



Dollars and Sense

What Stories are Your Donor Funds Telling?



Introductions

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Dollars and Sense

- Unspent donor funds in higher education – scope and implications
- Identifying and tackling the known and unknown issues
- Building strong campus-wide partnerships
- Tools + Roadmap = Real Results

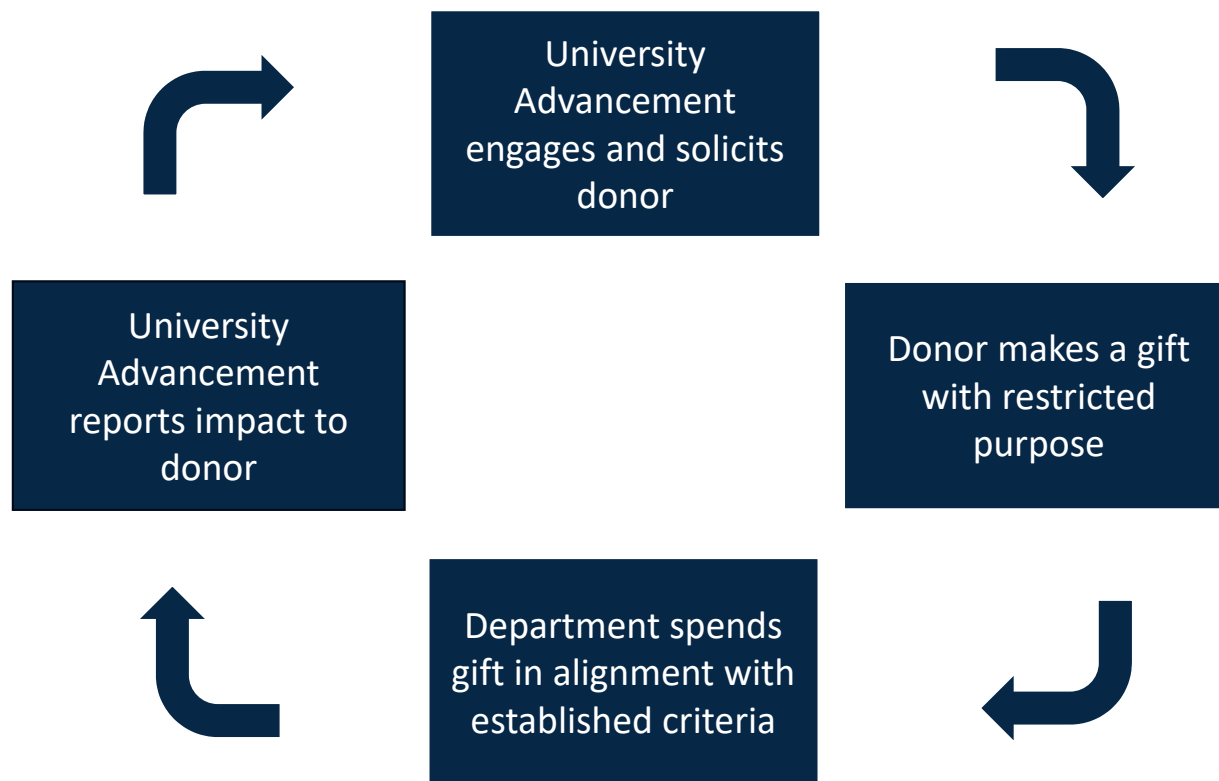


2024 Donor Relations Group Survey

- 52% of higher ed institutions reported that **unspent donor funds accounted** for more than half of their most recent fundraising totals.
 - 30% of all respondents held \$1m – \$9.99m
 - 17% had \$10m – \$100m
 - 5% reported over \$100m sitting idle
- Only 4% felt “very comfortable” with their current unspent fund levels, while **more than 80% expressed some level of discomfort.**

Does this sound familiar?

The Gift Cycle



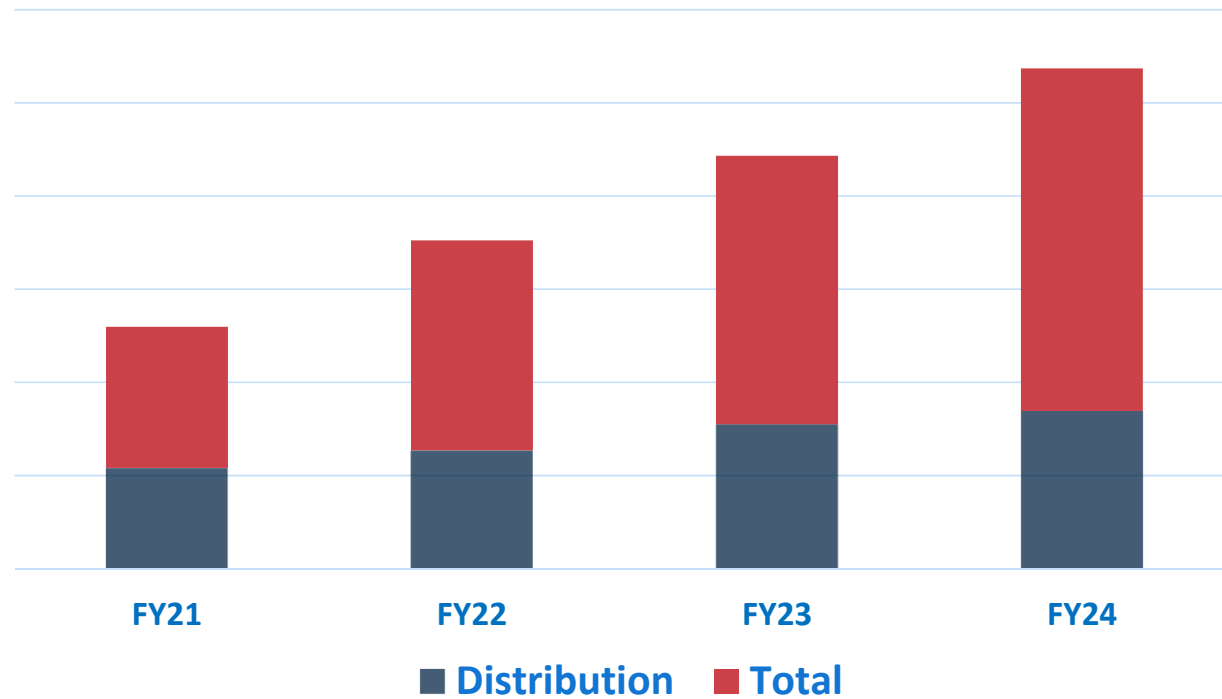
Focus on Programmatic Funds





Cash Accumulation

Distribution + Accumulated Funds Entering FY



Tackling the Problem





Relationship Building

Focus on Programmatic Endowed Funds First (Low-Hanging Fruit)

- Gained traction slowly – we weren't popular at first
 - Develop new ways of engaging - connect with the right people
 - Mitigating effects of turnover
 - Multiple touchpoints throughout the year
- Mindsets changed
 - “Money Police” → Valued Partners
 - Bring solutions to meetings – show your value!



Leveraging Partnerships

Donor Relations made this a top priority

- Major win: Partnership with the CFO and Controller's Office
- Know your audience(s): Secure a liaison
- High-level advocacy: You need a champion (Provost)

Nuts and Bolts





Qualitative and Quantitative Evaluation

- Fund Criteria Scale
 - Rates the restriction level of a fund's criteria on a scale of 1-4 (1 being least restrictive)
- Balance to Distribution Ratio
 - Measures accumulated spendable balance against the current FY's distributions

GONZAGA FUND CRITERIA RATING

Rating	Restriction Level	Description
1	Low Restriction	Funds with unrestrictive criteria, often used "at the discretion" of a dean, chair, program director, or fund administrator.
2	Moderate Restriction	Funds set aside to support one or more programming initiatives within a department or division, with latitude for fund administrators to make decisions about specific spending from year to year.
3	High Restriction	Funds restricted for explicit purchases or initiatives, with little to no latitude for spending outside the specified criteria. Examples of this are specific equipment/technology purchases, research, academic awards, etc.
4	Prohibitively Restrictive	Funds with criteria that are either irrelevant or prohibitively restrictive, to the point that administrators are consistently unable to spend in alignment with fund purpose. Additionally, funds whose criteria are currently in violation of laws and regulations, or those flagged as likely to be fall into this criteria.



Fund Criteria Example

Spike Bulldog Family Jazz Program Endowment

Purpose/Criteria: To be used in support the Jazz Program at the discretion of the Jazz Program Director.

- Potential uses:
 - Purchase music
 - Equipment purchases and repairs
 - Travel costs for performances and recruiting
 - Hosting guest artists and performers

Balance to Distribution Ratio (“The Heat Map”)

Division	FY25 Dist	Balance FY Beginning	Balance 1-25	Balance FY End	Balance Ratio FY Beginning	Balance Ratio 1-25	Balance Ratio FY End	Total Spent	% of Distribution Spent
Office of Inclusive Excellence					6.95	2.59	0.18		677%
Law University					5.16	4.36	1.10		406%
Student Affairs					4.22	3.80	2.49		173%
School of Engineering and Applied Sciences					4.10	3.89	3.75		35%
School of Leadership Studies					3.73	3.77	3.81		-9%
Center for Student Academic Success					3.35	2.25	1.81		154%
Gonzaga in Florence					3.29	3.02	2.86		43%
Mission and Ministry					3.13	2.50	2.20		93%
Foley Library					3.06	2.58	1.10		196%
Special Handling					2.99	2.23	0.31		269%
Social Justice Leadership & Community Empowerment					2.08	1.69	1.23		85%
College of Arts & Sciences					1.90	1.44	1.17		73%
School of Health Sciences					1.74	1.74	0.95		79%
Center for Global Engagement					1.53	1.12	0.48		105%
School of Business Administration					1.25	0.61	0.84		41%
Totals					2.62	2.11	1.56		107%



What's at Stake?

- Keep a close eye on “idle cash” balances because they impact the university in multiple ways:
 - Fundraising Challenges → Gift Cycle
 - Donor relationships
 - Pressure on general operating budget → Tuition increase
 - Insulated from operating budget cuts



Fund Review Spreadsheet

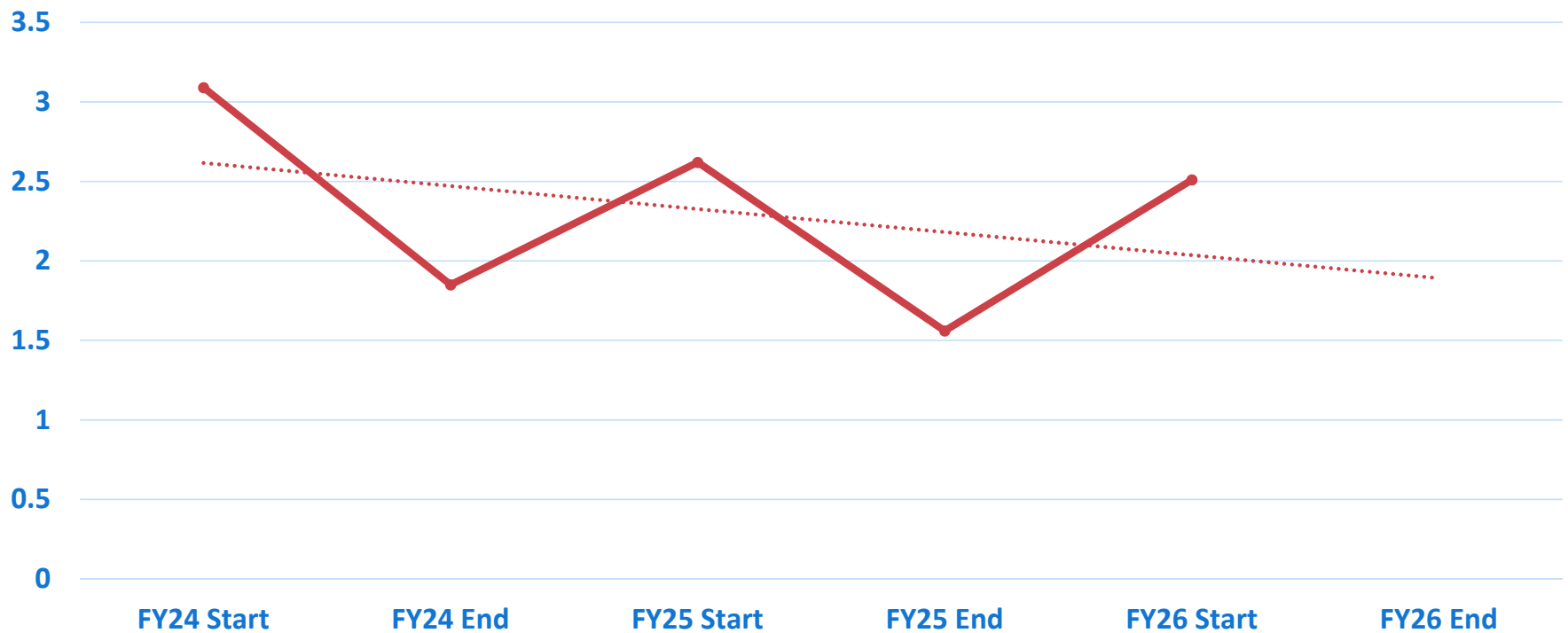
- Tracks all donor-supported programmatic and chairs funds.
 - Title, all relevant codes, and divisional oversight
 - Criteria and scale rating
 - Financials (conditional formatting creates the "Heat Map")
 - Current FY Distribution
 - Spendable Balance
 - Balance to Distribution Ratio

Impact at Gonzaga



Balance Ratio Trend

Endowed Fund Balance Ratio (FY Start and End)



Toolkit





Charting your course

- Fund Review Spreadsheet
 - Criteria Scale
 - Heat Map
- Meeting Cadence
 - Attendees: Deans/Directors, Budget Admins, Donor Relations Staff, Faculty Liaison, Gift Officers
 - Frequency: 2-3 times/year. Fall, Mid-year, Fiscal year end
- Campus Partnerships
 - Provost, Finance workshops



Key Takeaways

- Know your data!
 - Funds you are tracking and associated criteria
 - Financials: distributions, cash balances, ratios
- Develop strategic partnerships
 - Deans/Directors, Budget Admins, Provost, Finance, Faculty liaison
 - Meeting cadence, schedule early in the year
 - Get comfortable with being uncomfortable
- Be a year-round resource
 - Know and show your value
 - Respond quickly and clearly



Real Results

- FY23: 58% of endowed funds held >3 years of distributions
- FY26: Reduced to 23%
- Since Provost engagement, endowed fund utilization has more than doubled

Pace your progress - small steps lead to lasting change.

Questions?

