



Frequently Asked Questions:

A Quick Guide for Current and Future donors

Thank you for your interest in supporting the AMS! The Society relies on the generosity of individuals like you to support its many programs, grants, awards, and services. This document answers some **frequently asked questions (FAQs)** about donating to the AMS and our procedures for financial management. If you have any concerns about supporting the Society, we encourage you to read through this document carefully before contributing. If you have further questions, please do not hesitate to reach out to the AMS Office at ams@amsmusicology.org. We are here to help!

How can I easily contribute to the American Musicological Society?

It is easy to give to the AMS! Visit our [express donation page](#) to make an unrestricted donation. Visit our [funds-based donation](#) page to contribute to a specific AMS program, chapter or study group. Rather not use a credit card? No problem: we accept checks and wire transfers as well as gifts of stock. Contact ams@amsmusicology.org to request account transfer details. Mail checks to: American Musicological Society, 20 Cooper Square, floor 3, New York, NY 10003

I am interested in making a legacy or planned gift to the American Musicological Society. Do you have any guidance for me?

Absolutely. Please visit our [planned giving page](#) for information on how you can make a planned or legacy gift to the Society.

I would like to make a legacy gift to the Society that establishes a new program. Can I do that?

Possibly. It depends on what type of program you want to establish and how much you have to give. The AMS has set a minimum of \$50,000 for the establishment of a new donor restricted fund, but it can cost much more depending on the type of program you envisage. To explore the possibility of establishing a new donor restricted fund, please contact the AMS office at ams@amsmusicology.org and request an appointment to discuss your potential gift.

What is a donor restricted fund?

A *donor restricted fund* is a pool of money given to a nonprofit for a specific purpose, such as a particular project, program or initiative. The specific purpose is set by the donor when the money is donated and the money is tracked by the nonprofit to ensure that it is only expended on the donor's stipulated goals.

What types of donor funds does the Society maintain?

There are three types of donor funds maintained by the AMS: 1) unrestricted, 2) restricted as to purpose, and 3) endowments.

Unrestricted funds are given without donor restrictions and may be used for any lawful purpose that serves the Society's mission. The AMS will put these funds toward its most pressing and urgent challenges.

Restricted as to purpose funds must be used for activities that the donor stipulates, but are not otherwise restricted by time or increment of expenditure. These gifts can be expended *in toto* to fulfill the donor's purpose.

Endowment funds are restricted as to purpose *and* restricted by time or increment of expenditure. This means that they not only have a specific purpose, but can only be spent in very small increments over time. Endowments are meant to sustain a program in perpetuity, and thus are highly restrictive.

Are there state or federal laws that govern the Society's management of its donor funds?

Yes. The AMS is a nonprofit corporation registered with the United States government and incorporated in the State of New York. In managing donor funds, the Society is legally required to comply with the [New York Prudent Management of Institutional Funds Act \(NYPMIFA\)](#) to ensure that restricted funds are properly managed.

Does the AMS invest its donor funds?

Yes. The AMS has retained Fidelity Investments to manage and invest its restricted donor funds. That money is currently invested according to 60 / 40 investment mix: 60% stocks and 40% bonds, which is generally regarded as a prudent and conservative approach to the management of institutional funds. Market returns are fairly credited to each donor restricted fund and used to grow the fund.

How much money is drawn each year from a donor restricted fund?

The AMS draws between 4% and 5.5% from each restricted fund annually. (NYPMIFA, the New York State law that governs the Society's management of institutional funds, regards any amount below 7% as "presumptively prudent.") The exact amount of the draw percentage within this range is determined by the health of the fund and the requirements of the program which it supports. To ensure that under-resourced donor funds are allowed to grow and that over-resourced funds don't simply accumulate without advancing their donors' goals, the draw levels are adjusted annually.

How do I tell the Society how I want my gift to be used?

If you are giving to an already established donor restricted fund, you can signal where you want your money to go by using our [fund-based donation form](#).

If you are thinking about making a legacy or planned gift that will establish a *new* donor restricted fund, please contact the AMS at ams@amsmusicology.org and request a donor consultation. If the Society agrees to establish that new fund, you will be asked to sign a “gift agreement” that specifies the exact terms under which the donation will be given. This agreement binds both the Society and the donor, and is used to prepare program and committee guidelines to help ensure that money is only used for the purposes for which it is given.

How are AMS finances managed and reviewed? How can I be sure the AMS is handling my gift responsibly?

The AMS employs a professional staff to manage its money in accord with the Generally Accepted Accounting Principles (GAAP) set by the Financial Accounting Standards Board (FASB). In addition, the Society contracts two separate external accounting firms to assist with its accounting. One firm assists with accounting and bookkeeping throughout the year and the second firm conducts an independent audit at the end of every fiscal year.

The AMS is also required to report the results of its annual audits to New York State and the United States Internal Revenue Service. Financial statements from the Society’s annual audit and copies of the Society’s annual federal filings (990s) are published on the AMS website on the [Reports page](#). Additionally, the AMS Treasurer publishes a written report on the finances of the Society, including the performance of its investments. This too is available on the [Reports page](#).

Lastly, donors who have established donor restricted funds may request a report at any time from the AMS office showing the balance of money in the fund and the purposes to which the money has been most recently put.

What happens if it is not possible to spend money according to a donor’s wishes?

In very rare cases, it is not possible to spend gifts exactly the way a donor originally intended. For instance, a grant program may not receive enough eligible applications for several years because of changes in academic interests or changes in the publishing industry may render a subvention program less attractive to current AMS constituents. In these cases, the AMS Board of Directors may be called upon to update the terms of the donor’s intent in ways that fit current circumstances. The terms under which this can be done is detailed in every gift agreement, in a clause titled “Future Changed Circumstances.”