

Helping Hand

A Fundraising Newsletter to Help Those
Who Help Others

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from the organized desk of
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The Dog Days of Summer

It's the Dog Days of Summer—a saying I have heard since I was a little girl sitting on my grandmother's front porch in sun-baked South Carolina.—for a few more days. Their dog Red was fond of lying under that same front porch, and I always thought the Dog Days must be Red's favorite time to do his favorite thing: nothing.

Later, I learned that the Dog Days take their name from the stars: the 40 days from July 3 to August 11 represents the period when the sun appears in the same region of sky as Sirius, the Dog Star, a part of the constellation Canis Major. Hence, the Romans called this time *diēs caniculārēs*, or "Dog Days."



With the science lesson now concluded, what can we do during the long Dog Days of Summer? For many of us, the fiscal year has just wrapped up and it's not yet time to swing into fall giving. Volunteers are vacationing again, and maybe we and our staffs are getting some time away as well. The slowed-down rhythms of summer can make it hard to feel productive.

So here are a few ideas that can pair well with a cold glass of iced tea on a hot summer's day. You can even kick your shoes off and no one will be the wiser.

1) Thank 10 people for their most recent gifts—in a personal way. Pick up the phone, or write an old-fashioned note, or send a personal text if that is how you connect best with the person you are thanking. Take the time to be thoughtful in your thanks. And if you find you enjoyed thanking these 10 donors, then keep going and thank 10 more.

2) Analyze 3 solicitation tools your organization used this year: What worked? What didn't? How much did it cost, both in direct costs and in staff or volunteer time? What was the return on investment? If you were starting a new fundraising program, would you use this method again?

3) Identify your top professional goal for the rest of 2021. Imagine that you are writing your year in review on New Year's Eve. What will your headline be? I am happy to be working with several clients whose capital campaigns are gaining momentum every day, and so mine will be "Campaign Success!"

We Think You Should Know

Foundation Investment Study Results for 2020

Long-term investment returns held steady and U.S. foundations generally maintained or increased their spending rates in 2020. The ninth annual study, the **2020 Council on Foundations—Commonfund Study of Investment of Endowments for Private and Community Foundations** found that U.S. foundations:

- Generally maintained or increased their spending rates, which rose to 5.6% from 5.4% for private foundations in 2020, but declined moderately to 4.7% from 4.8% among community foundations;
- Private and community foundations with assets of at least \$500 million spent at the highest rate, 6.1%; and
- 45% of community foundations reported an increase in donations received, with a median increase of 83.6%.
- Private foundations reported an average of 13.1% in short-term returns and community foundations reported an average return of 12.1% in 2020, both representing a decrease compared with 2019's returns of 17.4% and 18.2%, respectively.
- Long-term investment returns held steady, however, as private foundations reported an average ten-year return of 8.4%, up from last year's 7.8%, while community foundations reported a ten-year return of 7.6%, slightly lower than last year's 7.7%. *PND, 9-24*

Walmart to Put Employees Through College

Walmart launched a five-year, \$1 billion commitment to cover 100 percent of the cost of college tuition and books for its employees through the company's *Live Better U* education program. Through the program, 1.5 million full- and part-time employees of Walmart and Sam's Club will be eligible to earn

college degrees or learn trade skills without the burden of education debt, and the \$1 daily fee that was part of the program since its launch in 2018 will be eliminated as of August 16. Employees also will be able to access in-demand college degree and certificate options in business administration, supply chain, and cybersecurity. *PND, 7-29*

Did They Put Their Money Where Their Mouth Is?

In this newsletter, we have been reporting how corporations and foundations were stepping up and putting their philanthropic dollars towards addressing systemic racism. *The Washington Post* reports that more than a year after the 50 largest U.S. public companies and their foundations collectively pledged \$49.5 billion in the wake of nationwide calls for racial justice, an analysis of those commitments reveals the limits of corporate philanthropy.

Based on data from 44 of the 50 companies, the analysis found that:

- \$45.2 billion, or more than 90% of the total, is being allocated as loans or investments the companies could profit from.
- \$4.2 billion — which amounts to less than 1% of the firms' combined net income of \$525.6 billion — is in the form of outright grants
- To date, 37 companies have confirmed disbursing at least \$1.7 billion of the \$49.5 billion pledged.

Companies pledged much smaller amounts to groups focused on criminal justice and police reform, including those connected to *Black Lives Matter*, the Post analysis found. Moreover, companies that did contribute appear more interested in putting money toward efforts to change habitual offender laws and reduce cash bail than toward police reform. [More here.](#) *Washington Post, 8-23*

More Philanthropic News

Philanthropic Sector Increasing Diversity

A report from CHANGE Philanthropy finds that diversity among professionals in the philanthropic sector increased between 2018 and 2020.

The ***2020 Diversity Among Philanthropic Professionals Report***, based on survey responses from almost 2,500 staff and board members at 124 foundations, found that:

- 45.3% of respondents identified as people of color, up from 37.8% in 2018.
- African Americans accounted for 13.5% of respondents, up from 11.1%.
- Asian Americans 9.6%, up from 8.9%.
- Latinx 8.7%, up from 6.3%.
- The percentages of Indigenous and Middle Eastern respondents dropped to 0.8% and 0.5% from 1.6% each in 2018.
- Professionals of color had the largest representation at grantmaking public charities (50.4%, up from 47.5% in 2018).
- At private foundations, professionals of color was 49.4%, up from 40.3%.
- Corporate funders professional of color staff was 40%, up from 28.6%.
- Professionals of color at community foundations stands at 29%, up from 26.4%.
- Grantmakers based in the Northeast were the most racially and ethnically diverse in 2020 (53.4%, up from 37.6%), while those in the Midwest (35.4%, up from 29.7%) and South (34.8%, up from 34.4%) saw smaller increases. *PND, 8-6*

Schwab Charitable Awarded \$3.7B DAF in 2020

Schwab Charitable, provider of donor-advised funds, facilitated 855,000 grants totaling \$3.7 billion in fiscal year 2021 — a 13% year-over-year increase in total funding awarded to charities.

In all, Schwab Charitable account holders supported more than 113,000 charities across all 50 states and boosted the number of grants by 24% compared to the previous all-time highs set in fiscal year 2020. The organization also noted a 48% increase in the number of grants that were not designated for a specific purpose, and an overall increase in awards driven by technology, as 79% of grants in FY21 were handled through an automated review and approval process. Approximately 60% of contributions to Schwab Charitable in FY21 were in the form of non-cash assets, including publicly traded securities, restricted stock, and private business interests. *PND, 7-20*

Trust in Nonprofits to Do The Right Thing Declining

While the public's confidence in the ability of nonprofits to "strengthen society" rose slightly in 2021, trust that nonprofits and philanthropy will "do what is right" fell from 2020 levels.

A report from the **Independent Sector**, *Trust in Civil Society: Understanding the factors driving trust in nonprofits and philanthropy*, found that:

While 84% of respondents expressed confidence in the ability of nonprofits to strengthen society, up from 81% in 2020,

- 57% had "high trust" in nonprofits to "do what is right," down from 59%, and
- 12% had "low trust" in nonprofits, unchanged from a year ago.

As for philanthropy,

- 65% were confident it could strengthen society, down from 68% in 2020.
- The share with high trust that it would do what is right fell to 30% from 36%.
- The share with low trust rose to 26% from 21%.
- Trust was a factor for 63% of respondents when deciding whether to financially support or volunteer with a nonprofit, while 83% said a nonprofit must earn their trust to receive support.

The survey also found that 67% of respondents were more likely to trust nonprofits that have a presence in their local community and that 57% reported receiving at least one type of service from a nonprofit, including attending religious services (36%), participating in youth (27%) or arts (24%) programming, or receiving health care or advice (24%) or goods or monetary assistance (24%) before the COVID-19 pandemic began. *COP. 7-21*

We'd Like You to Know...

Transforming Institutions

For more than 30 years, Alexander Haas has been a fixture in the nonprofit community. We are honored to have worked with some of the largest, and some of the smallest, organizations that help make our country a better place to live.

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Our Transformational Services

Alexander Haas offers a wide range of fundraising consulting services for organizations of all sizes. Our priority is to help transform institutions that transform lives. Whether you are readying for a capital campaign or need to assess your annual fund, our services are tailored to each individual client.

[What can we help you with?](#)

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