

Endowments & FOUNDATIONS



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Independent Schools in New York State

The Importance of Fundraising and Endowment Strategies

This research study was conducted in 2013 and all data is relevant as of that year, unless otherwise noted.

If you have any questions about this study, please do not hesitate to contact the author directly.

KEY POINTS:

There are three trends affecting independent schools nationally today: enrollments are flat and declining; there is great pressure to expand programs and facilities; and tuition costs continue to rise, impacting affordability for many families. Thus, schools are operating in a more competitive environment than in past decades. At the same time, fundraising and endowment management have become more critical areas. Fundraising is taking on greater importance as schools expand their development teams and diversify their fundraising strategies to include major gifts, planned giving, and social media. School endowments are of greater importance today as they provide important financial resources annually to a school. Capital campaigns are also becoming more common.

OVERVIEW OF INDEPENDENT SCHOOLS

On November 11, 2013, the *Wall Street Journal* carried an article titled “U.S. Private Colleges Face Enrollment Decline.” The article discussed the worrisome trend for private colleges as they face lower enrollments due to the declining number of graduating high school seniors over the past decade, which is expected to continue. A closer look at the article describes the challenging environment:

“But more-worrisome long-term trends are buffeting these schools, including a national decline in the number of graduating high school seniors, a swarm of technologies driving down costs and profit margins, rising student debt, a soft job market for college graduates and stagnant household incomes. Meanwhile, college costs have climbed at more than triple the inflation rate.”¹

Many of these same trends impacting colleges are also impacting independent schools in the U.S., which are an important part of our educational system and are a key part of many communities.

An independent school, also called a private school, refers to a school that is independent in its governance and finances from the local government. It is structured as a non-profit entity and its funding sources are typically tuition, contributions, investment earnings, and other sources such as property rentals. The National

Association of Independent Schools (NAIS) has over 1,400 member schools (serving more than 562,000 students and 121,000 teachers and staff) and in the Northeast/Mid-Atlantic states (see Figure 1), there are 777 schools. According to the NAIS, these include boarding and day/boarding schools; elementary and secondary schools; boys’, girls’; and coeducational schools. According to Huff Post Politics, approximately 10% of students in the U.S. attend a pre-K–12 private school.² The NAIS reports that the median tuition

FIGURE I
**Northeast/Mid-Atlantic:
Independent Schools by State**

State	Total # of Independent Schools
New York	190
Massachusetts	129
Pennsylvania	97
Connecticut	83
New Jersey	62
Virginia	50
Maryland	48
Washington DC	31
Maine	24
New Hampshire	21
Vermont	15
Rhode Island	15
Delaware	12
Total	777

Source: NAIS Data

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for day school programs is \$20,612, while the median tuition for boarding schools is \$46,800.³

FOCUS ON NEW YORK STATE INDEPENDENT SCHOOLS

According to the New York State Association of Independent Schools (NYSAIS), there are 190 members with 113 offering high schools (88 issued Form 990s; see Appendix A for full list). These include various types of independent schools, such as faith-based schools (e.g. Chaminade High School, Long Island) and secular schools (Little Red School House, New York City). Many of the schools in New York State have long histories and are supported by a strong network of parents and alumni.

In this research study, we focus on this core group of 88 K–12 schools in New York. We start by providing

a ranking of the largest by total revenues (as shown in Figure 2), with the largest three being Horace Mann, Ethical Culture Fieldston School, and Dalton School.

Independent School Trends / Challenges

During the course of our study, we identified three key trends at independent schools:

1. Enrollments are flat/declining slightly:

According to the Huff Post study, national private school enrollments have decreased over the past 15 years from about 15% to 10% of total enrollment, and the U.S. Department of Education projects that in 2021, private schools will represent about 9% of enrollment. This is related to drops in Catholic school enrollments, which make up three-quarters of all independent schools, as more families have moved to the suburbs over the past 50 years.

FIGURE 2

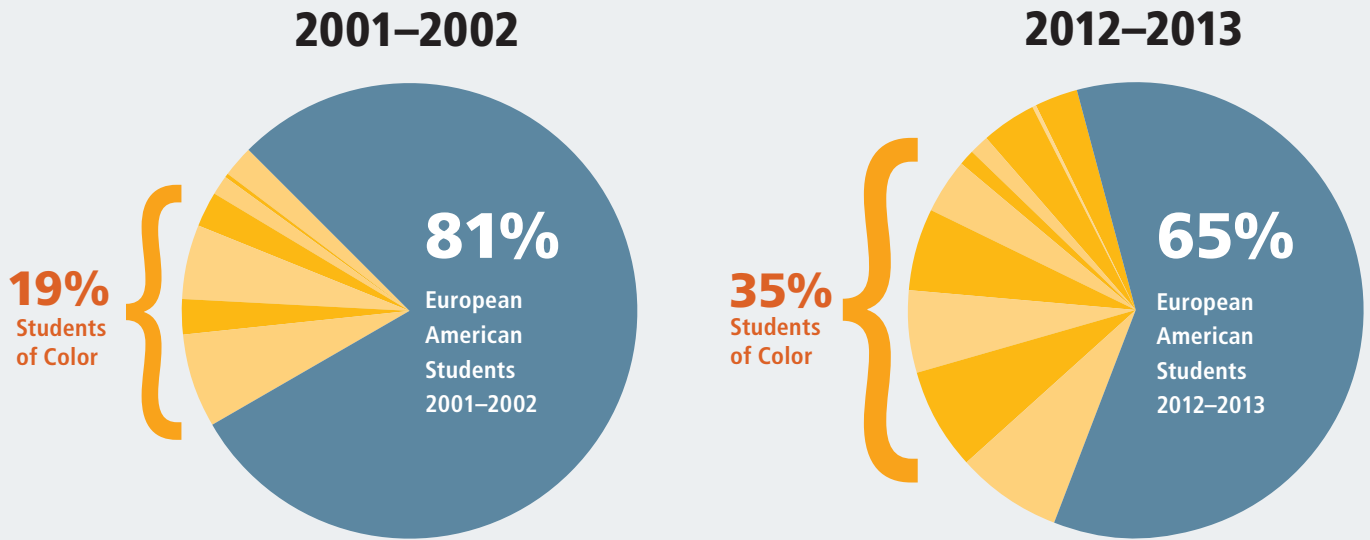
New York School Ranking by Total Reported Revenues/Enrollments (K-12)

Rank	School Name	Total Revenue	Enrollment: # Students
1	Horace Mann School	\$79,917,026	1,756
2	Ethical Culture Fieldston School	\$73,576,996	1,704
3	Dalton School	\$64,891,346	1,302
4	Abraham Joshua Hershel School	\$64,783,046	392
5	United Nations International School	\$59,084,644	1,500
6	Riverdale Country School	\$55,907,507	1,100
7	Columbia Grammar & Prep School	\$53,382,825	1,289
8	Trinity School	\$50,271,123	995
9	Chapin School	\$46,156,950	748
10	Spence School	\$42,665,258	725
11	Poly Prep County Day School	\$40,431,052	1,100
12	Lycee Francais	\$39,379,481	1,370
13	Hackley School	\$38,801,761	837
14	Saint Ann's School	\$37,987,632	1,088
15	Packer Collegiate	\$37,808,739	1,000
16	Brearley School	\$36,678,783	700
17	Trevor Day School	\$35,789,869	830
18	Collegiate School	\$35,046,362	651
19	Rye Country Day School	\$34,851,399	887
20	Windward School	\$33,153,745	562

Source: Form 990s (6/30/12 and 6/30/11); Websites; Annual Reports; NYSAIS; Includes 88 New York K–12 Schools

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FIGURE 3
Ethnic Background of Total Students Enrolled: 2001–2002 vs. 2012–2013



% of European American Students:	81.0%	65.0%
% Students of Color:	19.0%	35.0%
% Asian American	7.0%	7.9%
% Multiracial American	2.6%	6.4%
% African American	5.4%	6.2%
% Hispanic American	2.6%	4.1%
% Middle Eastern American	1.3%	1.4%
% Pacific American	N/A	1.3%
% Unsure	N/A	4.3%
% Native American	0.2%	0.2%
% International	2.1%	3.2%

Source: NAIS Data

It’s interesting to review the demographic data for independent schools in the U.S. and observe how schools have become more diverse over the past decade. As illustrated in the first pie chart, the four largest groups for the 2001–2002 period are, for all schools: European American (81%), Asian American (7.0%), Multiracial American (2.6%), and African American (5.4%). When we compare this data to the 2012–2013 period, we see that the percentage of

students of color (which comprises all students not of European American background) increased from 19% to 35% over the past ten years. In addition, international students also increased from 2.1% in the 2001–2002 period to 3.2% in the 2012–2013 period.

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Robert Cordero, CPA, Partner at O'Connor Davies, LLP, who serves as a CPA for many independent schools, commented:

"While some New York City schools are weathering financial pressures as the rest of the country, most schools in the greater New York City area are and have been at enrollment capacity."

The study also goes on to discuss the growth of charter schools as well as the impact of the great recession.⁴ According to the Albany Business Review, private school enrollment in New York decreased by 25,000 to 416,000 from 2007 to 2010. A closer look at the New York State Department of Education website shows that nonpublic students declined from 787,853 (18.4% of total students) in 1970–71 to an estimated 390,000 (12.7%) for 2012–13⁵. With declining enrollment pressures, some schools have recruited internationally. For example, Emma Willard School in Troy, New York, has admitted students from Finland, Honduras, Iceland, Jamaica, and Sweden.⁶ Many of these students pay full tuition to attend these schools.

2. Pressure to keep building and expanding:

With lackluster enrollments projected, many of the schools in New York have planned aggressive capital campaigns to expand their facilities, especially for arts/cultural buildings and athletic facilities; this helps them compete for students. For example, Grace Church School built a new high school recently that opened in September 2012 which, according to the NYS AIS, is the biggest expansion of an established high school in

a decade.⁷ One CFO interviewed called this aggressive expansion a "buildings arms race."

3. Higher tuition costs impact affordability:

As these schools continue to expand, their cost structures also increase, which has led to higher tuition. This has made it very expensive for many families to afford private schools, especially within the New York City region. Today more families are seeking financial aid packages from the schools, which has caused these schools to consider increasing their financial aid and scholarships awards.

As a result of these trends over the past decade, schools have been more focused on fundraising and endowment growth. The annual fund helps bridge the gap between the cost of the education and the tuition charged and is a key focus area, but other fundraising strategies are being used. There is also a move at many of the schools to increase their endowment funds, which can provide a higher annual income source (usually 4%–5% of the endowment) back to the school.

Fundraising Strategies Have Become More Diversified

Over the years, fundraising has become a crucial area for all independent schools in the U.S., and most of the 88 independent high schools in New York we studied have moved towards a more diversified fundraising plan, such as major gifts and planned giving. These schools focus on a variety of donors including: alumni, current parents, former parents, grandparents, staff, friends, trustees, corporations, and foundations. We looked at a number of key fundraising areas, which are reflected in Figure 4.

FIGURE 4

New York Independent Schools Fundraising Statistics: Average Per School

Average Enrollment	Average Annual Giving	Average 5 year Giving	# of Trustees	Overall % Using Planned Giving	Overall % Using Legacy Societies	Overall % Using Online Giving	Average # of Events	Average size Dev. Staff
534	\$3,230,294	\$3,445,027	20	76%	39%	94%	1.8	3.9

Source: Form 990s (6/30/12 and 6/30/11); Websites; Annual reports; NYS AIS; Includes 88 New York K-12 Schools

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Mr. Cordero also remarked:

“All independent schools look to employ the best faculty on the most energy efficient campus all to provide the best student experience possible. To that end, each independent school should formalize a multi-year strategy of balancing tuition increases and investment return with the growing costs of providing a perceived superior education to its students and the maintenance and expansion of the campus. Recently, I have seen several schools initiate fundraising programs to build and grow their endowments to ensure the long term-security and viability of the school’s mission and vision.”

Fundraising Trends: The average annual giving data reflected in Figure 4 shows that the most recent average fundraising for the schools is approximately \$3.2 million, which includes the annual fund, special events, and some capital campaign funds. This was 6.2% lower than the five-year fundraising average, which is not a positive trend for these schools. According to the NAIS, the median annual fund gift (all schools) is \$307 for alumni/alumnae and \$940 for parents.⁸

The giving statistics shown in Figure 5 illustrate the importance of giving by alumni, parents, grandparents, and trustees for both the annual and capital campaigns. In an article titled “The New Gift-Givers: Grandparents—Schools Increasingly Target Baby Boomers for Donations,” the *Wall Street Journal* highlighted the importance of grandparents as donors. The article mentioned that grandparents are part of the aging baby boomers and represent a source of wealth. The NAIS added that 13% of grandparents who are asked to donate do make annual gifts.⁹

Average Number of Trustees: This is a key statistic for the schools since trustees are usually the key donors at the schools, especially for the capital campaigns. The average is 20 trustees with Horace Mann having the largest board at 35 trustees.

Planned Giving: Planned giving is a key area for a school to help build up its endowment funds. The bequest program is the most common program offered while some offer charitable trusts (Rye Country Day School), gift annuities (Packer Collegiate), and one offers the interest in accepting farm property (Trinity Pawling School). The data shows that 76% of the schools offer a planned giving program, which is an area for improvement for the schools that lack them.

Legacy Societies: Only 39% of the schools offer legacy programs, which is an important way for the schools to build and cultivate donor relationships. This is an area for improvement for many schools.

Technology: We observed that 94% of the schools offer online donations. Technology is an important trend

FIGURE 5

New York Independent Schools Fundraising Statistics: Average Per School

Profile	Annual Fund	Capital Campaign
Median Gift by Alumni/ae	\$307	\$3,718
Median Gift by Parents	\$940	\$6,812
Median Gift by Parents of Alumni/ae	\$508	\$5,356
Median Gift by Faculty	\$136	\$375
Median Gift by Trustees	\$4,554	\$23,700
Median Gift by Other Individuals	\$416	\$1,809
Median Gift by Grand Parents	\$500	\$5,035
Median Gift by Foundations	\$2,277	\$19,897
Median Gift by Other Constituencies	\$1,361	\$8,129

Source: NAIS Data Facts At a Glance

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Eric Javier, Corporate Vice President and Managing Director at CCS, works with many independent schools and commented:

“It is such an exciting but challenging environment for independent schools. On the one hand, rapid changes in technology and a new understanding about how children learn are forcing schools to rethink their physical spaces to create the best learning environment. So we are seeing more capital campaigns for STEM facilities, fabrication labs, and space for athletics and the arts. And on the other hand, affordability, enrollment challenges, and rising tuition costs really drive the importance of a strong endowment. Overall, independent schools need to become more sophisticated in their fundraising, often adopting strategies from the college and university world.”

in educational fundraising as more schools are using emails, websites, Facebook pages, and Twitter to get the word out and to raise funds. A report by the NAIS discusses the importance of technology and social media and how they are transforming independent school philanthropy.¹⁰ Peer-to-peer fundraising is also an important strategy that is being utilized.

Average Number of Events: On average, there are about two events at the schools, which usually include a gala. Little Red School House had nine events last year.

Development Staff: The staff at many of the schools is comprehensive. The average is about four staff members with Millbrook School, Fieldston School, and Dalton School having development staffs of 12, 11, and 11, respectively.

We also provide a ranking of the top 20 schools as far as their recent total annual fundraising results, which is included in Figure 6. The top three include:

FIGURE 6

New York School Ranking on Total Annual Fundraising (K–12)

Rank	School	Recent Annual Fundraising	Average Annual Fundraising Past 5 years
1	Spence School	\$17,628,251	\$20,612,529
2	Dalton School	\$13,537,574	\$13,871,327
3	United Nations International School	\$11,368,031	\$1,733,068
4	Horace Mann School	\$10,322,236	\$8,518,279
5	Grace Church School	\$9,213,924	\$4,713,474
6	Collegiate School	\$8,397,696	\$9,471,935
7	Abraham Joshua Hershel School	\$8,060,218	\$22,270,499
8	Chapin School	\$7,552,898	\$16,877,328
9	Trinity School	\$7,097,100	\$7,676,693
10	Riverdale Country School	\$7,061,310	\$7,205,659
11	Allen-Stevenson School	\$7,040,932	\$3,991,110
12	Ethical Culture Fieldston School	\$7,006,768	\$10,480,149
13	Masters School	\$6,999,951	\$4,318,319
14	Nightingale School	\$6,911,635	\$4,051,096
15	Ross School	\$6,682,728	\$4,601,107
16	Millbrook School	\$6,682,286	\$5,276,969
17	Columbia Grammar & Prep School	\$6,679,421	\$5,336,515
18	Windward School	\$6,123,616	\$2,124,793
19	Hackley School	\$5,717,053	\$5,909,514
20	Staten Island Academy	\$5,141,102	\$449,771

Source: Form 990s (6/30/12 and 6/30/11); Websites; Annual Reports; NYSAIS; Includes 88 New York K–12 Schools

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FIGURE 7

New York Independent Schools Endowment Statistics: Average Per School

Average Investment Portfolio	Recent Annual Growth Rate (as of 6/30/12)	Average Restricted (Endowment Schedule D)	Average Payout (Schedule D Endowments)	# of Schools with a Separate Foundation	# of Schools with Short-term Investments only	% of Schools with Recent Capital Campaigns
\$21,156,900	6.3%	\$7,994,405	4.6%	8	5	33%

Source: Form 990s (6/30/12 and 6/30/11); Websites; Annual Reports; NYSAIS; Includes 88 New York K–12 Schools

Spence School, Dalton School, and United Nations International School. Some of these results are positively impacted by the capital campaigns.

Building an Endowment for the Future

The way a school views its endowment funds is usually a key indicator of success. The schools that focus on growing and managing their endowments understand the important of this resource, since endowments provide an annual income stream (typically 4%–5% of market value) to the institution, which is a crucial resource. Many of the capital campaigns we reviewed allocate a portion of their funds to endowment growth; for example, Millbrook School doubled their endowment to \$40 million through a recent capital campaign.

Figure 7 provides some insights on the 88 K–12 schools we reviewed. The average investment portfolio (from the Form 990) is approximately \$21 million. Myra McGovern, Senior Director of Public Information at the NAIS, reports that their average endowment in 2010–11 was \$20 million. She states that “the average endowment was significantly higher for boarding schools (\$86.5 million) and boarding-day schools (\$61 million) than for day schools (\$12.8 million).” Our research includes all K–12 schools. Figure 8 provides our ranking of the schools with the largest investment portfolios, with the top five being: Brearley School, Chapin School, Robert College of Istanbul, Horace Mann School, and St. Bernard’s School.

Restricted Endowments: A closer look at our endowment

data shows that the overall growth for the recent period (most schools for 6/30/12) was 6.3%, which includes both returns and donations, net of payouts. The average restricted endowment was \$7.9 million, which is about 38% of the average endowment; this figure indicates that many of the schools have benefited from planned giving, such as bequests, which have provided long-term restricted endowment funds. It also shows that the schools have the flexibility to dip into their unrestricted endowment to spend or use as collateral for borrowings. Rye Country Day had 49% of its endowment restricted.

Stand-Alone Foundations: We also found eight schools that utilize separate stand-alone fundraising foundations, which often lead the fundraising efforts and house the endowment funds. Two examples are Grace Church School (Friends of Grace Church School: \$42 million in assets) and Chaminade High School (Chaminade Development Fund: \$32 million).

Average Payout: The average payout was calculated by reviewing Schedule D on the Form 990 and dividing any disbursements over the beginning value. The average payout was 4.6%, which is slightly higher than the 4.2% that the National Association of College and University Business Officers (NACUBO) showed in its 2012 study. One trend in the nonprofit sector is that many endowments are lowering their payouts, since future investment returns are expected to be lower as interest rates have dropped over the past few decades.

Asset Allocation Policies: Asset allocation is a key indicator

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Hope Goldstein, CPA, Partner in the Nonprofit and Government Services at Marks Paneth LLP commented:

“Stand-alone fundraising foundations are typically associated with a school of a religious origin and may still have the association to the entity of origin. Because some organizations are prohibited from giving to a religious organization, schools would be inclined to set up a separate foundation in order to strengthen their fundraising capabilities and not limit any potential donor, including corporations or other entities, from giving to the school. In addition, having a separate foundation to accept contributions may give potential donors the perception of control over their donations and that their contributions are not funding the school’s operating budget. Lastly, by establishing a stand-alone foundation, there is more tax compliance scrutiny.”

of future returns, and our review of the Form 990s shows that most independent schools do utilize long-term investment strategies (stocks/bonds) as they seek to grow the endowments. We did see that five schools had all of their investments in short-term investments, which may be a mismatch if their investment funds are truly long-term endowment assets that need to grow for the future.

Figure 8 shows that some schools, such as Nightingale School, Brearley School, Riverdale Country School, St. Bernard’s School, and Horace Mann, have significant allocations to alternative investments, according to their Form 990s.

Capital Campaigns: As part of the trend to build out the schools, we found that 33% of the schools are involved with, or recently completed, a capital campaign that

led to some very large gifts. For example, the *Wall Street Journal* reported that Mercersburg School received a \$100 million gift, among the largest ever given to a school.¹¹

KEY TO SUCCESS: MAXIMIZING BOTH FUNDRAISING AND ENDOWMENT MANAGEMENT STRATEGIES

Independent Schools are a very important part of the educational system in the U.S., where they represent 10% of K–12 students. They have an important role in New York, especially in New York City, where many of the schools have storied histories.

Independent Schools face three important challenges:

1. **Enrollments are flat and declining nationally**
2. **Great pressure to build out campuses**
3. **Rising tuition impacts affordability**

Another subtle trend is the growing impact of online education, which could impact the current brick-and-mortar business models. As mentioned earlier, colleges are reviewing this trend.

These trends all point to a more important role for fundraising and endowment management. Schools will need to assess their fundraising plans and staffs, and make sure they are offering a diversified program (annual fund, special events, planned giving, communications, etc.) and increasing their donations. The annual fund plays a key role in the finances of the school as it makes up the difference between the cost of the education and the tuition received. Major gift fundraising will become crucial, which is part of a long-term fundraising strategy.

Endowments will also have a key role in the financial health of the school and more schools will consider capital campaigns that help grow their endowments. Some of these schools have larger endowments than many smaller colleges in the United States. The larger endow-

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FIGURE 8
New York Independent School Ranking by Total Investment Portfolios/Restricted

Rank	School	Reporting Period	Total Investment Portfolio	Permanently Restricted Portfolio	Percentage Restricted	Portfolio Growth (includes donations)	% Alternative Investments
1	Brearley School	6/30/12	\$115,189,036	\$46,085,618	40%	-0.4%	65%
2	Chapin School	6/30/11	\$109,176,094	\$2,851,712	2.6%	28%	12%
3	Robert College of Istanbul	6/30/12	\$84,065,104	\$16,796,208	20%	-3%	-3.0
4	Horace Mann School	6/30/11	\$81,437,291	\$20,144,122	25%	-4.2%	55%
5	St. Bernard's School	6/30/12	\$79,123,533	\$6,174,322	7.8%	2.5%	59%
6	Ethical Culture Fieldston School	6/30/12	\$66,581,802	\$22,294,537	33%	-0.2%	17%
7	Lycee Francais	6/30/11	\$65,274,189	\$6,384,745	9.8%	11%	0
8	Collegiate School	6/30/12	\$64,115,113	\$19,215,078	30%	-9.4%	27%
9	Trinity School	6/30/12	\$57,791,838	\$29,778,361	52%	-6%	46%
10	Spence School	6/30/12	\$57,363,195	\$45,627,611	80%	-36%	54%
11	Dalton School	6/30/11	\$56,634,952	\$37,879,068	67%	11%	60%
12	Nightingale School	6/30/12	\$53,588,267	\$11,788,706	22%	-11%	99%
13	Buckley School	6/30/11	\$48,799,833	\$1,311,200	2.7%	20%	41%
14	Hackley School	6/30/12	\$44,784,929	\$13,642,086	30%	-10%	0
15	Riverdale Country School	6/30/12	\$41,707,093	\$14,497,085	35%	-15%	61%
16	St. David's School	6/30/12	\$39,834,590	\$3,012,733	7.6%	-0.2%	0
17	Trevor Day School	6/30/12	\$34,892,374	\$8,889,888	25%	191%	0
18	United Nations International	6/30/12	\$31,965,512	\$6,948,083	22%	77%	0
19	Rye Country Day School	6/30/12	\$31,349,393	\$15,218,079	49%	7.9%	0
20	Trinity Pawling School	6/30/12	\$28,626,529	\$11,446,231	40%	-5.5%	49%

Source: Form 990s (6/30/12 and 6/30/11); Websites; Annual Reports; NYS AIS; Money Market Directory; Includes 88 New York K-12 Schools; excludes cash/savings; excludes land & buildings

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ments allow the school to increase its annual payout to the budget (4%–5% of endowment) and provide a very useful source of income. Endowments also help in other ways, such as building financial strength, as they work with banks and rating agencies as well as their rankings. Endowments provide great flexibility to a school.

The most successful schools maximize both their fundraising strategies and endowment management strategies. They have developed programs and strategies that match some of the most successful colleges and universities in the United States.

SOURCES

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- ² Huff Post Politics: Proportion of U.S. Students in Private Schools is 10% and Declining; March 28, 2013, Jack Jennings.
- ³ National Association of Independent Schools: NAIS Facts at a Glance.
- ⁴ Huff Post Politics: Proportion of U.S. Students in Private Schools is 10% and Declining; March 28, 2013, Jack Jennings.
- ⁵ New York State Department of Education: Table 1: Elementary and Secondary Public and Nonpublic Enrollment New York State 1970–71 through 2012–13, NYSED.Gov.
- ⁶ *Albany Business Review*: In Era of Declining Enrollment, Private Schools Look for Ways to Grow; June 22, 2012, Staff.
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- ⁸ National Association of Independent Schools: NAIS Facts at a Glance.
- ⁹ *Wall Street Journal*: The New Gift-Givers: Grandparents—Schools Increasingly Target Baby Boomers for Donations, November 19, 2013.
- ¹⁰ *NAIS Trendbook*: The Philanthropy Outlook, 2012–2013, Amanda Torres.
- ¹¹ *Wall Street Journal*: A Donation to Columbia Follows Sisters' Generosity; October 23, 2013, Melanie Grayce West.

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APPENDIX A

List of New York State Schools in Research Report

School Name	Location	School Founded	Latest Form 990 Available
Abraham Joshua Hershel School	NYC	1981	6/30/2011
Albany Academies-Albany	Albany	1813	6/30/2011
All Souls School-NYC	NYC	1962	8/31/2012
Allendale Columbia School-Rochester	Rochester	1890	6/30/2012
Allen-Stevenson School	NYC	1904	6/30/2011
Berkeley Carroll School	Brooklyn	1982	6/30/2012
Birch Wathen Lenox School	NYC	1991	6/30/2011
Brearley School	NYC	1884	6/30/2012
Browning School	NYC	1888	6/30/2011
Buckley School	NYC	1913	6/30/2011
Buffalo Seminary	Buffalo	1851	6/30/2011
Calhoun School	NYC	1941	6/30/2011
Chapin School	NYC	1929	6/30/2011
Christian Center Academy	Williamsville	1994	6/30/2012
Churchill School	NYC	1972	6/30/2012
Collegiate School	NYC	1940	6/30/2012
Columbia Grammar & Prep School	NYC	1964	6/30/2011
Cristo Rey New York	NYC	2004	6/30/2011
Dalton School	NYC	1919	6/30/2011
Darrow School	New Lebanon	1932	6/30/2012
Doane Stuart School	Rensselaer	1969	6/30/2012
Dwight School	NYC	1872	6/30/2012
East Woods School	Oyster Bay	1946	6/30/2012
Ethical Cultural Fieldston School	NYC	1878	6/30/2012
French American School	Larchmont	1980	6/30/2012
Friends Academy	Locust Valley	1877	6/30/2012
Garden School	Garden City	1937	6/30/2011
German School of NY	White Plains	1980	8/31/2012
Grace Church School	NYC	1894	6/30/2012
Green Vale School	Old Brooksville	1923	6/30/2012
Hackley School	Tarrytown	1899	6/30/2012
Harley School	Rochester	1924	6/30/2012

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List of New York State Schools in Research Report CONTINUED

Harvey School	Katonah	1916	6/30/2012
Hawthorne Valley School	Ghent	1972	8/31/2012
Hewitt School	NYC	1920	6/30/2012
Hoosac School	Hoosick	1889	6/30/2012
Horace Mann School	Bronx	1887	6/30/2011
Keio Academy	Purchase	1988	6/30/2012
Kew Forest School	Forest Hills	1918	6/30/2011
La Scuola D. Italia Guglielmo Marconi	NYC	1977	6/30/2012
Lawrence Woodmere Academy	Woodmere	1912	6/30/2012
Little Red School House	NYC	1921	6/30/2012
Long Island School for Gifted	Huntington Station	1980	6/30/2012
Lycee Francais	NYC	1935	6/30/2011
Manlius Pebble Hill School	Dewitt	1896	6/30/2012
Maplewood School	Armenia	1945	6/30/2011
Mary McDowell Friends School	Brooklyn	1984	6/30/2009
Masters School	Dobbs Ferry	1877	6/30/2011
Millbrook School	Millbrook	1932	6/30/2012
Nichols School of Buffalo	Buffalo	1892	6/30/2012
Nightingale School	NYC	1920	6/30/2012
Norman Howard School	Rochester	1979	6/30/2012
North Country School	Lake Placid	1958	7/31/2012
North Shore Hebrew Academy	Great Neck	2000	8/31/2012
NY Military Academy	Cornwall on Hudson	1889	6/30/2012
Packer Collegiate	Brooklyn	1845	6/30/2012
Park School of Buffalo	Snyder	1912	6/30/2012
Poly Prep County Day School	Brooklyn	1854	6/30/2012
Portledge School	Poughkeepsie	1965	6/30/2012
Poughkeepsie Day School	Poughkeepsie	1934	6/30/2012
Professional Children's School	NYC	1914	6/30/2012
Rippowam Cisqua School	Bedford	1919	6/30/2012
Riverdale Country School	Riverdale	1930	6/30/2012
Robert College of Istanbul	NYC; Turkey	1864	6/30/2012
Robert Louis Stevenson	NYC	1977	6/30/2012

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List of New York State Schools in Research Report CONTINUED

Rockland Day School	Congers	1959	6/30/2012
Ross School	East Hampton	1993	6/30/2012
Rudolf Steiner School	NYC	1928	6/30/2012
Rye Country Day School	Rye	1936	6/30/2012
Saint Ann's School	Brooklyn	1965	7/31/2012
Solomon Schechter Day School of LI	Jericho	1967	7/31/2012
Soundview Preparatory School	Yorktown Heights	1989	6/30/2012
Spence School	NYC	1892	6/30/2012
St. Bernard's School	NYC	1940	6/30/2012
St. David's School	NYC	1951	6/30/2012
Staten Island Academy	Staten Island	1908	6/30/2012
Stony Brook School	Stony Brook	1922	6/30/2012
Storm King School	Cornwall on Hudson	1867	6/30/2012
Trevor Day School	NYC	1932	6/30/2012
Trinity Pawling School	NYC	1907	6/30/2012
Trinity School	NYC	1709	6/30/2012
Tuxedo Park School	Tuxedo Park	1900	6/30/2012
United Nations International School	NYC	1947	6/30/2012
Vincent Smith School	Port Washington	1924	6/30/2012
Waldorf School of Garden City	Garden City	1947	6/30/2012
Waldorf School of Saratoga Springs	Saratoga Springs	1981	7/31/2012
Windward School	White Plains	1926	6/30/2012
Woodstock Day School	Saugerties	1975	6/30/2012

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APPENDIX B

School Profile: Little Red School House and Elisabeth Irwin High School (LREI)
Fast Facts:

Location: 40 Charlton Street, New York City (The Village)

Founded: 1921

Annual revenues: \$26,316,338

Students: 640

Students of color: 35%

School: Pre-K to 12th grade

Size of graduating class: 44

Staff: 100 teachers, 52 staff

Trustees: 35

Annual Fund: Raised \$1.275 MM, recent period, which is a post-2008 record (strategic goal to increase by 50%)

Development staff: Team of 5

Donor targets: Alumni, parents, faculty, staff, trustees, grandparents, foundations, friends, government grants

Ways to give: Annual Fund, memorial gifts, planned giving, special events

Major gifts: Key strategic area

Planned giving details: Focused on bequests

Use of a foundation: None

Special events: 10 (2014 Art Auction; 2014 Big Auction; 2014 LREI Shoppes; 2014 LREI Ideas Speaker Series)

Centennial year: 2021

Volunteering opportunities: Yes

Legacy society: Yes, The Elisabeth Irwin Heritage Society

Fundraising trend (Form 990):

2012 (6/30):	\$3,644,723
2011:	\$1,856,293
2010:	\$3,481,192
2009:	\$4,278,193
2008:	\$4,367,861

Online giving: Yes

Social media: Facebook, Twitter, Flickr, LinkedIn, Instagram

Communications: 2013 Strategic Plan listed on website

Recent capital campaign: Recently completed a \$25 MM capital campaign to build high school

Current endowment: \$1,904,891

% restricted: 33% (\$628,614)

Endowment goal: \$20 MM

Investment strategy: Long-term balanced

Little Red School House and Elisabeth Irwin High School (LREI) was founded by Elisabeth Irwin in 1921 in Manhattan, New York City, as the Little Red School House. It is known as one of the city's first progressive schools. Created as a joint public-private educational experiment, the school tested principles of progressive education that had been advocated since the turn of the 20th century by John Dewey. Elisabeth Irwin believed that the lessons of progressive education could be applied successfully in the diverse public schools of the nation's largest city.

In 1932, after the onset of the Great Depression caused the Public Education Association to withdraw the funding that had allowed the school to exist within the New York City public school system, the superintendent of schools (who did not support progressive ideas in education) announced that the school would be eliminated because of budgetary issues. Parents banded together and raised the needed funds to pay for salaries, but the superintendent refused to accept the money, and the school was forced to turn to private funding. It moved to a building on Bleecker Street provided at no cost by the First Presbyterian Church and began a new life as an independent school.

The school consists of a lower school, a middle school, and a high school. In the 1940s the Little Red School House's high school students decided they wanted their school to be named after its founder, Elisabeth Irwin, making the full title of the institution Little Red School House and Elisabeth Irwin High School.

LREI just finished a \$25 million capital campaign which was used to expand the high school and double its high school enrollment. They will be starting a capital campaign shortly to expand their endowment to a goal of \$20 million, which is a priority. The enrollment is very strong at about 633 students.

LREI believes that fundraising continues to be important today and they have a staff of five in development. They are focused on their Centennial in 2021 and are located close to NYU in the Village. They are also focused on maintaining their faculty of top teachers. They just broke \$1 million for their annual fund in fiscal 2013, which is a record. They seek to expand in the major gifts area.

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Walter specializes in serving endowments, foundations, and healthcare organizations as part of a dedicated endowment and foundation advisory team in the Northeast Region, which also supports the firm's national effort in the endowment and foundation marketplace. Walter and his team work closely with their not-for-profit clients to help them achieve both their investment and philanthropic objectives. Walter has authored original research on a number of nonprofit sectors including hospitals, community colleges, public libraries, private schools, and religious organizations that have been covered by the financial press. Walter has nearly three decades of financial services industry experience. He holds an MS in philanthropy from New York University, an MBA from Babson College, and a BA in economics from Bates College.

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