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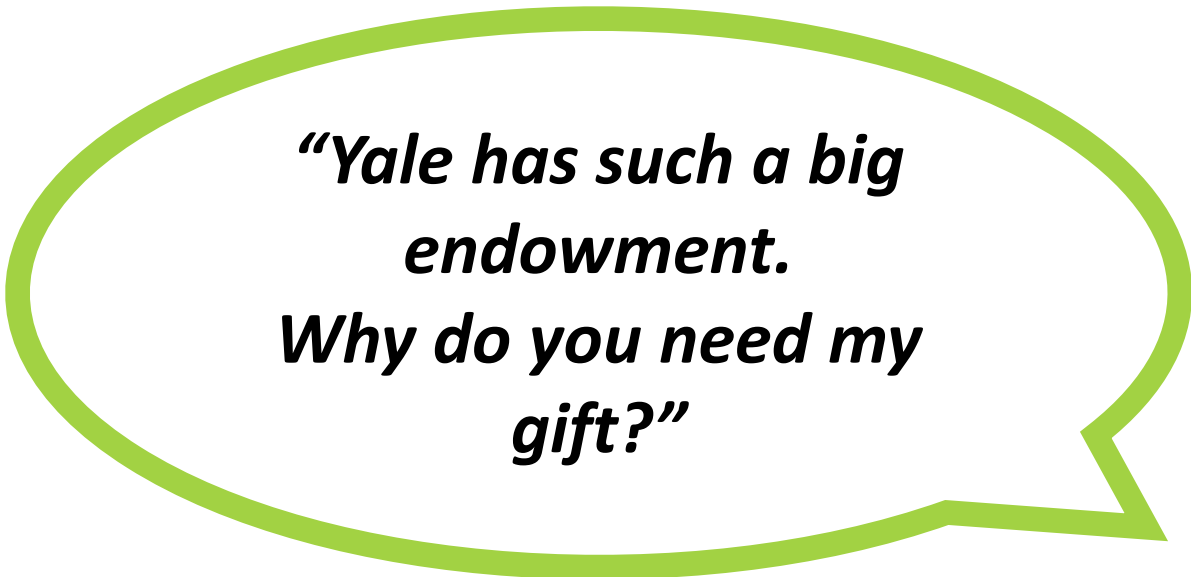
Yale University

Alumni Fund Board

“The Endowment Question”

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- 1. Introductions**
- 2. Why do you give?**
- 3. What are the facts?**
- 4. A working example**
- 5. Let's practice**
- 6. Takeaways and next steps**



***“Yale has such a big
endowment.
Why do you need my
gift?”***

ESTIMATED VALUE OF YALE'S ENDOWMENT



\$41 Billion

WHY DO YOU GIVE?



- **Impact on me**
- **Being grateful for the experience**
- **Pay it forward**
- **Want to continue excellence in education**
- **Help give back to next generations of students**
- **Education saves the world**
- **Makes me feel a continuous connection**
- **A lifelong relationship—not just 4 years**
- **Investing in next generation of leaders**
- **Support the epicenter of groundbreaking research**
- **Yale is a great institution—300 years of intellectual pursuit**
- **It takes resources and continued support to preserve Yale as a prevailing power**
- **Protect the values of education**
- **e.g., the library**
- **A great and important institution to survive in perpetuity**
- **Not everything is covered by the endowment**
- **Investing in Yale is investing in the forefront of everything**
- **Giving flexibility and the ability to experiment**
- **Supporting New Haven**
- **Yale is one of a very few institutions that can influence world affairs in a profound way**
- **Funding expansion, e.g., expansion of Yale Art Gallery; putting art at people's fingertips**

WHAT ARE THE FACTS?



- **The increasing endowment helps support diverse needs of university**
- **There's a commitment to diversity at Yale College and grad school level**
- **The story is complex! The amount of restricted assets hinders deployment to meet immediate needs (80% restricted)**
- **It's surprising to see how much is spent every year; we need more unrestricted funds**
- **We give a lot of financial aid and an increasing percentage of students receives it**
- **We have the best managers in the world, yet valuations fluctuate (9 years)**
- **General inflation (net return) is something we have to overcome**
- **It takes a lot of money to keep Yale running at the level of a great university**

Here's a framework that may help

- ✓ **Acknowledge**: “I hear that from time to time...”
 - ✓ Ask questions
 - ✓ Listen
 - ✓ Seek to understand
- ✓ **Educate** (don't debate): “Many alumni don't realize...”
 - ✓ Stay calm, reserve judgement
 - ✓ Share what you know and believe
- ✓ Offer an **example**—maybe your own: “The reason I give to the Alumni Fund even given the size of the endowment is...”
 - ✓ Someone who gives anyway and why
- ✓ Ask a **question**: “I've heard your perspective and shared some of what I know/believe. Given our conversation, would you be open to considering a gift?”

What are our key takeaways?

- **80/20% (restricted/unrestricted) is enlightening**
- **People have other demands on their philanthropic dollars and we should recognize that; if people can still give something, they may come back**
- **Sustaining Yale's legacy requires this level of endowment***
- **It took a decade to recoup after the financial crisis—it takes that long!**
- **Giving has to help during good/bad times**
- **Less than 50% of the financial aid budget is covered by the endowment; there's real need**

Any questions, please reach out:
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