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## A Good Problem to Have: How Four MacKenzie Scott Recipients Are Building Sustainability

Mike Scutari | August 18, 2026



NATIVE FORWARD SCHOLARS CONVENE AT THE 2025 EMPOWERING SCHOLARS SUMMIT IN SPOKANE, WASHINGTON. CREDIT: NATIVE FORWARD SCHOLARS FUND

In 2020, a representative of [MacKenzie Scott](#) called Native Forward Scholars Fund, the largest provider of direct scholarships to Native students in the United States, and informed its leaders they would be receiving an unrestricted \$20 million gift. That call was preceded by a

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confidential email, so when Native Forward CEO Angelique Albert received a similar email last fall to set up another call, she braced herself for more exciting news.

“I learned that when a request like that comes in, you clear your calendar,” she said.

Albert took the call, and when the person on the other end told her the gift amount, she asked her to repeat it. “I said, ‘Did you say \$15 million?’” Albert said. “And she said, ‘\$50 million — five zero.’ Both times, the message that came with the gift was the same: We believe in your leadership, you know what’s best for your community, do what you need to do.”

This anecdote will sound familiar to anyone who’s been following [Scott’s paradigm-shattering philanthropy](#). Her team of advisors conducts extensive “quiet research” into high-impact organizations before alerting unsuspecting leaders that they’ll receive an abnormally large, unrestricted gift with minimal reporting requirements. One key result: Scott’s unrestricted gifts have enabled many recipients to boost their [long-term financial sustainability](#).

But how, exactly, do they get there while still fulfilling their missions in the moment?

After all, one dollar earmarked for a nonprofit’s endowment is one less dollar to address short-term needs, which [are currently surging](#) across many issue areas. Organizational leaders need to decide how Scott’s enormous gifts can address both the immediate and the longer term. It’s a good problem to have, and despite the persistent idea that some recipients may be unable to handle such large gifts, [the research is convincing](#) that they’re up to the challenge (it’s also safe to say Scott’s team already factored recipients’ likely “absorptive capacity” into their extensive due diligence process).

Nonetheless, it’s still a challenge, and how organizations approach it will have a profound impact on their operations and the communities they serve. That includes three additional recipients of major Scott

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funding I contacted for this piece, all of them working in the higher ed and scholarship space: Cal State East Bay, the United Negro College Fund, and the college success nonprofit 10,000 Degrees.

On August 5, Native Forward announced its plan. It will allocate \$40 million of Scott’s \$50 million toward a permanent endowment to provide ongoing support for Native students, and earmark the balance over the next five years for scholarship assistance.

“We recognize that a gift of this size doesn’t come around often,” Albert said. “The responsible path forward is to make sure that beyond meeting today’s need, it keeps working for students long after this moment has passed, which is what the permanent \$40 million endowment will support.”

### How organizations struck a balance between immediate need and sustainable funding

In January 2025, the San Rafael, California-based 10,000 Degrees launched a “quiet” \$25 million campaign to raise \$10 million for a new endowment fund and \$15 million for growth-related activities. Eight months later, President and CEO Kim Mazzuca received an email from an unknown individual asking to set up a follow-up call in September. You can guess what happened next.

Mazzuca learned that Scott was giving 10,000 Degrees an unrestricted, \$42 million gift. At the time, the organization had raised a little over \$5 million for the endowment fund and its leaders were in the midst of developing an updated strategic plan. “It was about a six-month process in terms of deciding how Scott’s funds would be allocated over the next five years as part of the strategic planning process,” Mazzuca told me.

10,000 Degrees serves about 16,000 individuals annually — high school students in need of college preparation support, college students receiving scholarships and near-peer mentoring, and alumni accessing career support services. The board decided to put \$5 million of Scott’s gift toward the endowment, bringing the fund to

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\$10 million. The remainder of the gift “is going to be invested in our growth over the next several years,” Mazzuca said, which entails, among other things, expanding scholarships and services in and beyond [the Bay Area](#), and making investments in technology.

A similar sequence of events played out about 40 miles south in Hayward, California. Last November, Scott’s team contacted Cal State East Bay to inform the university that it would be receiving an unrestricted, \$50 million gift. “We were frankly speechless and then incredibly grateful for the largest single donation in the university’s history,” said Evelyn Buchanan, vice president of university advancement.

University leaders quickly got to work. They reviewed existing strategies, determined how they could serve the greatest number of students, developed a framework for maximizing Scott’s gift, and shared the framework with university stakeholders, including the Cal State East Bay Educational Foundation Board of Trustees.

About \$41 million, or 82% of Scott’s gift, will be invested in endowment funds. “The objective is long-term financial sustainability through investment with distributions governed by the Educational Foundation’s spending and investment policies,” Buchanan said. “We are focused on creating a reliable, ongoing source of support for students and university priorities.” The remaining 18% provides current-use funding for initiatives like strengthening student success and career outcomes, and supporting campus initiatives and research.

The needs confronting Native Forward’s scholars are particularly striking. The organization has recently seen a 50% increase in students who applied for financial aid compared to the previous academic year (2024-2025). However, it can only fund about 22% of qualified applicants. Moreover, “many students still face housing or food insecurity while trying to stay enrolled,” Albert said. Cognizant of these challenges, Native Forward will pair the \$10 million it earmarked for scholarships over the next five years with wraparound support services, which include one-on-one advising and mentorship, to keep students on track to graduate.

As for its board's decision to allocate the balance of Scott's gift — \$40 million — toward its endowment, it "came down to a principle that guides a lot of how we think as a [Native-led organization](#): We have to think about the next seven generations, not only the students in front of us today," Albert said. "It will be a fund that grows for a long time, structured openly across degree fields and accredited institutions so that we have flexibility to direct resources to whichever students have the greatest need, whenever they arrive."

## Citing Scott's gifts, organizations are encouraging donors to grow their endowments

When Scott first started disbursing enormous mega-gifts, some commentators wondered if this could have the inadvertent effect of diminishing giving from other sources. Why should an everyday donor cut a \$50 check to a nonprofit when it recently got \$50 *million*?

Anecdotal evidence suggests these concerns aren't entirely misplaced. Many of Scott's recipients [don't voluntarily report](#) the gift amount. While organizational leaders realize that their Form 990s will eventually document a massive increase in revenues, their recalcitrance suggests they believe that shouting the gift from the rooftops could dampen enthusiasm across their donor base.

The organizations I contacted, however, had no such qualms. In addition to shouting Scott's gift from the rooftops, some are explicitly asking their supporters to join her in building up their endowments.

Last September, the United Negro College Fund announced it received its second gift from Scott, clocking it at \$70 million (her initial give was \$10 million in 2020). The fund said it would commit the sum to the UNCF Members Pooled Endowment Fund, which aims to strengthen the long-term financial health of all 37 private UNCF member HBCUs. A fund representative directed me to the organization's [press release](#) noting that Scott's gift supports its larger \$1 billion capital campaign, which it launched in 2021. [The UNCF's site](#) tells potential donors that the campaign will "increase

unrestricted endowments and shore up faculty and staff endowments through a pooled endowment fund.”

In March 2026, Cal State East Bay launched the [MacKenzie Scott Endowment Match Challenge](#). The challenge dedicates \$7 million of her gift to provide a 50% match for other donors’ qualifying commitments to endowed funds across the university. It will run through December 31, 2027, or until the available matching funds are exhausted. Buchanan called Scott’s gift “a catalyst, encouraging others to invest alongside” her.

Similarly, in late September, 10,000 Degrees will launch a fundraising campaign asking donors to join Scott in supporting the organization’s efforts to accelerate college completion while also increasing its endowment. “We have an investment committee, and they’re looking at what the expected performance and yield should be,” Mazzuca said. “We’ll have some decisions around that in the fall.”

Since Native Forward began publicizing Scott’s 2020 \$20 million gift — a portion of which it earmarked for marketing and donor outreach — Albert and her team have seen small, individual gifts grow by 1,262%, highlighting the potential major gains to be had from becoming known as a Scott recipient — and becoming known, full-stop. “In the past year, we received a first-time gift of half a million dollars, which is a donation level we rarely saw previously,” Albert said. “More people are aware of who Native Forward is now, and they’re giving at higher levels because of it.”

Albert stressed that the \$40 million figure for Native Forward’s endowment “is our seed, not our ceiling.” The organization’s board chair, Lillian Sparks, has publicly set an initial goal of growing it to \$100 million and is encouraging its supporters to make it a reality.

## Scott’s gifts underscore the power of unrestricted funding

Whenever we discuss Scott’s giving, we inevitably ask why other funders don’t emulate her approach. For the most part, the reasons

aren't a big mystery.

[Perpetual foundations](#) can't make many abnormally large gifts because doing so would hinder their long-term grantmaking capacity. As responsible stewards of a foundation's assets, program managers want to ensure their support has maximal impact, which explains why they ask grantees to fill out [evaluation reports](#) that, depending on the funder in question, can be [frustratingly onerous](#) for time-pressed nonprofit leaders.

10,000 Degrees' Mazzuca said that strategic-minded funders disburse [project-based support](#) because they "have their own long-term objectives they want to achieve." But Mazzuca also told me that her team works with "several foundations where the relationship is based on a trust-based model" that, broadly speaking, encompasses unrestricted support and less arduous reporting requirements.

It's also worth reiterating that some of the organizations I contacted had endowed funds before receiving Scott's gift. This fact demonstrates that, if given the opportunity, many nonprofit organizations will strengthen their [financial sustainability](#). It also made me wonder if Scott is more inclined to support organizations that had already made that important strategic decision.

"What I heard from them [the Yield Giving team] was that they were excited about the outcomes we had serving our students who often don't have access to the guidance and resources to get into, let alone through, college," 10,000 Degrees' Mazzuca said. "I didn't take away that her gift had anything to do with an endowment per se."

I suspect Mazzuca is right, but it's hard to know for sure. While Scott's Yield Giving site lists some high-level grantmaking evaluation criteria — "stable finances, multi-year track records, measurement and evidence of outcomes" — we know little about how, exactly, she and her team crunch the data to decide which organizations to fund, much less how they land on such sizable gift amounts.

As for the organization that received a second and somewhat mysterious call from Scott's people last fall, Native Forward Scholars Fund enthusiastically embraced the endowment route, earmarking 80% of Scott's \$50 million gift toward support for future scholars.

"Every one of our scholars represents what happens when Native students get real support beyond a scholarship check, like the mentorship and culturally congruent resources that help them cross the graduation stage," Albert said. "Multiply that by the thousands of students this endowment will reach over the coming years, and the picture gets bigger — more Native people in rooms where those decisions get made. That's what this endowment protects: this generation of scholars, and every one that follows."

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