


Planned Giving & Endowments



Texas Education Foundation Network Annual Conference
2018


Presented by

Valerie Foster, Executive Director ~ Sanger Education Foundation

Suzi Pagel, CFRE, Executive Director - Midway ISD Education Foundation

Before you consider an endowment, are you ready?

Are you a fundraising board (or a credit card board)?



CASH RESERVE

- Money set aside for a "rainy day", much like a household savings account
- Most recommend a minimum of 6 to 12 months of operational expense in the reserve.
- Reserve can be in a savings account, money market or CD that you can have available as CASH if needed.

You have the reserve, what else do you need.....

- 100% Board of Directors support.
- Commitment of resources for managing both money and people



Should you move forward?

- Annual event driven foundations v. endowment driving foundations.
- Case for Support- solid reputation that is known as worthy and reliable.
- Long Term Strategic Plan in place (3-5 year business plan)
- Do you have time to await on a return of an investment?



Policies and Procedures before you get started you should have:

Gift Acceptance Policy

Identifies exactly what types
of gifts you can accept.
(Real Estate, Art, Stocks,
Bonds, Mineral Rights?)

What happens if they want to
give you a MILLION DOLLARS?



Fundraising Pyramid of Giving

Having a solid foundation
at a nonprofit organization
will be essential when
putting together a
successful planned giving
program.



Source: Barnett, Richard (2002). Planned Giving Essentials, MD: Aspen Publishers, Inc.

There is a difference between.....

Planned Gift	Endowment
True endowment	Quasi-endowment
General Endowment	Endowed Funds

Managing Endowment Funds
Important: **THEY ARE A SEPARATE ACCOUNT.**
Possible options:

CD or money market account	Fund with local community foundation
Donor advised fund with an investment firm.	Managed within your own organization.

Investment & Spending Policies

- ❖ Usually drafted together.
- ❖ Be transparent in all areas and audited annually.
- ❖ Provides reasonable security of the investment, through prudent asset allocation.
- ❖ Includes expected rate of return on the investment, including both income and growth of endowment.

- ❖ Identifies asset distribution
- ❖ Sets timeline for review of portfolio performance and moving endowment funds into portfolio.
- ❖ Policy establishes dollar amount of distribution from the endowment.

*Sample policies can be found at AFPnet.org



Management 101




Do you have the capacity to manage an endowment fund?


- Who are your board members? What is their talent? Do you have capable staff?
- Investment Committee
- Legal Considerations



Cultivating Strategies

- Email Tag Line
- Social Media
- Photos of Donors
- Press Releases of Major Gifts
- Donor Stories
- Donor Envelopes/Card
- Newsletters/Annual Report
- Giving Society
- University Connection
- Public Presentations to Parents, Lawyers and Financial Planners, Insurance Agents, CPA's





Q&A?

suzi.pagel@midwayisd.org

[vfooster@sangereducationfound
ation.org](mailto:vfooster@sangereducationfoundation.org)
