

Rutgers study looks at charitable giving in Mercer County



Marty Johnson, president and founder of Isles, Inc., Trenton-based community development and environmental organization addresses the Mid Jersey Chamber of Commerce on local philanthropy. (James McEvoy | Times of Trenton)

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HAMILTON – According to the president and founder of a Trenton-based community development and environmental organization, decreases in government spending have left nonprofit organizations to pick up the charitable slack.

Marty Johnson, CEO of Isles Inc., spoke to community and business leaders about philanthropy at the MidJersey Chamber of Commerce event Thursday at Hamilton Manor, discussing a recent Rutgers University study of philanthropic giving in Mercer County.

According to the study, corporate giving has also decreased in what Johnson described as a "strange, new dynamic." Despite their increased prevalence, about 70 percent of nonprofits operate with an annual budget of less than \$500,000, he said.

As it relates to individual giving, which Johnson said represents the lion's share of philanthropy, the IRS provides specific information only on individuals giving \$1 million or more.

Among gifts over \$1 million in New Jersey last year, the majority went to higher education, followed by education, the health sector and public society benefits, he said.

Johnson suggested an additional study to be performed in the spring would hopefully explore individual giving in greater detail by having local nonprofits conduct surveys.

"This is the right thing to do. This is the right thing to care about," Johnson said. "This is just the first step. We're in it for the long haul."

Despite these challenges, the study revealed that in 2012, 47 percent of Mercer County residents claimed contributions on tax returns, on par with the New Jersey average of 46 percent, and higher than the U.S. average of 35 percent. Mercer County residents claimed a total of \$314.19 million,

Looking at the need, Johnson acknowledged the ongoing poverty in Trenton where unemployment exceeds 20 percent. However, he also cited increases in free and reduced lunch programs as well as decreased median income in several other Mercer communities since 2000, suggesting the need for philanthropy is not restricted by municipal borders.

As such, Johnson said local organizations need to embrace a more regional outlook to provide Mercer County more stability.

Johnson also briefly discussed the challenge of encouraging philanthropy among millennials, noting they appear to have less confidence in giving to large, existing organizations and giving in general.

Norman Glickman, whose graduate students at Edward J. Bloustein School of Planning and Public Policy at Rutgers University conducted the study, said other research suggests milliennials expect their philanthropy to cause immediate and substantial results, which isn't always realistic.

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