

# RISE

Results in Independent Schools E-newsletter  
Shining a Light on Fundraising

Alexander Haas  
TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

**First Things First**



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[www.fundraisingcounsel.com](http://www.fundraisingcounsel.com)



from the desk of  
**David H. King** | President & CEO

## What Does 2020 Have in Store for Us?

I've seen a lot of people referring to 2020 as the start of the Roaring 20s. I assume they are harkening back to the days of great growth and prosperity in the United States following World War I. I'm not sure if 2020 will usher in the second coming of the Roaring 20s, but it does promise to be an interesting year for philanthropy.

Firstly, when Giving USA is released in June we will see the full picture of the impact that the 2017 tax law changes had on philanthropy. In 2018, we saw significant growth in giving. But one question that hangs over that growth is: How much of that was people bundling gifts in 2018 or making substantial contributions into Donor Advised Funds to meet the threshold to itemize their tax return and deduct contributions? If a lot of that happened, then those gifts were likely not repeated in 2019. How much of an impact can that have? That's the \$400 billion question that we won't know the answer to until the data comes in. But, will we see the first non-recession year decline in giving that has ever occurred? Stay tuned.

Secondly, this is going to be a monumental election year. The stakes for both parties are extremely high. Here in Georgia, we have been somewhat shielded from it because our primary is still months away. I was in South Carolina last week and billboard, TV and radio ads for the Democratic primary are ubiquitous. Even in the relatively rural part of the state I was driving through, there were plenty of candidate billboards. All of this energy around the elections likely means that campaign contributions will reach levels never before seen. We are already seeing that on both sides. Will political campaign giving divert funds away from nonprofits? It never has in the past, but as we've seen a lot of late, the past is not necessarily a good predictor of the future. This could be another "first" for philanthropy as these campaigns intensify and need more and more money.

Thirdly, turning to a more positive note, is the stock market. The most reliable indicator of how giving will trend is the performance of the S&P 500. Giving tends to follow the direction of the S&P. I'm not sure it is possible to have missed the run

that the stock markets were on in 2019, and continue to follow in early 2020. If the S&P continues its role as a leading indicator for philanthropy, we could be in store for a very good year of giving in 2020.

Add to that the fact that disposable household income is on the rise. There are three factors contributing to this rise: 1) unemployment is at an all time low; 2) wages are increasing faster than inflation across all income demographics; and 3) the 2017 tax cuts lowered rates for most people, meaning more disposable income in the pay check. A rise in disposable household income is also a strong leading indicator of the trend for giving; but is it enough to offset the impact of the increased federal standard deduction that has reduced the number of itemizers.

What does all this mean? Well, if I could predict that I'd be living on my own private island somewhere. But, what I do know is that we live in interesting times.

## We Think You Should *Know*....

### Interest in 'Giving While Living' Growing

A new survey from Rockefeller Philanthropy Advisors shows wealthy families increasingly are adopting a "time-limited" - rather than "in-perpetuity" - approach to philanthropic giving.

Based on a survey of more than 200 wealthy families across the globe that collectively give \$2.4 billion annually, the report found that 62% of respondents had adopted the in-perpetuity model, while 32% favored a time-limited approach - also known as a spend-down, spend-out, or giving-while-living model. But the report also found that interest in time-limited giving has grown significantly in recent decades, with nearly two-thirds of those who have adopted the model doing so in the 2000s (26%) or 2010s (38%). Among those electing to spend down, an equal share, 38%, opted for a time frame of between one and five years or between six and 15 years.

According to the survey, the key motivations cited by donors for adopting a time-limited approach were to see the impact of their giving during their lifetime (30%); to increase the impact of their giving by focusing it on a specific interest area (23%); and to transfer more of their wealth to good causes sooner rather than later (17%). The most commonly cited motivations for choosing the in-perpetuity approach were to provide sustained, long-term support to nonprofits working to address a persistent challenge (71%); to more effectively engage future generations in the family's philanthropy (56%); and to have greater impact on beneficiaries over multiple generations (41%). *PND, 1-21*

## Movers & Shakers...

**Richard Green**, principal of Aaron Cohn Middle School, will be the next head of **St. Luke School** (Columbus, OH), starting July 1. Green will succeed **Bill Shelnett**, who will leave St. Luke to be head of **Trinity Presbyterian School** (Montgomery, OH) beginning in July, the L-E reported in September. *Ledger-Enquirer, 2-10*

**Patrick M. Finn** has been appointed head of school at **Wakefield Country Day School**, effective July 1. Previously, he worked at The Canterbury School in Connecticut, St. Timothy's School in Maryland, and Foxcroft School in Middleburg. *Rappahannock News, 2-8*

**Cristo Rey San José Jesuit High School** (San Jose, CA), received a \$10M endowment gift from **George and Judy Marcus**. In recognition of its largest gift to date, the school will name the *Center for Student Success in its Office of Guidance and Counseling* after the Marcuses. *COP, 2-3*

The **Archdiocese of Chicago** and the **Big Shoulders Fund** announced a joint commitment of \$92.4M over ten years in support of Catholic education in Chicago. The funding, which includes \$47.5M from the Big

Shoulders Fund and \$44.9M from the archdiocese, will support 30 Catholic schools in Chicago. *COP, 2-3*

**Noelehua Lyons Archambault**, interim vice president for institutional advancement at the **Punahou School** (Honolulu) since last summer, has taken the position permanently. Previously she was senior director of development. *COP, 1-24*

The **National Native American Boarding School Healing Coalition** (NABS) announced the commencement of a ten-year strategic plan (2020-2030) designed to strengthen the organization as it continues to grow into the future. In its first few years of execution, the plan will be supported through a \$10M grant recently awarded to NABS by the **Keneda Fund**. *COP, 1-2*

The **Oaks-Mission School** (Oaks, OK), received a gift of \$2.6M from the **Bill and Ida Hester Foundation**. The funds will support needed repairs and upgrades at the rural school. *PND, 1-2*

**Phillips Academy** named **Dr. Raynard Stuart Kington** as its new head of school. Kington, president of Grinnell College in central Iowa, will begin his position Summer 2020. He succeeds John G. Palfrey who stepped down last summer to become president of the MacArthur Foundation. *The Eagle Tribune, 12-5*

## Report Explores Ways to Ensure More Affordable Private Schooling

Enrollment in private schools has fallen as the cost of private school education has gone up. Funded by the Walton Family Foundation, a report found that the percentage of children from middle-income families who are enrolled in private school has declined steadily since the late 1960s while enrollment of children from low-income families has remained low. The downtrend in enrollment coincides with the rising cost of private school tuition, which increased on average from \$7,100 in 1999 to \$11,450 in 2011 (in 2016 dollars) - the equivalent of 25 percent of annual income for a typical low-income household earning \$45,200 a year, or 18 percent of the 2017 median household income of \$61,400. According to the report, while private schools historically have served only 10 percent of all students in the U.S., 40 percent of parents say they would prefer to send their children to one.

The study can be found [here](#).

## Teachers' DonorsChoose Requests Show Growing Inequity

Teachers across the US are increasingly turning to crowdfunding to meet their basic classroom needs. A report from **Grantmakers for Education** analyzed 1.8 million requests made by more than a million teachers between 2009 and 2019 on the [DonorsChoose](#) site, and found that while teachers at high-poverty schools made the majority of requests and received the majority of dollars raised, requests from teachers at low-poverty schools have been funded at higher rates since 2017.

According to the report:

- 58% and 25% of all requests over the ten-year period came from schools in the highest- and high-poverty quartiles, while
- 14% and 3% came from moderate- and low-poverty schools;
- 70% of requests from the highest- and high-poverty schools in 2009 were fully funded, compared with
- 58% of those from moderate- and low-poverty schools; and
- 68% of requests from more affluent schools in 2017 were filled, compared with
- 64% from poorer schools, with the gap continuing to widen in 2018 and 2019.

*PND, 2-11*

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