

## Arizona Philanthropy Indicators – Summary

The Arizona Community Foundation (ACF) has released a first-in-the-nation study of philanthropy indicators at the local community level that predicts the likely dollar amount for charitable bequests from personal estates, now and over the next 50 years.

Commissioned by the Arizona Community Foundation and prepared by the Northern Arizona University (NAU) Center for Business Outreach, the detailed screening measures social capital (the propensity to give) as well as financial capital (the ability to give).

In the 50 years between 2005 and 2055, Arizona will see \$596 billion move from one generation to the next with about 7% transferring right now. The projected per capita transfer is \$175,040 with the largest transfers occurring between 2035 and 2045.

If just 5% of Arizona's 50-year wealth transfer were earmarked for philanthropy, nonprofits would receive almost \$30 billion to improve the quality of life for the state. While most of the assets will transfer in Maricopa and Pima counties, results for even the smallest and poorest counties project many more potential charitable resources than ever before imagined.

Arizona Philanthropy Indicators: The Power of Giving combines a Philanthropy Index with a Transfer of Wealth analysis. The Philanthropy Index is a 2001 copyrighted product of the Southern Rural Development Initiative in Raleigh, S. C. that measures propensity to give. The Transfer of Wealth originated by the Center on Wealth & Philanthropy at Boston College in 1999 projects actual dollar amounts moving intergenerationally over time. NAU has linked these tools into a database that can be accessed through any combination of zip codes.

Four primary indicators for the survey were gathered from the U. S. Census Bureau, the Internal Revenue Service, and the Environmental Systems Research Institute, Inc., measuring a combination of actual giving and the ability to give. The study looks at high income households, retirement income, household net worth and itemized charitable giving.

Additional indicators were gleaned from the U. S. Census Bureau, the U.S. Department of Agriculture and county tax records. Research included median household income; dividend, rent and interest income; residential real property value; and value of agricultural land and buildings.

“The Arizona Community Foundation was looking for a tool to work with community leaders across the state. The Philanthropy Indicators help

communities to look inward at their own capacity to build better places to live, work and raise a family,” said Carla Roberts, ACF vice president of affiliates.

The Arizona Community Foundation is a statewide philanthropy with 12 affiliates which matches donor interests with community needs. Established in 1978, ACF has an endowment of more than \$520 million and is made up of almost 850 charitable funds. In 2005 ACF awarded \$25.2 million in grants to other nonprofit organizations. Areas of interest focus on children, youth and families, education, intergenerational programs, community development, arts and culture; and the environment. For more information on the Foundation, visit the ACF website at [www.azfoundation.org](http://www.azfoundation.org) or call 602-381-1400.

For more information on Arizona Philanthropy Indicators: The Power of Giving, please contact Wayne Fox, Assistant Dean, NAU Center for Business Outreach: [Wayne.Fox@nau.edu](mailto:Wayne.Fox@nau.edu) or call 928-523-7323.