

20 | SUMMER IN SESSION:
23 | THE CASE FOR ENDOWMENT



PRESENTERS



BOB WESTON

Senior Vice President
Practice Lead,
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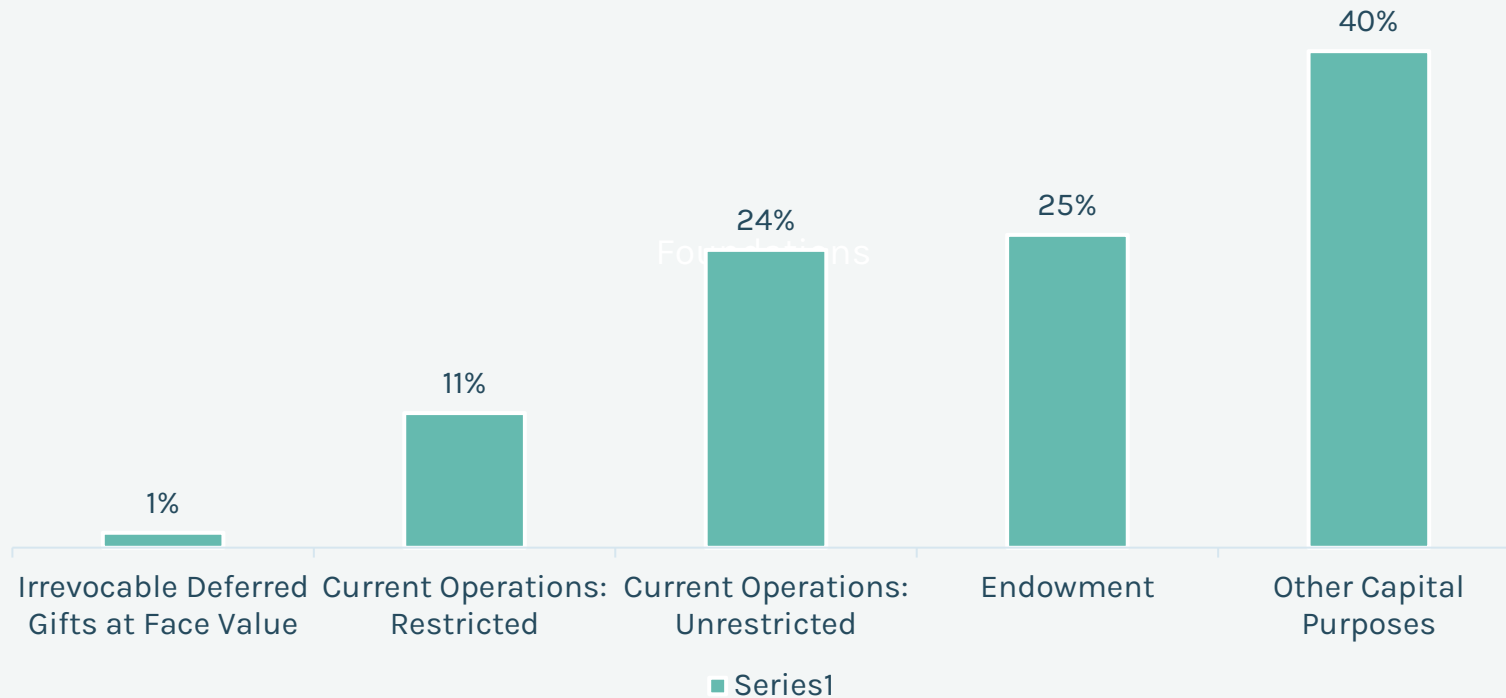
AASHIKA PATEL

Executive Vice
President
CCS Fundraising

THE LANDSCAPE
IS POISED FOR
ENDOWMENT

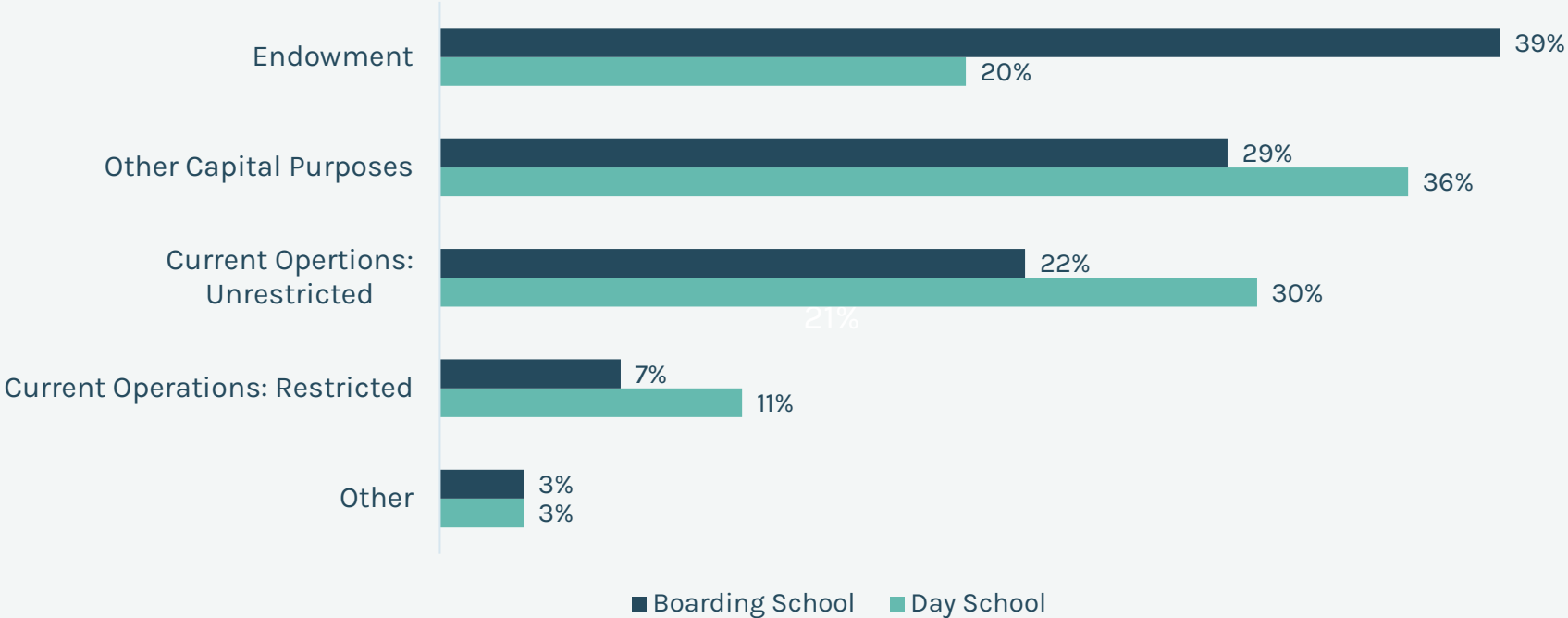
25% OF NEW FUNDS ARE COMMITTED TO ENDOWMENT

SHARE (%) OF NEW FUNDS COMMITTED BY PURPOSE, 2022



NEARLY 40% OF GIFTS AT BOARDING SCHOOLS ARE FOR ENDOWMENT

SHARE OF FUNDS RECEIVED FOR EACH PURPOSE, BY SCHOOL TYPE, 2022



THE 90/10 RULE HELD TRUE FOR TOP DONORS DONATING MOST FUNDS

9.8% of donors gave 99% of the revenue

Requests 9%

2.2% of donors gave 77% of the revenue

In 2022, 318 donors contributed \$1 million or more, totaling \$887 million, or 36.0% of funds received.

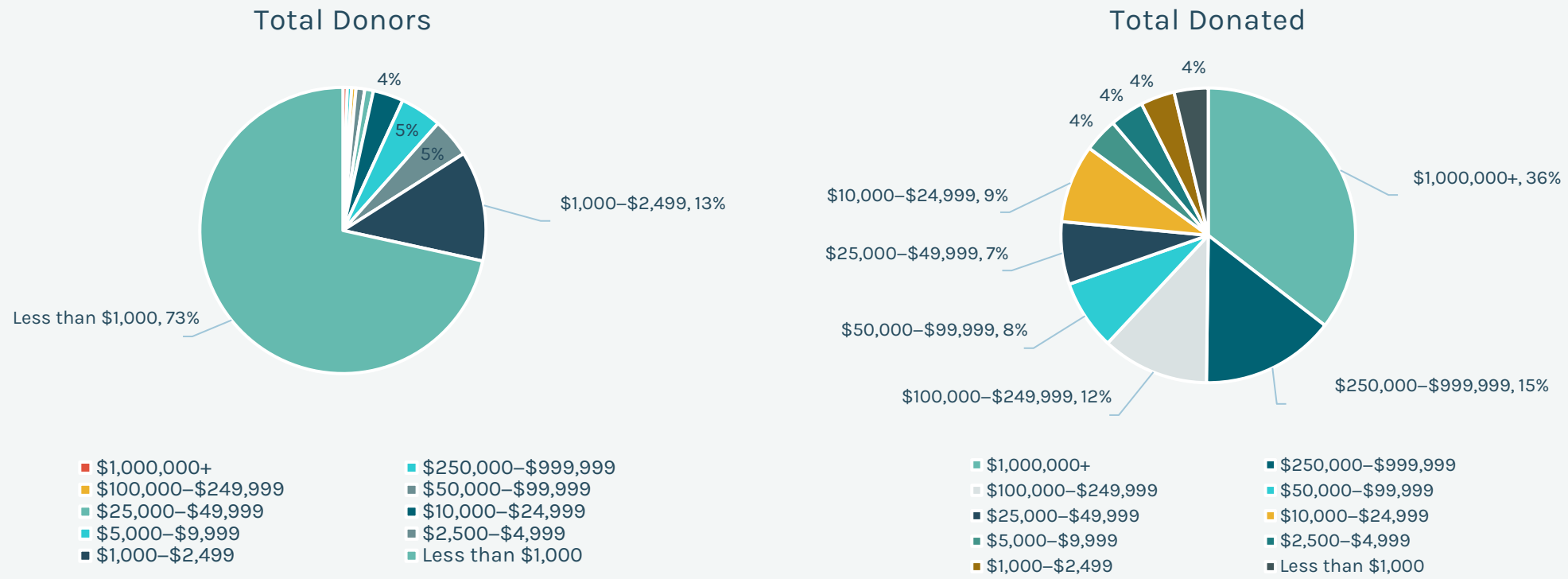
Foundations

In 2022, 73.0% of donors gave less than \$1,000, which indicates the breadth of support but accounts for just 3.0% of funds received.

Individuals 64%

NEARLY 40% OF TOTAL PHILANTHROPY COMES FROM GIFTS OVER \$1 MILLION

SHARE (%) OF FUNDS RECEIVED BY GIFT BANDS, 2022



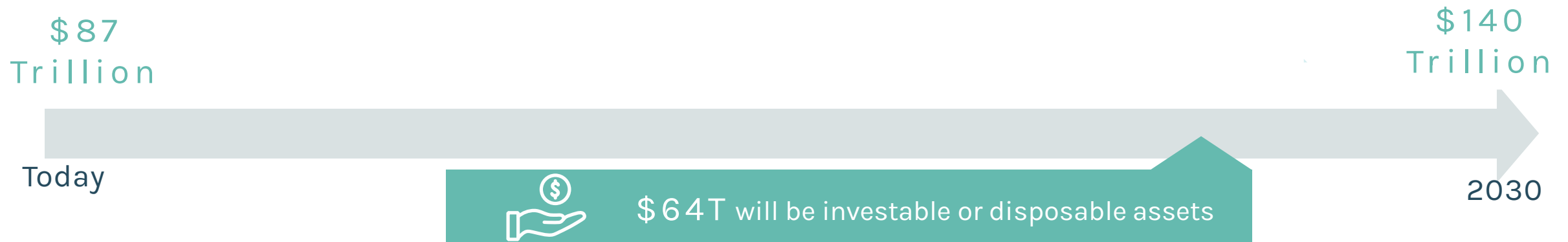
WEALTH TRANSFER HITS PEAK IN 10 YEARS

Right now, more than **\$12 trillion** in financial and non-financial assets are shifting from the **Greatest Generation**, those born in the 1920s and 1930s, to Baby Boomers, those born between 1946 and 1964.

Over the next 30-40 years, an **additional \$30 trillion** in assets will pass from Boomers to their **heirs** in the U.S. and North America.

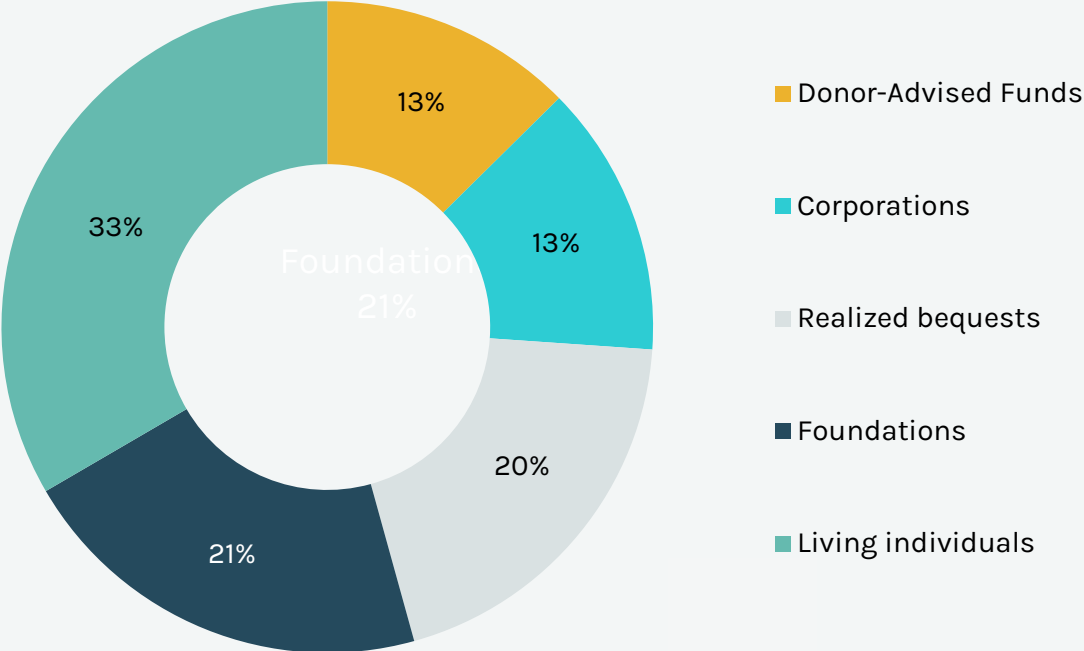
At the peak, between 2031 and 2045, 10% of the total wealth in the United States will be changing hands every five years.

Charities have less than 10 years to hone asking for and securing blended gifts of assets beyond cash in order to benefit maximally from the wealth transfer.



REALIZED BEQUESTS ACCOUNT FOR 20% OF SCHOOLS' TOP DONORS

LARGEST DONOR BY SOURCE, 2022



IMPACT OF THESE TRENDS ON SCHOOL FUNDRAISING OPERATIONS

Increased Pressure on Operating Budget

- Diminished endowment revenue
- Greater reliance on tuition revenue

Increased Pressure on Annual Giving Goals

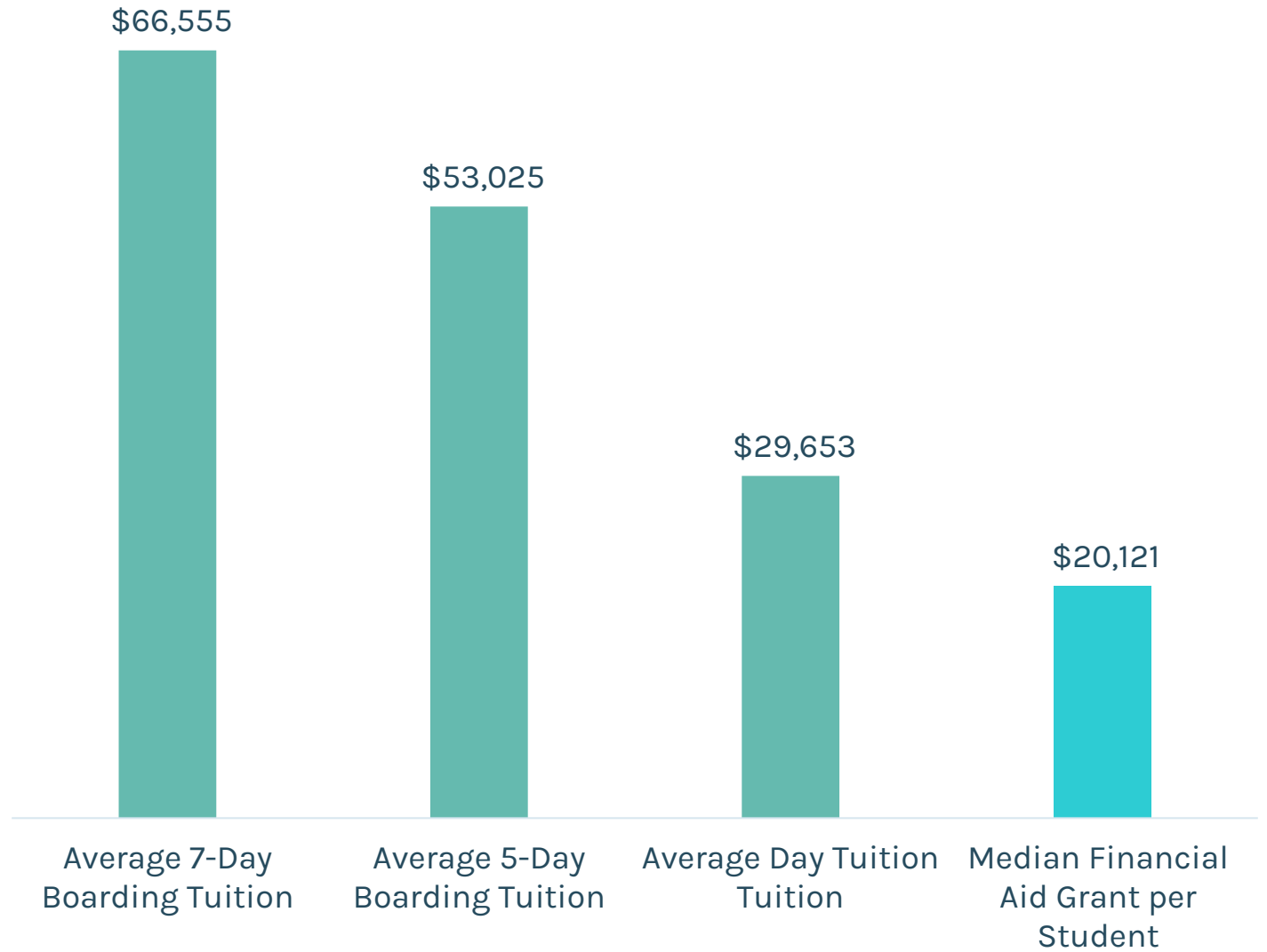
- Unexpected expenses
- Widening gap in operating budget
- Annual fund use for emergency response priorities

Financial Hardship among Constituents

- Increased demand for financial aid
- For some schools, decrease in fundraising revenue

THE IMPORTANCE OF ENDOWMENT

MODERATE STUDENT TUITION INCREASES



KEEP UP WITH YOUR FUNDING NEEDS AND STRATEGIC PRIORITIES



SHOW IMMEDIATE IMPACT

While demonstrating the need, describe how you can and will use these dollars now in a way that benefits the long-term impact of your school.



UNDERScore LEGACY

Tie the growth of endowment to sustaining the institution's mission for future generations.



DEMONSTRATE RESULTS

Create thoughtful impact statements to demonstrate tangible results of endowment gifts.



MANAGE TALENT

Attract and retain talented faculty.

KEYS TO A RAISING ENDOWMENT FUNDS



CREATE RECOGNITION AND STEWARDSHIP OPPORTUNITIES

- Frequent communication is a key component of stewarding an endowment donor.
- If the opportunity is available for donors to meet the actual recipients of their endowment gifts, seize these moments! They humanize endowment giving.
- Before launching named funding opportunities, ensure there are clear policies and minimums in place to avoid confusion or complications down the road.
- An endowment gift with a naming opportunity in perpetuity may increase a donor's gift, especially for donors interested in naming a capital asset.
- When setting a threshold for an endowment gift, consider the increase in CPI in future years, ensuring the 5% draw will cover rising costs.



TEACH SCHOOL FINANCE 101

- Consider using an interview feature in a publication, a website landing page, or a campaign event to help donors understand the important endowment metrics and their role in the broader financial strategy.
- Use your endowment to show the prudence and long-term commitment of the school to create impact for decades to come.
- An endowment can help demonstrate financial sophistication which will in turn build confidence in donors and potential donors.
- Highlight long-term endowment gains by reporting on performance regularly.



CREATING AND NURTURING A GIFT PLANNING CULTURE

- Consider incorporating planned giving into your endowment growth strategy.
- Review your donor lists for loyal donors that are in their 50s, 60s, or 70s. These donors are your best prospects for planned gifts made to the endowment.
- Establish a bequest society to create a clear pathway towards recognition and stewardship.
- Speak to your donors about their giving legacy and how leaving a bequest to your endowment will enable their philanthropic legacy to impact your organization in perpetuity.

THANK
YOU!

QUESTIONS?



ABOUT CCS'S INDEPENDENT SCHOOL PARTNERSHIPS

CCS understands the unique value proposition of an independent school education and the vital role that philanthropy plays in helping schools achieve their mission.

For over 75 years, CCS has empowered many of the world's greatest organizations to advance some of the most important causes in history. As leading consulting experts in campaign and development strategy, we plan and implement fundraising initiatives that help independent schools make a greater impact—locally, nationally, and globally.

CCS has valuable experience working closely with schools in diverse communities around the country to help magnify the mission of each school. Our strategic advisors drive strategy at a high level through our embedded, partnership-based model in which our consultants work right alongside your school's team.

INDEPENDENT SCHOOL PARTNERSHIPS

130+
PARTNERS
ANNUALLY

160+
NEW PROJECTS
CONDUCTED

\$23.7M
AVERAGE
CAMPAIGN
GOAL

CLIENTS ACROSS
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