners

BALLARD CENTER

THE COMMUNITY FOUNDATION OF UTAH
Engage Your Giving Mind

dt DEVIN THORPE

Intermountain Healthcare
Healing for life®

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PLURALSIGHT one

UTAH NONPROFITS ASSOCIATION

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LaDawn Stoddard
Director, UServeUtah

Devin D. Thorpe
Journalist, Author, Speaker

Methodology and Definitions

We conducted in-depth interviews with 49 nonprofit leaders, individual philanthropists, private and community foundation leaders, and corporate social responsibility officers throughout the state to understand their priorities, activities, and perspectives.

We fielded three studies to understand attitudes and practices around philanthropy in Utah:

- 89 nonprofit executive directors and staff responded to a nonprofit survey

- 76 family foundation officers, corporate giving officers, and individual philanthropists responded to a funder survey

- 600 members of the general public participated in a panel study

We analyzed available data on registered nonprofits in the state to understand their focus, geographic distribution, and size. We limited our data analysis to 501(c)(3) nonprofit organizations (identified by an IRS subsection code 3) with annual revenue of at least $25,000, with the exception of Intermountain Healthcare, and Western Governors University. Both of these 501(c)(3) organizations are significant outliers in terms of budget and scope; we excluded them to gain as accurate and representative a picture of Utah's nonprofit sector as possible. In terms of funders, we looked at foundation, corporate, and key individual donors to 501(c)(3) organizations.

Study Methodology

9,751 organizations (total revenue of $13B)

Remove any organizations that aren't considered charitable organizations (IRS subsection 3 code)

Remove all *inactive organizations

Remove organizations that have less than $25k in annual revenue

Remove outliers (Intermountain Health Care and Western Governors University)

3,309 organizations (total revenue of $3.5B)
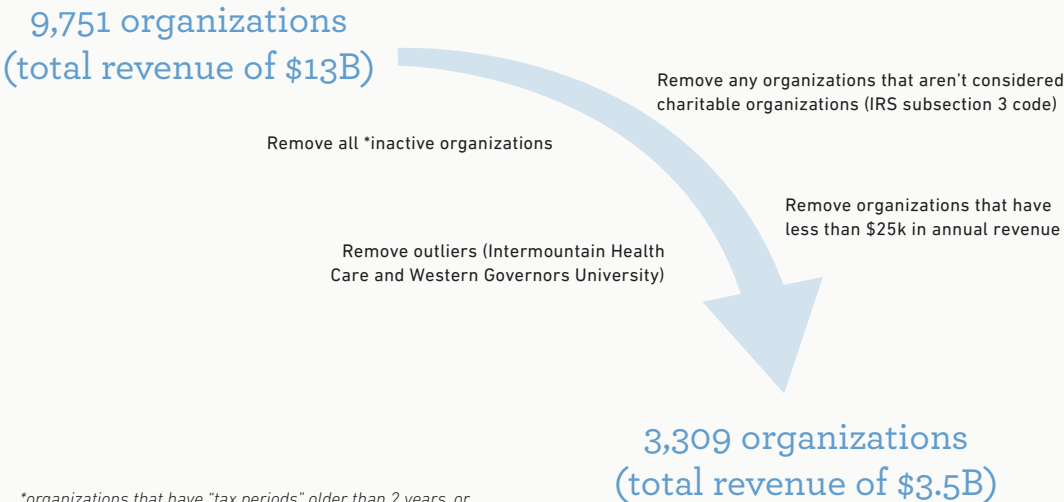
*organizations that have "tax periods" older than 2 years, or don't have a date listed (tax period = date of the latest return filed with the IRS)

IRS Business Master File	• Publicly available data provided by the IRS of all exempt organizations (i.e. 501c(3) source data pulled on 10/19/2017) • Total number of organizations: **9,751** • Total reported revenue: **$13B**
Data Cleaning Approach	• **Step 1:** exclude any "inactive" organizations with a "tax period" older than 2 years, or no tax period listed (tax period = date of the most recent return filed with the IRS) • **Step 2:** exclude any organizations that aren't considered charitable organizations (IRS subsection 3 code) • **Step 3:** exclude any organization reporting less than $25K in annual revenue • **Step 4:** exclude outliers (i.e. organizations with reported revenue greater than $300M) • **Outliers:** Intermountain Health Care, Western Governors University accounting for $5.8B in reported revenue
Final Dataset	• After filtering the data on the above assumptions, the final dataset includes: • Total number of organizations: **3,309** • Total reported revenue: **$3.5B**

10 Broad Categories		26 Major Categories	
I.	**Arts, Culture & Humanities**	A	**Arts, Culture & Humanities**
II.	**Education**	B	**Education**
III.	**Environmental and Animals**	C	**Environment**
		D	**Animal-Related**
IV.	**Health**	E	**Health Care**
		F	**Mental Health & Crisis Intervention**
		G	**Voluntary Health Associations & Medical Disciplines**
		H	**Medical Research**
V.	**Human Services**	I	**Crime & Legal-Related**
		J	**Employment**
		K	**Food Agriculture & Nutrition**
		L	**Housing & Shelter**
		M	**Public Safety, Disaster Preparedness & Relief**
		N	**Recreation & Sports**
		O	**Youth Development**
		P	**Human Services**
VI.	**International, Foreign Affairs**	Q	**International, Foreign Affairs & National Security**
		R	**Civil Rights, Social Action & Advocacy**
VII.	**Public, Societal Benefit**	S	**Community Improvement & Capacity Building**
		T	**Philanthropy, Voluntarism & Grantmaking Foundations**
		U	**Science & Technology**
		V	**Social Science**
		W	**Public & Societal Benefit**
VIII.	**Religion-Related**	X	**Religion-Related**
IX.	**Mutual Membership Benefit**	Y	**Mutual & Membership Benefit**
X.	**Unknown, Unclassified**	Z	**Unknown**

Key Terminology

Donation
Money, time, goods, or services contributed for charitable purposes.

Donor
An individual or organization that makes a grant, simple monetary contribution, or volunteers time to a recipient organization. May also be known as the grantor or grantmaker.

Family foundation
An independent private foundation whose funds are derived principally from members of a single family. Family members often serve as officers or board members and play a significant role in grantmaking decisions.

Foundation
A nonprofit entity that contributes funds and other support to other organizations. May be a private family foundation, a public charity that accepts contributions from a variety of sources, or a corporate foundation affiliated with a for-profit entity.

Funder or Philanthropist
An individual or entity, including family foundations, corporate foundations, and corporate social responsibility groups, engaged in charitable giving (financial, volunteer, and/or in-kind support).

Grant
An award of funds to an organization to undertake charitable activities.

Impact investing
Investments made in companies, organizations, and funds with the intention of generating measurable, beneficial social or environmental impact alongside (or in lieu of) financial return.

In-kind contribution
A donation of goods or services rather than cash or appreciated property.

Nonprofit organization
An entity whose main goal is achieving a particular mission rather than generating profit.

Outcome
Changes in behavior, knowledge, skills, status, and/or level of functioning that occur because of an organization's work.

Output
The activities and programs that define what an organization does. Typically a measure of volume of activity.

Overhead
Administrative funds which cannot be attributed or isolated to a specific program or activity but are necessary to an organization's functioning. Includes administrative costs such as rent, utilities, staff salaries, and insurance.

Philanthropist or Funder
An individual or entity, including family foundations, corporate foundations, and corporate social responsibility groups, engaged in charitable giving (financial, volunteer, and/or in-kind support).

Philanthropy
Donations of money, time, and/or goods and services.

Population-level outcomes
Positive social changes across an entire community or system, such as increasing graduation rates for a state, or decreasing the percentage of people in abject poverty across the globe.

Program
A structured set of activities and projects designed to achieve a desired outcome.

Program-level outcomes
Changes that occur as a result of specific program.

Restricted funds or grants
Grant funds that are restricted to funding for specified activities, typically related to a core programmatic offering.

Service provider
An organization that offers social services to a specified population. It typically receives support from philanthropy, individual donors, and/or government.

Service delivery model
A set of principles, standards, policies, and constraints used to guide the design, development, deployment, and retirement of services delivered by a service provider.

Social impact bond
Also known as Pay-for-Success financing, a contract with the public sector in which a commitment is made to pay for improved social outcomes that result in public sector savings.

Theory of change
A theory of how and why a desired change is expected to happen. Describes the relationship between inputs, activities, outputs, outcomes, and impact.

Transparency
Clarity around an organization's strategic aims, its priorities, and how it operates.

Giving in Utah

General population donation amount by age

The older an individual is, the more likely they are to donate more than $10,000 in a given year.

	Total	18 to 29 years	30 to 39 years	40 to 49 years	50 to 59 years
Less than $100	17%	24%	17%	18%	15%
$100-$500	23%	29%	23%	19%	24%
$500-$5000	36%	42%	39%	31%	32%
$5,001-$10,000	11%	1%	12%	16%	10%
More than $10,000	13%	4%	9%	16%	19%
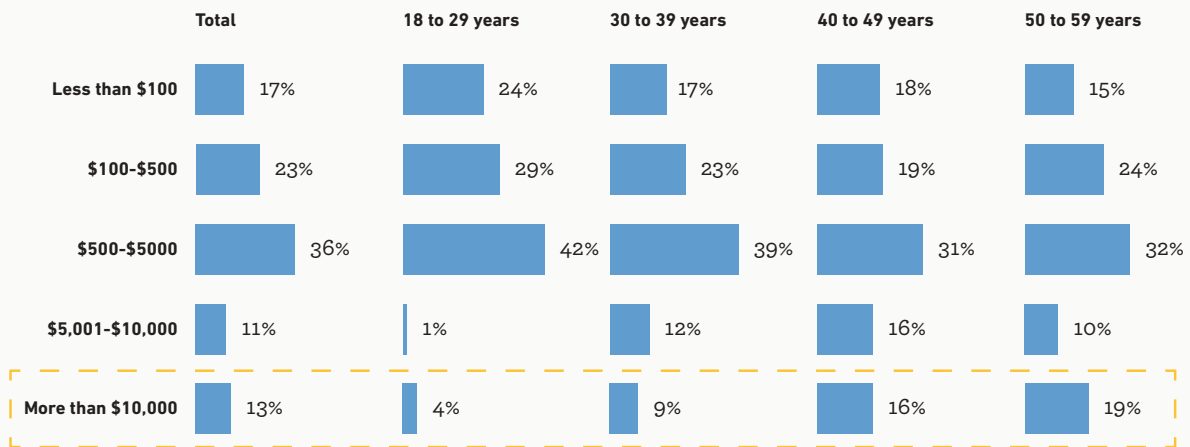
Survey Question: "In 2016, approximately how much money did you personally donate to nonprofit organizations in total?"
Sample size: n=600

Proportion of total nonprofit revenue by county
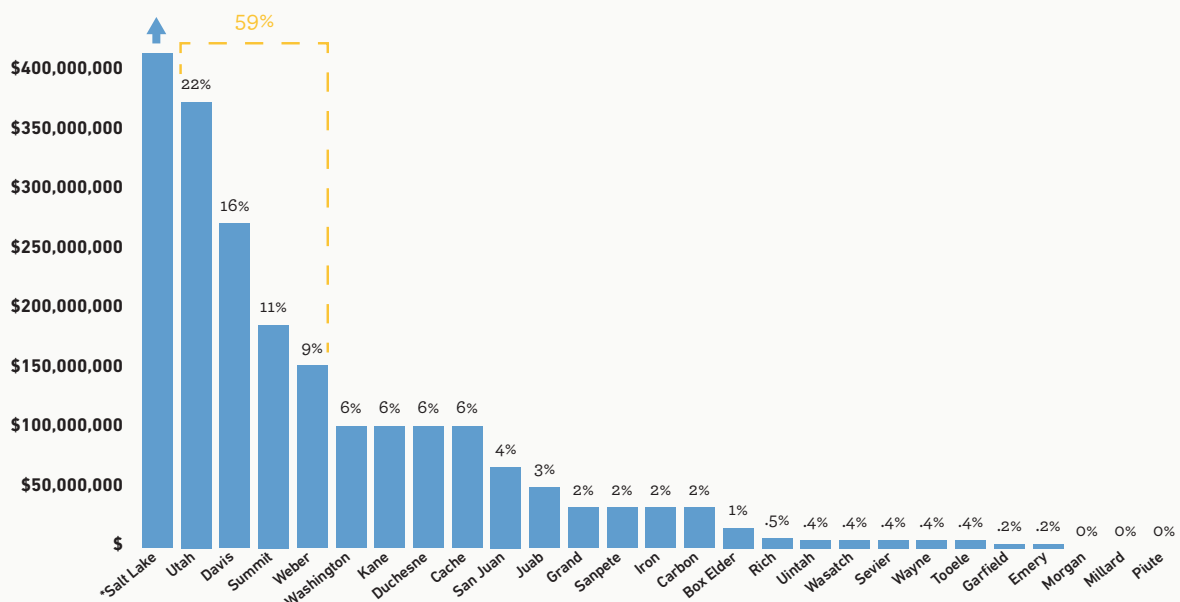
Note: For illustrative purposes, Salt Lake county's revenue was not included in calculating the proportion of revenue by county. When included, Salt Lake county accounts for 56% of the reported revenue for the state.

Utah foundations by asset amount

Asset range	Percentage
$0	9%
$1 – $9,999	24%
$10K – $24K	5%
$25K – $99K	12%
$100K – 499K	18%
$500K – $999K	10%
$1M – $4.9M	14%
$5M – $9.9M	4%
$10M – $49.9M	3%
$50M and greater	1%
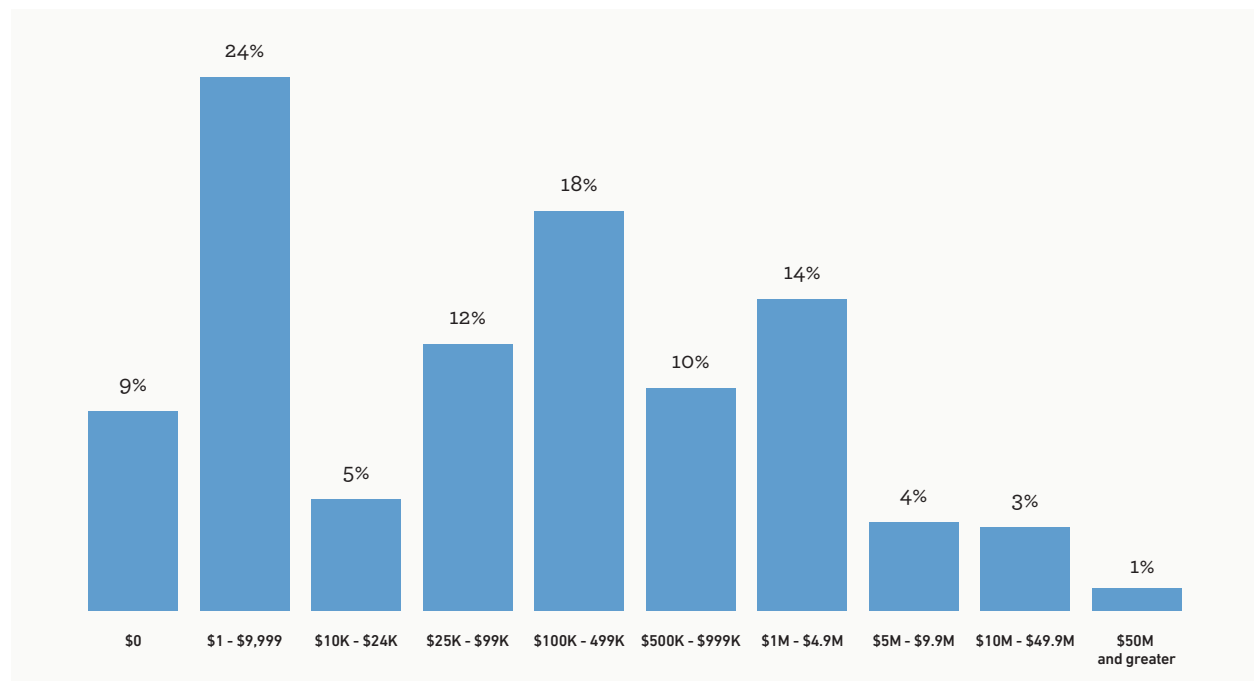
Grantmaking by grant location

$175 million Total grants made in the last 5 years by Utah's top 50 foundations

Category	Amount	Percentage
Grants both in and outside of UT	$141,873,019	58%
Grants solely in UT	$32,383,228	30%
Grants solely outside of UT	$948,723	8%
No grants in the last 5 years	$0	4%
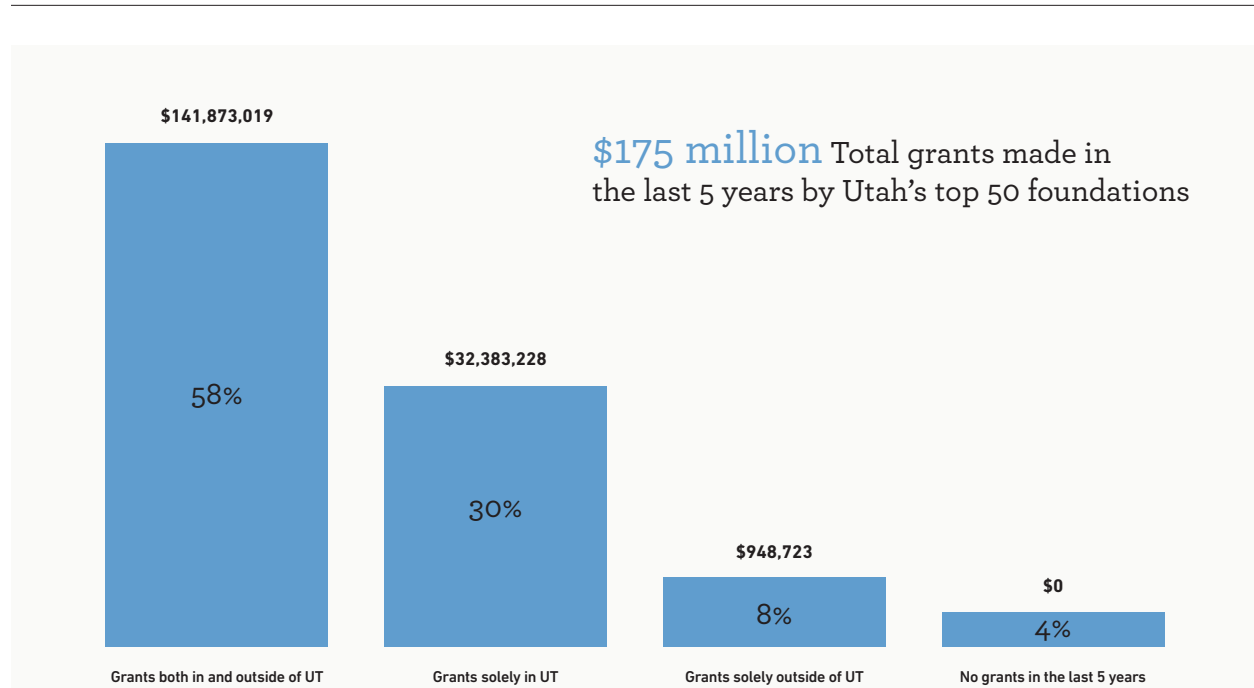
Number and size of grants made by Utah's top 50 foundations
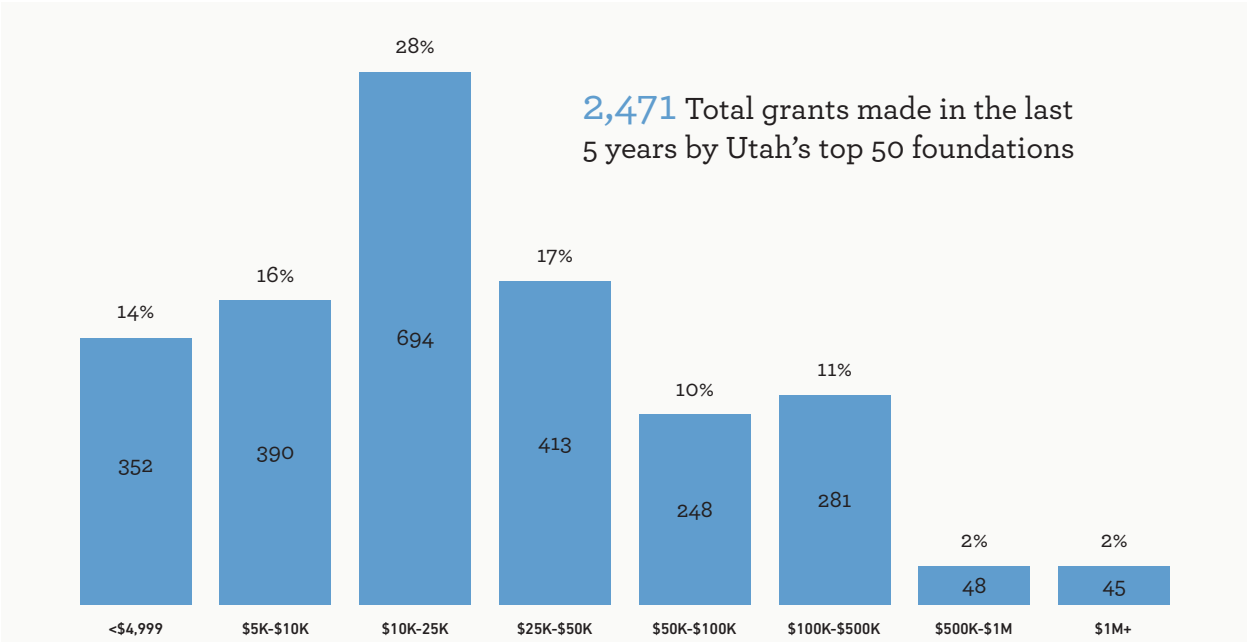
28%

2,471 Total grants made in the last
5 years by Utah's top 50 foundations

17%

16%

14%

694

11%

10%

390

413

352

281

248

2%   2%

48   45

| <$4,999 | $5K-$10K | $10K-25K | $25K-$50K | $50K-$100K | $100K-$500K | $500K-$1M | $1M+ |

Geographic distribution of nonprofit revenue and funder assets

Utah Nonprofit Revenue by County

Nearly all of the funding is generated from the concentration of assets in Salt Lake County.

$0 ——— $2B

Salt Lake County $1.99B | All other counties $1.53B

Utah Funder Assets by County

$0 ——— $3B

Salt Lake County $2.66B | All other counties $0.73B
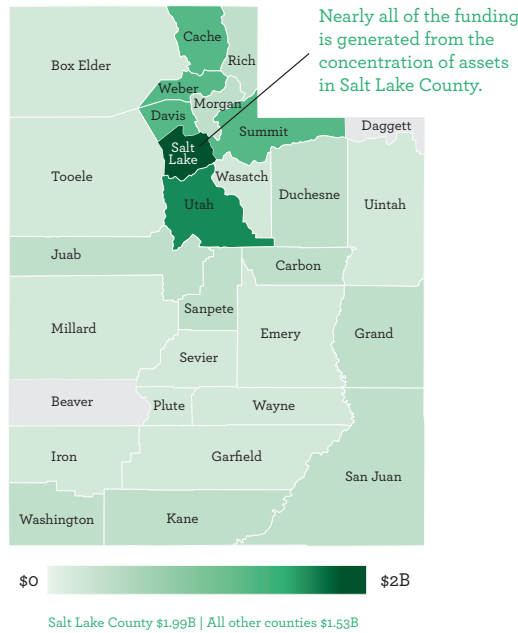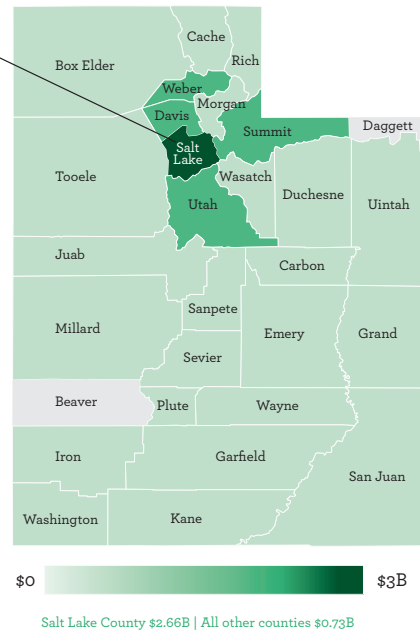
Revenue includes contributions (i.e. grants, donations), revenues received charging for services, and contributions from federal, state, or local governments

County	Sum of Revenue
Box Elder	$9,774,347
Cache	$87,717,936
Carbon	$23,798,572
Davis	$240,463,117
Duchesne	$88,395,130
Emery	$2,366,418
Garfield	$3,049,398
Grand	$36,984,998
Iron	$24,112,096
Juab	$42,455,522
Kane	$88,918,816
Millard	$590,791
Morgan	$757,991
Piute	$208,240
Rich	$8,228,115
Salt Lake	$1,987,400,708
San Juan	$60,632,721
Sanpete	$24,802,976
Sevier	$6,054,358
Summit	$172,665,060
Tooele	$5,781,037
Uintah	$6,788,214
Utah	$342,514,999
Wasatch	$6,213,605
Washington	$98,291,590
Wayne	$5,855,323
Weber	$138,762,568
Grand Total	$3,513,584,646

County	Sum of Revenue
Box Elder	$843,036
Cache	$21,798,560
Carbon	$21,017
Davis	$103,712,086
Emery	$46,064
Grand	$3,553,896
Iron	$2,744,422
Juab	$21,946
Kane	$8,542
Millard	$2,840,087
Morgan	$1,090,916
Salt Lake	$2,660,115,028
San Juan	$591,493
Sanpete	$267,847
Sevier	$2,871
Summit	$84,184,666
Tooele	$1,734,677
Uintah	$27,000
Utah	$392,000,180
Wasatch	$5,588,970
Washington	$49,080,989
Wayne	$88,561
Weber	$63,907,387
Grand Total	$3,394,270,241

Nonprofits in Utah

Influences on nonprofit programs in Utah

Board Member(s)
n=89

All of the time	9%
Often	18%
Sometimes	46%
Rarely	23%
Never	4%
Not Applicable	2%

Funders
n=89

All of the time	14%
Often	37%
Sometimes	28%
Rarely	18%
Never	2%
Not Applicable	2%

Metrics & Data
n=89

All of the time	18%
Often	42%
Sometimes	35%
Rarely	5%
Never	0%
Not Applicable	0%
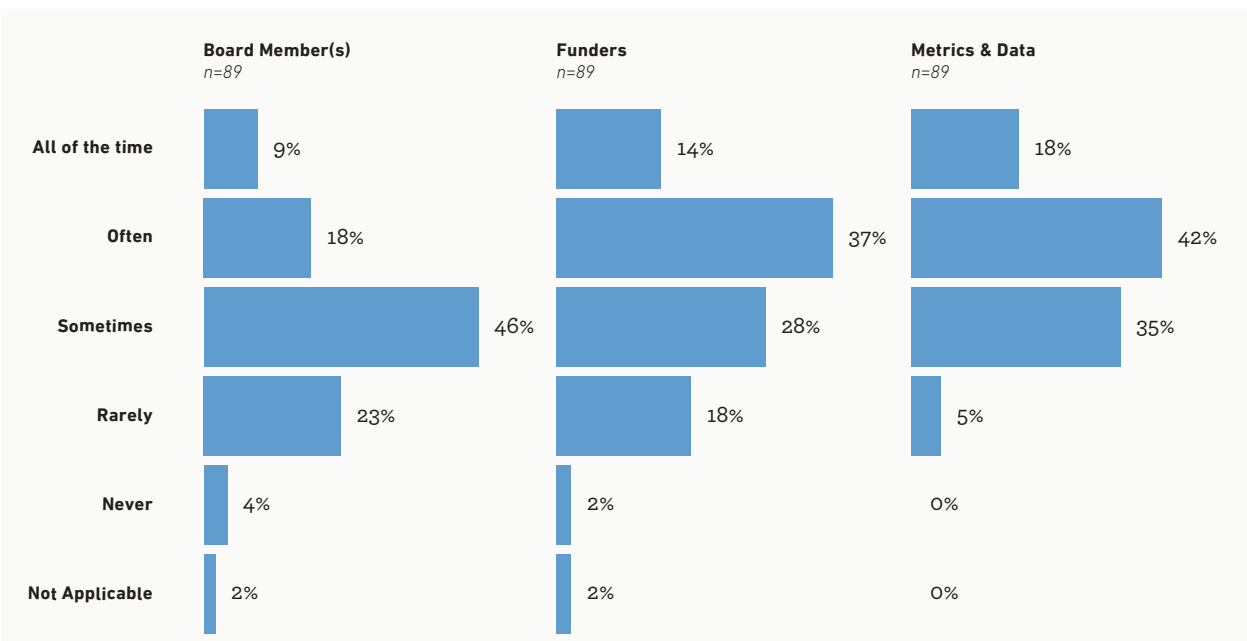
Funding types as proportion of overall funding mix for nonprofits in Utah

Foundation Grants
n=44

10% or less	18%
10 to 25%	34%
25% to 50%	32%
50% or more	16%

Government Grants
n=35

10% or less	11%
10 to 25%	26%
25% to 50%	34%
50% or more	29%

Giving By Individuals
n=34

10% or less	32%
10 to 25%	26%
25% to 50%	24%
50% or more	18%

Giving By Corporate Grants
n=23

10% or less	
10 to 25%	
25% to 50%	
50% or more	
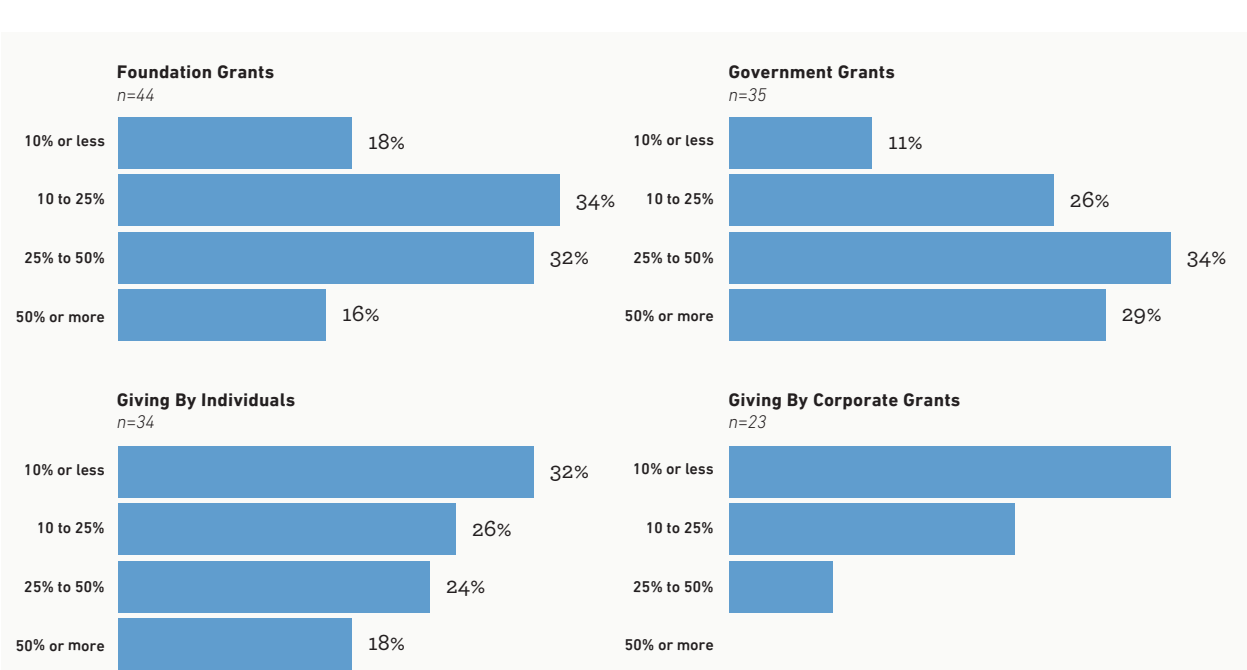
Preferred funding types for nonprofits in Utah

Preferred Sources of Funds	Percent Selecting Top Rank	50% or more of 2016 funding
Earned income	26%	24%
Giving by individuals	25%	18%
Foundation grants	21%	20%
Government grants	13%	30%
Corporate grants	6%	0%
Corporate sponsorship	4%	7%
Giving by bequest	1%	0%

Utah nonprofits' anticipated organizational changes in the next three years

We anticipate our budget requirements will increase	81%
We anticipate our sources of funds will change	71%
The programs and services provided by our organization will change	43%
Other, please specify:	28%
The issue area(s) we focus on will change	12%
We don't anticipate any changes	4%
We anticipate budget requirements will decrease	1%

Diversify/expand funding	50%
Legislative decisions/federal funding	27%
Normal turnover/change in funding	23%
No change	2%
Other	5%

Recommendations for funder improvements

Percentage of respondents ranking recommendation among top 3 recommendations

Recommendation	Percentage
Offer more flexible, unrestricted funding	73%
Multi-year funding	73%
Simplify the grant application process	47%
Increase awareness of issues to be funded	38%
Better two-way communication	28%
Increase collaboration with other funders	13%
Increase transparency	11%
Increased collaboration around data	8%
Ask for less data	4%
Ask for more data	2%
*Other	1%
Ask for data more frequently	

*Other = Strategic decision making, effective data usage, collaboration

Changes funders recommend nonprofits make

Legend: Disagree, Undecided

Change	Disagree	Undecided
Improved executive leadership	23%	26%
More focus on population-level change	16%	38%
More diversified funding base	16%	32%
Shifted focus from services to outcomes	15%	23%
Improved reporting	11%	23%
Increased data collection and analysis	11%	29%
Improved staff capacity / capability	11%	29%
Data-driven programming decision	10%	33%
Collaboration with other relevant agencies	10%	22%
More frequent process improvement	8%	47%
Stronger strategic plan	7%	37%

Funders in Utah

Funder satisfaction with nonprofit performance

Legend:
- Very dissatisfied
- Somewhat dissatisfied
- Undecided
- Somewhat satisfied
- Very satisfied

Top 2:

Category	Somewhat dissatisfied	Undecided	Somewhat satisfied	Very satisfied	Top 2
Effectiveness in achieving mission		11%	44%	44%	88%
Leadership	4%	11%	47%	38%	85%
Ability to achieve lasting change		14%	48%	36%	84%
Communication frequency	10%	14%	48%	29%	77%
Communication clarity	7%	10%	59%	25%	84%
Measurement and evaluation of programs	8%	27%	42%	22%	64%
Reporting results	12%	18%	51%	19%	70%

Funder interest in collaborating and reasons to collaborate

Pie chart:
- 5%
- 23%
- 30%
- 25%
- 16%

Reasons to collaborate:
- Sharing best practices — 41%
- Partnerships / Pool Resources — 36%
- Collective Impact / Drive change — 31%
- Common concerns / problems — 3%
- Don't know — 5%

Legend:
- Very unsatisfied
- Somewhat interested
- Undecided
- Somewhat interested
- Very interested

Challenges funders face

Percentage of respondents ranking challenge among top 2 challenges

Challenge	Percentage
Difficult to prioritize among various needs	55%
The severity and quantity of needs seems to be growing	44%
Overwhelmed with the quantity of asks	29%
Unsure how to scale my / our impact	26%
My / Our giving isn't driven by an explicit set of goals and values	22%
Personal relationships have excessive influence on my / our giving	12%
Lack of strategy and data to guide my / our giving	7%
My / Our support doesn't seem to be yielding results	5%

Funders view on acceptability of funding for overhead and types of acceptable overhead spend

Pie chart:
- 32% (Totally acceptable)
- 37% (Slightly acceptable)
- 14% (Neutral)
- 14% (Slightly unacceptable)
- 4% (Totally unacceptable)

Type	Percentage
Reasonable admin / staffing salaries	50%
All overhead expenses	16%
Marketing / fundraising	16%
Specific amount	16%
Infrastructure / Operating Costs	8%
Data / Traceable Impact	6%
None	4%
Other	2%

Legend:
- Totally unacceptable
- Slightly unacceptable
- Neutral
- Slightly acceptable
- Totally acceptable

Nonprofit recommendations for funder improvement

Percent of Respondents Ranking in Top 3

Offer more flexible, unrestricted funding	73%
Multi-year funding	73%
Simplify the grant application process (e.g. minimize...	47%
Increase awareness of issues to be funded	38%
Better two-way communication	28%
Increase collaboration with other funders	13%
Increase transparency	11%
Increased collaboration around data	8%
Ask for less data	4%
Ask for more data	2%
*Other	%
Ask for data more frequently	

Other = Strategic decision making, effective data usage, collaboration

Notes

1   Chronical of Philanthropy. "How America Gives Data: Leaders and Laggards, Giving Opportunities, and More." Published October 2, 2017. Accessed Oct. 2017: https://www.philanthropy.com/interactives/how-america-gives.

2   National & Community Service Corp. "Utah Trends and Highlights." Published 2015; Accessed Oct. 2017: https://www.nationalservice.gov/vcla/state/Utah.

3   Cohn, Scott. "Utah is America's Top State for Business in 2016." Published July 2016; Accessed Oct. 2017: https://www.cnbc.com/2016/07/12/utah-is-americas-top-state-for-business-in-2016.html.

4   Economy Press Release. "Utah Ranked Number 2 in Nation in Economic Outlook." Published Apr. 2017; Accessed Oct. 2017: https://utahbusiness.com/utah-ranked-number-1-nation-economic-outlook/.

5   National Geographic. "America's 20 Best Mountain Bike Towns." Accessed Oct. 2017: http://www.nationalgeographic.com/adventure/lists/biking/best-mountain-biking-towns/.

6   House, Dawn. "Utah Aims High with New Slogan for Tourists." Published March 2006; Accessed Oct 2017: http://archive.sltrib.com/story.php?ref=/utah/ci_3588108

7   These organizations, the four largest nonprofits in Utah, report total revenue of $8 billion, which represents 64 percent of all 501(c)(3) revenue in the state.

8   Utah Economic Council. "2017 Economic Report to the Governor." Accessed Oct. 2017: http://gardner.utah.edu/economics/economic-report-to-the-governor/.

9   Phoenix Marketing International. "Millionaire Households Per Capita." Accessed Oct. 2017: http://phoenixmi.com/wp-content/uploads/2017/03/2016-state-rankings2.png.

10 Chronicle of Philanthropy. "How America Gives Data: Leaders and Laggards, Giving Opportunities, and More." Published Oct. 2017; Accessed Oct. 2017: https://www.philanthropy.com/interactives/how-america-gives.

11 National & Community Service Corp. "Utah Trends and Highlights." Published 2015; Accessed Oct. 2017: https://www.nationalservice.gov/vcla/state/Utah.

12 Religiosity: http://www.pewresearch.org/fact-tank/2016/02/29/how-religious-is-your-state/?state=utah. Charitable giving: https://www.philanthropy.com/interactives/how-america-gives.

13 These represent estimates of average individual annual giving, based on responses to the general public survey.

14 Lipka, M. & Wormald, B. "How religious is your state?" Published Feb. 2016; Accessed Oct. 2017: http://www.pewresearch.org/fact-tank/2016/02/29/how-religious-is-your-state/?state=utah.

15 Note: These same considerations can be applied to other stakeholders in society, including government, the private sector, the media, educational institutions, and families.

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