



# RISE

Alexander Haas  
TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

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

August 22, 2023



from the desk of  
**Jerry W. Henry**  
Managing Partner

## The Match That Ignites the Flame

*"I enjoy setting up a matching gift to encourage others to step up in their giving," the major donor said. "I'm fortunate that I can offer this 'extra boost!'"*

I really enjoyed seeing this donor's eyes sparkle as he described the strategy he chose to implement in a special project campaign for an organization he cares about deeply. I was interviewing him as a part of a [Campaign Strategy Study](#) for a major capital campaign, but he wanted to share what motivates him as a donor. I'm always intrigued by what makes donors "tick" and, more interestingly, what they view as their role in supporting organizations beyond just giving dollars.

In this case, he wanted to encourage others to increase the levels of their giving.

The donor explained, *I decided that I would offer to match gifts of \$5,000 or more on a dollar-for-dollar basis. But, to encourage new donors or donors who may not be able to give that much, I also offered a 2-to-1 match for dollar amounts under \$5,000.*

This conversation led me to thinking about matching gifts. [Note: My emphasis for this article is on individual matching gifts and not corporate matching programs. That is a topic for another day!]

I realize many folks use the terms "challenge" and "matching" interchangeably when speaking about gift strategies such as the one suggested by this donor. Perhaps there are some nuanced differences of which we should be aware.

Often a **challenge** gift is a set dollar amount committed by a donor to a campaign to help stimulate other gifts or to help build momentum in a campaign effort. It sends a signal that there is major support for a particular project or fundraising focus.

In a matching program, the ultimate gift amount depends on how much others contribute to the organization which is then "matched" by a donor or a small group of donors. It truly is a way of saying to constituents your gift amount will be doubled by this generous matching donor.

A study conducted by [Double the Donation](#) and updated this year found that 1 in 3 donors indicated they would give a larger gift to a campaign if a match is applied to their donation.

In today's competitive nonprofit economic environment, organization leaders must take advantage of every opportunity to a) raise additional dollars and b) continue generating a pathway for attracting new donors. I believe that identifying matching gift opportunities can help in both areas – and if 1/3 of donors would like to contribute to being part of a matching gift program, go for it!

I offer a few thoughts on setting up a matching gift for whatever campaign you're considering:

**1)** Don't be afraid of combining individual gifts to create a **matching "fund."** It may be difficult to identify one donor who is willing to offer a match such as the donor I was interviewing. Perhaps you could find two or more donors who would go together to provide additional matching funds.

**2)** Establishing a strategic "match" is a strong approach for **energizing your campaign** during those lulls or times when the momentum seems to be lagging. I've provided counsel on campaigns – annual and capital – during which 2-3 different matching approaches were offered at various stages of the campaign. The important point is to plan in advance, to be strategic in how those matches are employed, and to make sure you're using every vehicle possible to communicate and market the messaging about the matching opportunity.

**3) GivingTuesday** will be here before we know it: November 28, 2023. It's not too soon to begin having a conversation with major donors about setting up a matching gift aspect for that day. Better yet, have a conversation with your Board and invite them collectively to establish a matching gift strategy.

Raising funds can be a "challenge" .... but I believe a "match" can ignite your efforts!

**Please join us in congratulating Jerry on his 25th Anniversary with Alexander Haas. In addition to helping countless clients to achieve success, Jerry has been a great leader, mentor, and advocate for our Firm. Congratulations Jerry. You are such a big reason for our success!**

Our Team

## A Snapshot of State Independent Schools

Let's look at some Independent School State Associations and examine what participating schools raise in philanthropic funds. We will start with **Georgia**.

School Count 43

|   |                 |
|---|-----------------|
| Advancement Median Funds Received for '22                                 | \$1,302,878     |
| Median Number of Donors   | 685             |
| Median Percent Participation by Constituency & Hard Credit Funds Received |                 |
| Median % Participation by Parents/Guardians of Current Students           | 86.2% \$459,537 |
| Median % Participation by Alumni/ae                                       | 13.9% \$35,495  |
| Median % Participation by Grandparents of Current Students                | 20.6% \$72,610  |
| Median % Participation by Parents and Grandparents of Alumni/ae           | 18.0% \$152,279 |
| Median % Participation by Employees                                       | 98.8% \$31,579  |

|  |           |
|--|-----------|
| Trustees   |           |
| Median Number of Trustees  | 14        |
| Median Hard Credit Funds Received by Trustees                      | \$69,380  |
| Median Soft Credit Funds Received by Trustees                      | \$310,472 |
| Funds Received by Purpose ('22)                                    |           |
| Median Funds Received for Current Operations: Unrestricted         | \$572,960 |
| Median Funds Received for Current Operations: Restricted           | \$212,461 |
| Median Funds Received for Endowment                                | \$140,292 |
| Median Funds Received for Other Capital Purposes                   | \$670,636 |
| Median Funds Received for Irrevocable Deferred Gifts at Face Value | \$111,875 |

[Data from NAIS Facts at a Glance.](#)

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## US Decrease in Donors & Dollars in 2022

The report mentioned above also finds that although a majority of individuals reported donating time, money, or other valuables in 2022, the US experienced a decrease in both donors and dollars. They found that globally, 84% of people donated time, money, items, or their voice in 2022, with 56% giving in at least three of those ways, and a majority (57%) giving to formal charities, informal groups, and individuals, the three recipient types tracked in the report. In the U.S., however, there was a decline in both the number of monetary donors and the amount of dollars donated, a trend not seen since 2010.

The report also found that the long-term trend of waning donor participation, which started in 2012, worsened sharply in 2022, with donors declining 10% year-over-year. While the leading cause of overall donor decline was an 18% drop in the number of new donors the number of new-retained donors (those who donated in the previous year to an organization, but never before) decreased 26.4%, and repeat-retained donors showed a decline of 3.5%, bringing the total overall donor retention rate for 2022 to 42.6%, the lowest on record. Almost all of the decrease in donors (nearly 90%) is attributable to losses of donors who donated \$500

and below (which represents 83% of all donors), and while the number of major (\$5,000 to \$50,000) and supersize donors (more than \$50,000) decreased the least, they accounted for a much larger proportion of the decrease in dollars, (26% and 48%, respectively). In addition, the report found a reduction in large donor results in the fourth quarter of the year, which is typically the height of giving season.

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## Foundation Assets Rose \$100B in First Half of '23

Total assets of foundations in the US rose by \$100 billion in the first half of 2023 to \$1.25 trillion, signaling a reversal from declines in the previous three quarters. According to FoundationMark, while asset values in June were 7% higher year-over-year, they were still 9% off the peak of \$1.377 trillion reached in December 2021. Foundations' median investment performance is 11.3% year-to-date and 13% year-over-year, representing a stronger near-term performance compared with three-, five-, and 10-year rolling averages of 7.8%, 6.5%, and 6.6%, respectively.

Based on current market conditions, FoundationMark modeling indicates total foundation giving by the end of 2023 will approach \$90 billion, up slightly from 2022. [More here.](#) PND, 8-3

## We Know Independent Schools

For more than 35 years, Alexander Haas has been a fixture in the nonprofit community. We are honored to have worked with so many remarkable independent schools, both secular and non-secular, across the country that help mold today's adolescents into tomorrow's leaders. Take a look at our list of independent school clients, past and present.

[Our Clients](#)

## A Fresh Approach to 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 organization's unique needs, wants and abilities. We work hard and expect you to do the same. Together we can help you transform your institution, your fundraising, and the community 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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