



Annual Fund FAQs

Q. What is the Annual Fund?

A. As is the case with fellow independent schools, The Annual Fund is a yearly fundraising appeal to bridge the gap between the total cost of running the school and tuition revenue. Tuition alone cannot fund the entire cost associated with a private education at MIDS or any other independent school. MIDS relies on gifts to The Annual Fund to raise a portion of the additional funds needed to sustain the school's commitment to providing each student with the highest quality education possible.

Q. Why chose an Annual Fund?

A. In initiating an Annual Fund campaign MIDS is following a century-old financial model used by thousands of America's best private schools. This model combines tuition and charitable donations to balance the school's operating budget, and specifies that 80-90% of operating costs be covered by tuition and fees and 10-20% be covered by donations. MIDS decided to embrace this historically successful model of tuition + donations for two reasons: (1) It allows MIDS' to maintain a healthy enrollment by keeping tuition as low as possible and (2) It enables families to receive a charitable tax deduction for a portion of the cost of your child's education.

Q: Why can't MIDS increase tuition to cover the full cost of educating each student? **A:** Large increases in tuition may prohibit the opportunity of a MIDS education to many families, thereby altering the diverse culture and distinctive learning environment each student currently enjoys. Through tax-deductible donations to The Annual Fund, we can keep tuition costs more affordable and provide financial aid and scholarships to deserving students.

Q: I have no idea how much to contribute – what is an appropriate gift?

A: First and foremost, we should state that any and all gifts to the Annual Fund are welcome and appreciated. That being said, MIDS has a limited donor base compared to larger well-established independent schools, so each gift to MIDS counts more because the need is large and the number who will give is small. As a result, it is hoped that many families will choose to make their children's school their philanthropic priority. We would need a minimum gift of \$1,100 from each family in order to meet our goal for the year. We recognize that this may be beyond the abilities of some of our families and want you to know that participation is first and foremost. A gift of \$25-\$100 still shows that you're committed to the success of the school. Many of our families are capable of much more and you may refer to the list of giving levels for an explanation of the personal benefits of various gift levels. For the Annual Fund, gifts of \$1000-\$5000 are median level, gifts of \$5000-\$10,000 are considered major gifts and gifts above \$10,000 are considered to be superior, but it cannot be emphasized enough that every donation is important and appreciated, no matter the amount.

Q. If I can only give a small gift, does it really make an impact on MIDS?

A. Yes! Your gift, combined with those from other alumni, family, and friends, provides substantial support for the ongoing operations of our school. Regardless of the level of the gift, it is an expression of your support. Every gift counts and every gift is appreciated.

Q. What period does the Annual Fund cover?

A. The Annual Fund starts on July 1 of each year and closes on the following June 30.

Q: Is it possible to spread out my payments?

A: Absolutely! To make a donation that is spread out over several months, we ask that you fill out the Pledge Form, including on it the total amount you wish to donate for this year and the increments in which you wish to make your donation. You may divide the amount up however you see fit. We only ask that you indicate your preference on the Pledge Form and that your donation be completed by May 31.

Q: Will I receive a tax benefit from my donation?

A: Yes. MIDS is a registered 501(c) (3) non-profit corporation; your gift will be tax deductible to the full extent allowed by law. Written recognition of your gift will be provided for tax purposes within thirty days of your donation. Please note that the amount donated is tax deductible in the year in which it is deposited by MIDS – thus, if you choose to submit post-dated checks for 2011, those amounts will be deductible on your 2011 taxes, not your 2010.

Q: How does a gift to The Annual Fund differ from capital and endowment gifts?

A: Periodic appeals are made for specific needs such as facility improvements or increases to endowment. These appeals are typical during a capital campaign. A capital or endowment gift will go towards MIDS' future. The Annual Fund is primarily used for current operations and is generally unrestricted.

Q: How does your gift to The Annual Fund attract support from outside organizations?

A: Corporations, foundations, and other friends of MIDS look first at the voluntary support provided by MIDS' community before deciding the level at which they will support our school. A high participation rate from MIDS' community is critical. Every gift makes a difference, no matter the amount.

Q: Is 100% parent and community participation really that important?

A: YES! Getting 100% participation in the Annual Fund is as important as meeting our overall financial goal. In the coming year we also plan to seek contributions from corporations, non-profit groups that support education, and private foundations. Completion of a successful Annual Fund campaign is essential as we look to outside donors. Before outside funding sources such as foundations will consider donating their dollars to MIDS, they want to know that MIDS families, faculty, board members, and staff are supporters as well. After all, if the people who directly benefit are not willing to support the school, why would outsiders want to do so? With the competitive philanthropic market in the DC metro region, showing a high percentage of participation is extremely important. For that reason, it is really true that every gift counts. Regardless of size, your contribution to MIDS Annual Fund makes a powerful statement to foundations and outside donors who look for strong participation from the school community as they make giving decisions. The only gift that is too small is no gift at all.

Q: What is a matching gift?

A: Many corporations have a policy of matching the contributions of their employees to educational institutions. For example, if you work for a company with a matching gift program and you contribute \$500 to the Annual Fund, your company may double your gift to \$1000! In some cases, gifts from spouses, directors, and retired employees will be matched as well. Please take the time to determine whether your employer offers such a program – it could serve to double your donation. Do not hesitate to ask us for whatever documentation you might need in order to facilitate a matching gift. If you think your employer (or any other corporation to which you have ties) might be interested in making an additional financial gift or an appropriate gift of goods or services, please note that on the Pledge Form and you will be contacted to discuss the opportunity further. Inquire with your company's Human Resource Department if you are uncertain if they have a matching gifts program.

Q: When and how do I make my pledge and/or payment?

A: Now is the time to make your pledge. Annual Fund letters and brochures are mailed in September/October. Additional pledge cards are available from the front office. Confirmation letters will be mailed acknowledging the pledge. Pledge payment reminders will be mailed throughout the school year.

Q: How can I contribute?

A: Contributions to the Annual Fund can be made through many different vehicles including cash, credit card, securities, corporate matching gifts, and in-kind donations of goods or services. In addition, MIDS work with donors to make recurring gifts through bank debit. Gifts to the Annual Fund are fully tax-deductible as allowed by law.

- **Cash** - Contributions of cash, checks, or money orders are accepted. Checks should be made payable to "Maryland International Day School Annual Fund."
- **Recurring Monthly Gifts** – Many donors find that a monthly debit is a convenient way to donate to the Annual Fund, spreading the gift over several months. Make your gift with a recurring credit card payment or electronic fund transfer. Attach a voided check or provide your bank information, and your gift will be deducted from your account each month.
- **Credit Card** - Contributions by credit card can be made by phone, or in person.
- **Stocks, Bonds, and other Securities** - A gift of appreciated securities could provide you with a sizable charitable deduction and help reduce capital gains taxes.
- **Corporate Matching Gifts** - An easy way to increase the amount of your contribution to MIDS is by finding out if your employer has a matching gifts program. Check with your Human Resources department to find out if there is such a program. If one exists, request the matching gift form, complete the donor section, and send the form to MIDS.
- **Planned Giving** - Supporters can help insure the long-term security of the school through planned giving. Gifts of this nature can be made in the form of a will bequest, life insurance beneficiary, or through a retirement plan.
- **In-Kind Contributions** - Contributions of goods and services are also accepted. Such items could include school supplies, books, furniture or electronics.
- **Pledge** – You can make your pledge now and pay it by May 31.
- **Gift of Stock** – A gift to MIDS in the form of appreciated securities can earn you extra tax advantages. A gift of securities offers a charitable income tax deduction, as well as reduces a potential capital gains tax.