

BSUF

BRITISH SCHOOLS
AND UNIVERSITIES
FOUNDATION, INC.



Serving Commonwealth Educational, Scientific and Literary Institutions since 1964

WHOM DO WE SERVE?

British Commonwealth educational, scientific and literary institutions.

WHAT BENEFITS DO WE OFFER?

Grants paid in Sterling, at 100% of the amounts contributed by donors, who then qualify for U.S. tax deductions. No fees or other charges.

HOW IS THIS POSSIBLE?

BSUF is a nonprofit, tax-exempt foundation with no full-time staff or office overhead, managed by volunteers who serve without compensation of any kind. It earns investment income and receives member dues and gifts to its scholarship funds.

WHY WE SERVE:

Our primary mission is to promote active support of the fundraising efforts of British Commonwealth schools and universities by their U.S. alumni/ae and friends. We also underwrite the cost of one or more British Marshall and Fulbright Scholarships annually, fulfilling our founders' commitment to support the work of U.K. Scholars studying in the U.S. and U.S. scholars studying in the U.K.



LOSING CONTACT CAN BE COSTLY

Scott Bushey, Director, BSUF

This newsletter aims to keep you advised of the many recent improvements in BSUF's responsiveness to your institution's needs, and of new ways to benefit from its services. However, our best efforts to serve your needs can come to naught if staff turnover and reorganization, or long periods of inactivity in your relationship with BSUF, have left no "institutional memory" of BSUF within your organization.

Often, a newly designated development officer "inherits" no files or other information regarding the institution's past relationship with BSUF. Given today's deluge of e-mail and postal junk mail, the staff person who receives our request for information necessary for payment of a grant might not recognize BSUF as the source of potentially important information, and fail to pass it along to the appropriate party, thereby delaying disbursement of funds. The "spam filters" in an institution's computers may reject incoming e-mail from BSUF because they fail to recognize the legitimacy of BSUF as a communications source. At an institution that has formed its own 501(c)(3), people might disregard communications from BSUF, not realizing that bequests made many years ago naming BSUF as beneficiary, and expressing preference for that institution, will require collaboration with BSUF to facilitate completion of the transaction. For all of these reasons and more, our best mutual interests require that we "stay in touch" on a continuing basis.

BSUF's web site, this newsletter and each institution's designated U.S. Representative should be helpful as lines of communication. Designated development officers and office staff who are unaware of their institution's relationship with the Foundation, or the identity of its U.S. Representative, can contact us at info@bsuf.com for this and other background information.

By the same token, maximizing the value of our relationship requires that institutions maintain adequate and current records of all of their U.S. alumni/ae and friends. BSUF now provides prompt and complete information regarding donations and their sources, and we urge our institutions to retain this information in files that enable staff replacements to trace the history of our relationship.

MAKING IT EASY TO GIVE LARGE GIFTS: Part 1

By Roger Martin, Vice Chair, BSUF

It is well known that over the next couple of decades there will be a \$3-7 trillion intergenerational exchange of wealth in the U.S.

Like their American counterparts, graduates of British schools and universities also stand to benefit from this transfer of wealth if they know what do.

Got your attention?

Well, you need to know that tax laws in the United States have come up with a unique way of giving called a Charitable Remainder Trust.

A Charitable Remainder Trust is a type of trust which will provide income to your alumni for a period of time, after which your institution will benefit from the remaining assets in the trust. To establish a charitable remainder trust the donor transfers assets to a trustee (usually a US bank or trust company). The trust is usually funded with cash, appreciated stock or real estate.

Donors can design the trust to fit their special needs. They decide how much they would like to put into the trust, and then determine the income they would like to receive from the donated assets. They may choose to receive either a fixed dollar amount from the trust each year or a stated percentage of the fair market value of the trust

assets as revalued each year. The latter option provides an opportunity for income to grow along with the value of the trust, although this cannot be guaranteed.

In addition to receiving income for the rest of their lives, there are two additional benefits to creating a Charitable Remainder Trust:

1. The donor gets a nice tax deduction for a portion of the Trust the year it is created.
2. If their gift is in appreciated stock and real estate, they avoid capital gains tax.

It is imperative for donors who create a Charitable Remainder Trust to always consult their lawyer.

While BSUF is not in any way involved in the creation of a Charitable Remainder Trust (again, this is done by the donor with a US Bank or Trust Company) designating BSUF as the charitable remainderman is advisable because its status as a tax-exempt U.S. 501(c)(3) charitable foundation, authorized to make grants to British Commonwealth schools and universities avoids potential legal or tax complications.

In the next Newsletter we will suggest ways you can market CRTs with your U.S. Alumni. In the meantime, please contact me at rmartin@rmc.edu if you are interested in CRT's.



TIPS ON FUNDRAISING #3

By John Stiller, BSUF Vice President for Institutions

BENCHMARKING

While a dedicated fundraising function may be relatively new to many educational institutions, they need to get an early start in measuring performance on an ongoing basis. Development departments typically strive to grow both the total numbers and aggregate giving of donors, and their effectiveness is measured accordingly.

Here are three suggestions for developing internal benchmarks.

- 1** Revenue— A record of annual fundraising revenue, preferably for at least five years, is needed to show the distribution of donations by size.
- 2** Donor Database— Likewise, a corresponding database of individual donors is needed to indicate where fundraising effort should focus and what type of outreach/contact/solicitation will be most effective.

Donors typically will be alumni/ae, parents and suppliers, and experience shows that typically 20% (give or take) of the donors contribute 80% of the funds. More detailed analysis will highlight trends and year-to-year changes in major donors and the donor pool as a whole, thereby suggesting how best to maximize revenue.

We now suggest a third index which can be useful in measuring the degree of success in reaching, attracting, and retaining new donors. To illustrate: the typical school or university has data on anywhere from 6,000 to 80,000 alumni/ae. Probably 80% of these alumni/ae have lost contact with the institution. However, the availability of networking, especially among younger alums, offers a means to increase the active pool of donors into the future. Consequently we suggest creating:

- 3** The Reach Index. Assuming a database of (say) 7,000 alumni/ae last year, of whom 700 made donations, you have a "Reach Index" of 0.100. If this year, your total database increases to 7,200, and donors have grown to 750, you have a Reach Index of 0.104. Comparable benchmarks should be available for institutions similar to your own

Analyzing the components of such benchmarks may be especially useful in cases where dedicated fundraising is new, because it can help provide estimates of expected "payback" from current expenditures intended to benefit future fundraising. Equally important, spreadsheet programs and other analytical software also allow analysis and comparison of results from different groups of donors by region, year attended, etc.

We hope you find this topic to be useful. If you have suggestions or comments please contact us at instapp@bsuf.org



The Latest BSUF Grants

So far this year BSUF has made grants totaling \$1,315,000 to these institutions:

Ampleforth Abbey Trust
 Bedford School Foundation
 Birkbeck College
 Blundell's School
 Bradfield Foundation
 Bryanston School
 Cardiff University
 Cheadle Hulme School
 Chigwell School
 Christ Church, Oxford
 Christ's Hospital Foundation
 Clifton College
 Cranleigh School

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The Latest BSUF Grants

continued

Downside School	Morrison's Academy
Dragon School Trust Ltd.	North London Collegiate School
Eastbourne College	Oakham School
Eton College	Oundle School
Giggleswick School	Pembroke College, Cambridge
Glenalmond College	Ratcliffe College
Haberdashers' Aske's Boys' School Foundation	Red Balloon Learner Centre Group
Haileybury College	Royal Anthropological Institute
Harrow Development Trust	Royal Grammar School
Institute of Heraldic & Genealogical Studies	Rugby School
Lancaster Royal Grammar School	Sevenoaks School Acorn Fund
Lancing College	Sherborne School Foundation
Latymer Upper School	St. Edward's School, Oxford
Lincoln College, Oxford	St. George's School, Harpenden
Lord Wandsworth Foundation	St. Hugh's College, Oxford
Magdalen College School, Oxford	Stonyhurst College
Malvern College	Sutton Valence School
Merchant Taylors' School	Taunton School Foundation
Mill Hill School Foundation	The Churchie Foundation Ltd.
Monkton Combe School	The Cochrane Collaboration
Monmouth School	The Edinburgh Academy Foundation



The Girls' Day School Trust
 The Glasgow Academy
 The King Edward's School Birmingham Trust
 The Leys School
 The Manchester Grammar School
 The Perse School
 The Radley Foundation
 The University of Adelaide
 The University of Liverpool
 Tonbridge School
 Trinity College, Oxford
 University of Edinburgh
 University of the Arts London
 Uppingham School
 Westminster School, London

