

# The Gazette

## COLORADO SPRINGS

### He Makes a Living Managing Giving

Donating can be harder than getting wealthier

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Al Mueller helps people give away their money.

Doesn't sound too hard, right? But the former investment adviser says giving away money effectively is harder than making money.

Mueller founded Excellence in Giving seven years ago in Colorado Springs, and the firm serves wealthy clients by managing their philanthropy. His company essentially does the work of a foundation staff, creating a mission statement, fielding requests for money, completing evaluations and making funding recommendations. The goal, he said, is to match a donor's passions with charities that have the right mission, in the right location, and are financially responsible.

From his perch, Mueller has seen how recent economic turmoil has affected philanthropists and the charities that depend on them. And, yes, he sees light at the end of the tunnel.

**Question:** Why did you make the move from being an investment adviser at large firms to starting Excellence in Giving?

**Answer:** If your client has \$100 million and you help them get to \$105 million, you really don't change their life very much. But if you could help a guy with \$100 million give away \$5 million, you could change his life and a lot of other lives. So that was really the paradigm shift for me, to go from helping wealthy people become wealthier and make good investments to helping wealthy people make good giving decisions.

**Q:** Why do wealthy people need help giving away their money?

**A:** It's harder to make wise charitable gifts than it is to make wise financial investments. Michael Bloomberg has said it, Warren Buffett has said it, Bill

Gates has said it — it's harder to give money away intelligently than it is to make it. And having worked on both sides, I would agree with that. It's the best work I've ever done, but it's also the hardest work I've ever done.

**Q:** How did the economic meltdown affect the philanthropy of your clients?

**A:** The economic decline made people look more carefully at how many different organizations they're giving to, and how strongly they feel about them. I think they've all had a mental A-list, B-list and C-list. In tough economic times, A-list organizations get as much or more, B-list probably get the same or a little less, and C-list organizations get dropped altogether. If you're a nonprofit, you know in tough times — and it's too late when the tough times come — you'll know how committed those people are to your organization. And I think the ones that get hurt the most in tough times are advocacy organizations and radio organizations over hands-on organizations. In our community, Focus (on the Family) gets hurt a lot more than Young Life. Because you know the kids still need as much or more help, but putting money into an organization that's buying radio time or doing something with political action, that's an easier one to dial back.

**Q:** Do you see much hope for nonprofit organizations that things are beginning to turn around? Are your clients starting to feel more comfortable with their financial positions and ready to give again, or not?

**A:** We saw it drop off a lot in the first half of the year (2009). Last fall, if they'd already made commitments, they were finding ways to fulfill them. We didn't see a turndown really until January, when people said "Life is on hold right now as far as giving goes."

From November to March was such an economic avalanche, people were trying to see if their businesses would survive, and they didn't know if banks were friends or foes. There was so much going on, that made it very hard for them to give.

... And only now, in September and October, are we seeing people coming back serious about their giving. I think this year a lot of the giving will be delayed into the fourth quarter.

— *Questions and answers are edited for space and clarity.*