



# Atlanta Results

Your Monthly Resource for Philanthropic News

Alexander-Haas  
TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

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## A.I. is a Tool NOT a Substitute

*from the desk of  
Kevin Smyrl  
Associate Partner*

Are you tired of hearing about AI and how it's going to change literally everything that we do every day? I certainly am.

I've always considered myself somewhat of an early adopter when it comes to technology. I've had Palm Pilots, Blackberrys, iPhones, iPads, Kindles, etc., all within the first iteration or two being released. I've also either adopted or tried to adopt any number of software products to help with productivity...think Evernote, OneNote, Outlook, MS Project, and many, many productivity

programs, philosophies, and systems.

Now, social media is something I never got into. I realize the reach of social media is unmatched, but I'm half a century old now, so the worlds of Facespace, SnapSlap, InstaPic, Tick Tack, and others will not miss me, and I certainly don't feel I need them. Amazingly, these devices, apps, and programs all have a couple of things in common. First, they are TOOLS. These tools can no doubt be very effective in helping us do our work as fundraisers and non-profit leaders. Second, not even one of these tools DOES THE WORK FOR US. It still takes a human being to set up and use the tool in the best possible way to work properly.

Enter Artificial Intelligence. Suddenly, this can do the work for us. A.I. can tell us when to call our donors, when to follow up after a conversation, and what specifically to ask the donor about based on our prior conversations—all without prompting from a human. It can write your emails, social media posts and even script phone calls. Among many other things, it can even write this column if I get a little lazy.

**THIS IS HUGE!!!**

As the world grapples with AI and how it will change virtually everything we do in our collective work, I believe it is still just a tool—an amazing, efficient, perhaps life-changing tool—that we must embrace and learn to deploy strategically. It might even help one write a column for a newsletter when one has trouble getting started (although not in this case... honestly).

Our work, the work of connecting donors and volunteers to organizations and causes they are passionate about, is at its core a business about people, human beings. Our work has always been, is today, and forever will be a relationship business. You've no doubt heard this many times, but it cannot be overstated.

I've seen some thank you notes written by A.I. and I've received some notes clearly written by a robot. "Danger Will Robinson" (showing my age again). There is no replacement for that handwritten note or personal email to say thank you for your gift. No replacement for that phone call and invitation to lunch. And certainly, there is no replacement for that face-to-face meeting to learn more about those who support your cause and physically see their reaction to new ideas and priorities.

Most of us still cherish that phone call from a friend or colleague. We read the personal notes we receive. We still write on paper. We cash the paper checks mom sends on our birthday. I'm willing to bet many of us still read paper books; I do (again, my age?). In the end, it's the IMPACT that really matters. The impact your organization has on humanity and the impact a donor or volunteer has on your organization.

I'm not hating Artificial Intelligence; we should embrace it and its many possibilities. Let the tool help you establish a communication cadence with your constituents, help you through a moment of writer's block, or prompt you to send that email checking in on your top donor or volunteer. Just remember, A.I. can't deliver impact. Stay in charge of the relationship, human to human. If we don't, then I fear Sky Net will become self-aware (circa 1984).

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[Our Team](#)

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## DAF Regulations Loom

After years of concerns about how quickly Donor Advised Fund money reserved for charity gets distributed and whether DAFs need to operate more transparently, proposed new federal regulations are pending. Though the regulations would not create new requirements for how rapidly these funds distribute money, they do provide some new guidelines for what uses for DAFs are allowed by law.

The IRS released proposed new DAF regulations at the end of 2023 that would clarify what constitutes a DAF, who is considered a fund's adviser, and restrictions on DAF disbursements.

- The proposed regulations would identify certain distributions as taxable and declare that donors are not the only parties considered DAF advisers—the donors' personal financial advisers are, too. This means **the financial advisers, like donors, cannot receive any benefits from a DAF.**
- The regulations include the possibility that **funds used to support lobbying or activities tied to political campaigns could lead to penalties for both the donor and the fund's manager.** And evidence suggests DAFs are commonly used to support lobbying.
- **A tax would be levied on the DAF** totaling 20% of the distribution and another 5% charged to a participating fund manager.
- Investment fees paid to financial advisers for their services would become impermissible "excess benefit" transactions. The proposed new rules would require the **repayment of their compensation plus a 25% penalty.**

[More information can be found here.](#)

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## Alumni Client News

Agnes Scott College has been awarded \$1 million to train physician assistants and clinical mental health counselors in maternal and pediatric care as a part of the 2024 omnibus appropriations bill signed by President Biden on March 23.

The grant will support the equipment, curriculum development and technology needed for the college's physician assistant and clinical mental health counseling graduate programs. This will position the college to prepare more than 160 master's students annually to practice as licensed professional counselors and certified physician assistants by 2027. *MetroAtlantaCEO*, 4-5



Georgia Appleseed Center for Law & Justice received a \$1 million award from Yield Giving, founded by philanthropist MacKenzie Scott as part of the *Yield Giving Open Call* initiative. Georgia Appleseed was one of fewer than 6% of the 6,353 applicants selected through a rigorous process including peer reviews and evaluation by an expert panel.

Michael Waller, Executive Director of Georgia Appleseed, expressed his gratitude: "With this generous gift, we will be able to reach even more children, families, and communities to make sure they have the nurturing schools and safe, stable homes they need. We are profoundly grateful to MacKenzie Scott and Yield Giving for their recognition and support." *MetroAtlantaCEO*, 3-21

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## Endowment's Small Percentage of Foundation Giving

A *Center for Effective Philanthropy* report finds that fewer than a third of foundations fund nonprofit endowments, and these grants represent a very small fraction of their giving.

Key Findings from Funding Nonprofit Endowments: Foundation Perspectives and Practices

- 31% of respondents fund nonprofit endowments. Of those,
- 86% indicated that endowments made up fewer than 25% of total grants.
- Among those that do fund endowments, the majority fund those of museums and performing arts organizations (56%) or direct services organizations (54%), followed by educational organizations (41%) and colleges or universities (39%).

Major criteria in the decision-making process for nonprofit endowment funding:

- an existing relationship with the nonprofit (66%)
- leadership's strengths and potential (59%)
- mission and goals (55%).

A third of foundations identified advancing equity as a primary concern,

- with racial equity the type most often considered (82%), followed by health equity (63%), and gender equity and LGBTQ+ status (both 59%).
- Only 4% of foundations that have never examined funding nonprofit endowments reported that they would consider doing so in the future.

Supported by the Robert Wood Johnson Foundation (RWJF), [the report can be found here \(PDF\)](#). NPD, 4-1

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## 20+ Years With Arthur Criscillis

Happy Anniversary to Arthur L. Criscillis, Ed.D., Managing Partner, Higher Education. We are honored to have had Arthur on our Team for 20+ years. After leading the advancement programs for Purdue University College of Science, Rhodes College and Centre College, we are fortunate that he moved into consulting for the opportunity to work with and for a wide variety of colleges and universities. What he has brought to not only our Firm but also to his clients is irreplaceable. He is a big part of our success, and we know his clients feel the same.



Happy Anniversary, Arthur. Thanks for the years, and cheers to many more.

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## We Know Atlanta Nonprofits

For more than 35 years, Alexander Haas has been a fixture in the Atlanta nonprofit community. We are honored to have worked with some of the largest, and some of the smallest, organizations that help make Atlanta a better place to live.

Our Client Partners

## A Fresh Approach to Nonprofit Fundraising

Our services aren't cookie cutter. We don't operate with a boilerplate, merely changing names and locations. We craft each and every service we provide to match your unique needs, wants and abilities. We work hard and expect you to do the same. Together we can help you transform your organization, your fundraising, and the people you serve.

Whether your need is in Capital Campaign, Annual Fund Campaign, Major Gifts, Leadership Annual Giving, Planned Giving or all of the above, we take a fresh approach to nonprofit fundraising.

Our Services



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