According to some early indicators, 2013 could be a good year for nonprofit organizations that have learned from the recent past to be proactive about financial sustainability. This month’s LeadTime highlights economic indicators, trends to watch and strategies for long-term sustainability during times of economic uncertainty, and offers tips and insights that could help your organization.

A Rise in Charitable Donations in 2012 Leads to Optimism for 2013

Even amid a challenging economic and political climate, 58 percent of charities reported an increase in donations in 2012, up five percentage points from 2011. Overall consumer confidence in the economy rose significantly in 2012; this could explain the rise in charitable donations. Here are some findings from the survey by the Nonprofit Research Collaborative released in April:

- Half of the charities reported an increase in big gifts.
- Six out of 10 said online giving rose as well last year.
- Sixty-three percent of the organizations said they met their fundraising goals.
- Of the 59 percent of the charities that strove for a higher fundraising goal for 2012 than in 2011, 77 percent hit the target.
Five Ways to Validate Giving Decisions and Drive Donor Retention

According to Matthew Mielcarek, one third of annual donations are collected in December, many of which come from first-time donors. In a recent Philanthropy Journal article, Matthew proposes five ways to validate giving decisions and retain first-time donors.

- Implement a new donor conversion plan to establish an ongoing relationship
- Tailor your outreach to the information they gave you in the first donation
- Let them know if you reach your goal, follow-up with thank you's and update new donors on goals for the current year
- Personalized messages based on the new donor's interests, affinities, and locations
- Suggest an affinity-driven gift, which can be a renewal gift or an upgrade to recurring contributions

To read more click here

Strategic Alliances: An Outside the Box Path to Long-Term Sustainability

Many nonprofits today are looking towards strategic alliances for ways to increase effectiveness, maximize impact, extend their reach and provide long-term sustainability. Geri Stengel, gives us an example of one such organization. Recognizing that funding for their otherwise healthy organization was contracting, the Chicago Youth Center looked for a financially solid strategic partner that would be willing to share infrastructure and administrative cost while strengthening their programs.

To read more click here

Nonprofit Take on Obama's Proposed Budget for FY 2014
Nonprofit Quarterly is analyzing President Obama's FY 2014 budget, comparing it to the nonprofit-specific dimensions of the Ryan and Murray budgets. In the budget the President proposed a 28 percent deductibility cap on itemized deductions, which includes the charitable deduction. But there is, of course, more to the budget than that. Among other things, the President's budget includes:

- $1 billion for the Department of Education's Race to the Top education reform program
- Significant cuts in healthcare spending, including $19 billion from Medicaid over 10 years, higher payments by Medicare beneficiaries, and reductions in Medicare payments to healthcare providers
- "Small targeted reductions" in certain healthcare programs, like immunizations and cancer screenings

To read click here [click here]

**Congratulations to Long Island's Outstanding Executives**

Sister Patricia Griffith was honored with a Lifetime Achievement Award at the Advancement for Commerce, Industry and Technology (ACIT), 8th Annual Rev. Msgr. Thomas J. Hartman Humanitarian Award Luncheon in April. Sister Pat, executive director of Mercy Haven, was honored in recognition of her career serving Long Islanders who are homeless, living with mental illness or living in poverty. Sister Pat is part of our Executive Director Roundtable.

Liz O'Shaughnessy, president and executive director of CoLoKi, Inc., will be presented with the Public Citizen Award at the National Association of Social Workers Annual Awards Dinner, June 6. Liz is a 2012-13 grantee of Building for Change, an ongoing project of the Center for Nonprofit Leadership funded by the Hagedorn Foundation.