

# RISE

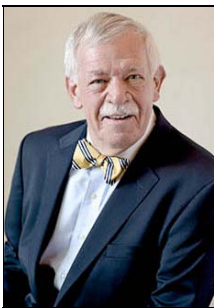
Results in Independent Schools E-newsletter  
Shining a Light on Fundraising

Alexander Haas  
TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

**First Things First**



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



from the coastal-desk of  
**David T. Shufflebarger** | Senior Partner

## Fake News on Endowments

O.K., so it's not really fake news. But most folks keeping up on current events over the last year would think educational institutions are hoarding millions and even billions of dollars that could be used to help students and their families offset the increasing cost to attend. Although that is not the case, Congress put a tax on about 30 of the largest private college endowments as part of its tax reform legislation.

So, you better have the financial literacy to explain the situation to donors concerned about the issue and possibly reluctant to make gifts to endowment. Here are some of the facts you will need to do so:

- An endowment is not just a pot of money set aside for use however an institution chooses. That total endowment number typically is made up of hundreds to thousands of individual funds established by donors who, in most cases, restricted the use of the income for specific purposes. While those restrictions include scholarships, they also include support for faculty positions and some programs. Thus, the school is not free to spend from those non-scholarship funds for student financial aid.
- Endowment funds come in different flavors. There are:
  1. True endowments where a donor specified that the gift be held in perpetuity and invested with only a portion of the income available for expenditure.
  2. Term endowments are just like true endowments except the donor establishes them for a term of years after which the fund is no longer endowed.
  3. Quasi-endowments where the Board has decided that unrestricted gifts or miscellaneous revenue be treated as endowments but has reserved the right to change that restriction. These are often funds from estate gifts.

All three flavors can be unrestricted or restricted, and most are the latter.

**[But remember...there's more...](#)**

## Best of the Web: *Industry Trends*

One of the challenges facing development leadership today is the retention of key staff members. Turnover in development is high. In fact, some would argue it is an unprecedented high. A culture of numbers - dollars, donors, visits, solicitations, etc. - has become the norm and now seems to dominate many of the manager/staff interactions.

Technology has fostered and facilitated this philosophy, which tracks every possible activity value. In many ways, this has made our industry more disciplined - something that can be viewed as being positive. But there's a backlash brewing.

We frequently hear from high performing staff members saying their managers do not care to hear anything but statistics. These individuals, who were originally hired for their ability to close gifts and form strong and lasting relationships in addition to raising funds for the organization, are left wondering if their abilities really matter.



[Here's timely \*insight\* for leading a team...](#)

Turn their **NO** into a **YES!**

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**Overcoming Objections**

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## Client Partner News

### Woodward Academy Established Fund to Honor Alum

Heartwarming news for Client Partner, Woodward Academy! The College Park, GA school has established the **Steve Holman Jr. Media Award Fund** in memory of alumnus **Steve Holman Jr.** Steve was a journalism student & son of Steve Holman, longtime radio voice for the Atlanta Hawk.

The cash award will be presented annually at the school's Senior Banquet to honor a member of the graduating class who has made a significant contribution to student journalism in student publications or WATV, and is interested in pursuing journalism in college.



Listen to our *News...*

## David King on BusinessX Radio

Our President & CEO **David King** had an insightful conversation with **High Velocity Radio** hosts about how to strategically set a donor board up for success, pitfalls to avoid when planning a fundraising budget, and just how Alexander Haas helps "transform institutions that transform lives."

[Listen & learn something new today....](#)



## We'd Like You to *Know....*

### Our Transformational *Fundraising Services*

You're just a jump away from learning about all the fundraising aids Alexander Haas has in its vault of Transformational Services.

[Jump!](#)

### 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, independent schools that help transform our nations adolescents into our next leaders.

[Take a look at our past and present \*Independent School Client Partners.\*](#)



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