

## Treasurer's Report to the Membership

*Fiscal Year 2016*

Dear Colleagues,

For endowments overall, the fiscal year ending 30 June 2016 was the worst since the global financial crisis of 2008–09. The large majority of endowments lost money, including the AMS: our investment return was -0.14%. Our performance, however, was much better than most endowments, for which the median return was -2.9%, as reported by Cambridge Associates. As I write this in mid-December, I am pleased to report the good news that in the five months since the end of the fiscal year we have achieved an investment gain of 4.3% (\$274,300), giving us a grand total of over \$6.7 million.

As all endowment managers do, I keep a close eye on our competition. In comparison to much larger endowments, such as the thirty eight universities and colleges that I could find that reported their results in the press, we placed in the top quintile with only 18% ahead of us. Among the largest of the large, only two of the eight Ivy League endowments bested us.

There is even better news for our endowment when viewed from a longer perspective. Earlier this year, one of my fellow treasurers from our sister societies in the ACLS sent out a request to share our five-year investment performance data. I was eager to participate, and eight societies opened up their books, giving us our first glimpse ever as to how the AMS compares with our closest peers. Over the five-year period from 2011 to 2015, the average annual returns of the group ranged from a low of +1.0% up to the AMS's +9.7%.

So far I have been speaking about our investment return. There is, however, another source of income that invigorates the health of any endowment. This past year, you, our members, donated over a half million dollars to the AMS, the largest amount in a single year in our history! This includes the \$304,000 bequest from the estate of Roland Jackson, four other major gifts and bequests, and a multitude of additional acts of generosity on your part, including the sixty-six of you who have now fully funded our new Women and Gender Lecture Series. When all these are added to the pot, we did not lose 0.14%. We gained 6.45%. Because of you, we will now be able to spend more on our

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fellowships, awards, and grants than ever before—for the first time over a quarter-million dollars!

The ACLS comparison also showed that we have the second-lowest endowment management expenses in the group. Compared to a high of 0.84%, we spend only 0.1% to manage our investments. In other words, for every dollar that you donate to the AMS endowment, 99.9 cents go directly toward our fellowships, grants, and awards. Compare that to what American charitable organizations on average spend on their administrative expenses, which is 36.9%.

While I am on the topic of your donations to the AMS, I would like to mention that in just the last two years we have received two bequests that, adjusted for inflation, rival those of Manfred Bukofzer, Otto Kinkeldey, and other early benefactors of our Society. In 2014 we received \$290,000 from the estate of Elizabeth Keitel, and one year ago the above-mentioned \$304,000 from the estate of Roland Jackson. Over a decade ago, Elizabeth Bartlet bequeathed to the AMS in her will all future royalties from her edition of Rossini's Guillaume Tell. Today her generous foresight has grown to nearly a quarter-million dollars and at the same time has been funding grants for research in France at a level now over \$6,000 per year.

If you, likewise, are contemplating a gift along these lines to the AMS, please do not wait until after you are no longer here for us to learn about it! We would very much like to hear from you now, while we can all still talk with one another. Together we can explore where your wishes and the needs of the Society best coincide. In so doing, you can enhance the opportunities of generations of musicologists longer into the future than any of us can today imagine.

Sincerely,

James Ladewig  
AMS Treasurer  
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Calendar year membership tally: 3,129 (as of November 30, 2015)