



# SCHOOL FOUNDATION BENCHMARK REPORT – EXECUTIVE SUMMARY –

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SILVERTREE MARKETING

## *Executive Summary*

**T**housands of education foundations across the country share a mission to provide private funds to support public education on a local level. While some research into school foundations does exist, what is missing is research, both qualitative and quantitative, that delves into the issues that school foundations tackle every day.

In an effort to gauge the key success factors of school foundations and the best practices of executive directors, SilverTree Marketing launched a research initiative in August 2007. We began with a review of existing literature, followed by an online survey of more than 40 thriving foundations, and one-on-one phone interviews with executive directors from some of the most innovative school foundations across the country. It is our hope that the information contained in this report will provide all those involved in managing school foundations with strategic insights that will help them provide even greater support to the public schools they serve.

### **School Foundation Landscape**

Since the first Pilgrims and pioneers settled this country, educating our children has been a community affair. From gathering on a Saturday to build the schoolhouse to pooling funds to hire a teacher from out East, American communities were the original driving force behind local education initiatives. In recent years, as the flow of state and federal funding ceased to keep up with the costs of educating K-12 students, communities have stepped in once again – forming small foundations to enhance local education for the community’s students.

The history of school foundations is closely tied to the history of school funding in individual states. Over the last thirty years, education foundations have emerged across the country, largely as untutored, grass roots efforts by local citizens and parents concerned about their schools. States, where public education was reduced first, are now home to some of the strongest, most creative school foundations in the country. California, Florida, Iowa, Indiana and Connecticut all report significant numbers of active school foundations. Another trend is the formation of state consortiums that serve as information clearinghouses for foundations within that state.

At the national level, the Public Education Network (PEN) and the National School Foundation Association (NSFA) provide valuable information to school foundations. The mission of PEN is the more specific of the two and seeks to advance public school reform in low-income communities. The NSFA’s

mission is much broader and offers support to school foundations of every stripe. We owe a debt of gratitude to the NSFA and Program Director Jim Collagan for their support of our research initiative.

## National School Foundation Survey

SilverTree developed and conducted an online survey that asked 33 questions. In addition to basic demographic information, we focused on the key elements of foundation success. These include board characteristics, areas of focus, communications, fundraising, and goals for growth. In combination with one-on-one interviews and our knowledge gained in working within education, we distilled the most important findings and insights into five key recommendations presented in the order in which they should be embraced.

### KEY FOUNDATION BENCHMARK RECOMMENDATIONS

- ✓ **Build a hard-working, diverse board.**
- ✓ **Align the focus areas to what matters most.**
- ✓ **Develop consistent, compelling communication tools.**
- ✓ **Balance your fundraising portfolio.**
- ✓ **Dare to dream big.**

### Build a hard-working, diverse Board

The dynamics and composition of the board is the most important determinant of success or failure of a school foundation. A working board consists of active, engaged leaders with clear accountability for committee leadership and fundraising expectations. The executive director provides continuity and consistency on a daily basis, ensuring that all aspects of the foundations activities are moving forward. Foundations that reflect the diversity of their community are best positioned to connect with the community's priorities and pocketbook. Foundations should broaden the depth and expertise of the board by seeking out younger parents, high achieving students, staff, and local business executives.

### Align the focus areas to what matters most

Powerful programs and initiatives must connect with the foundation's constituencies to ensure continued growth. Many foundations support a hodgepodge of initiatives with no clear direction or larger goal. Foundations that lack a well-defined focus are missing the opportunity to build synergy through concentrated programs aligned in a few clear directions. A focused goal, such as "Making every student a great reader" which is then supported by a suite of K-12 initiatives impacting every student, will provide the rallying cry foundations need to inspire giving.

## **Develop consistent, compelling communication tools**

A consistent and compelling communications plan was clearly identified as a major deficiency for most school foundations in our online survey. The few foundations that communicate most effectively see consistently higher rates of community awareness, advocacy, ownership and in turn funding of the foundation's programs - they grow the impact faster and more collectively. The four steps to communication success include assessments through research, a well-developed communications plan, execution of the plan, and reassessment to measure results and make adjustments.

## **Balance your fundraising portfolio**

Has your fundraising portfolio kept up with the times? The gala events and auctions that were once the backbone of school foundation fundraising are not the most effective way to raise funds today. Direct appeals such as annual funds and solicitations appear to yield more significant results, dollar for dollar. The role of events for foundations now serves to recognize major donors, draw attention to student and staff achievement, and engage the community.

## **Dare to Dream Big**

As school funding issues escalate, so does the relative potential of school foundations. A foundation that started out with \$70,000 years ago, now provides \$1.4 million annually to fund the arts and technology in a district of 2500 students. Another that spends \$120,000 annually funding college counselors netted \$5.2 million in aid and scholarship last year for their graduating seniors. Naturally, these foundations have crafted solid plans that are executed to meet these goals. Ask yourself, do your goals have enough reach? Will your community's youth be prepared to fulfill their potential? Do you see possibility where others see dead ends?

*"The future belongs to those who believe in the beauty of their dreams." — Eleanor Roosevelt*

## **Great Ideas in Action**

In the final section of this report, we include a list of 10 Great Ideas in Action employed by school foundations and identified through the course of this research. SilverTree used the following criteria to ensure the idea would work beyond that specific school foundation. To receive Great Idea recognition, the idea must be one that most foundations could execute, scalable to any size foundation, true to the basic school foundation mission to support public education, effective, and proven to achieve results when put into practice.

## **Branding Drives Awareness**

Meaningful, easy-to-remember branding of fundraising initiatives will transcend the individual event and bolster the foundation. The Peninsula Education Foundation's Dollar-A-Day program

provides branded license plates for all donors that contribute \$365 dollars annually and a special platinum version for donors of \$1000 and up. Another foundation established The Century Club years ago, inviting 100 contributors to give \$100 each. More than twenty years later, The Century Club raises about \$40,000 annually.

### **Reaching Parents and Recognizing Donors**

The Peninsula Education Foundation achieves awareness among parents through a back-to-school annual fund drive that touches every household with children in the district. Equally important are the three “see and be seen” events they organize every year that are an established part of the community’s social calendar.

### **Differentiate the Branding Identity**

Stepping outside the box of typical branding for the Mill Valley Schools Community Education Foundation resulted in a new name, logo, website and KIDDO’s trademark exclamation point and most importantly achieved greater community awareness.

### **Matching Funds Programs**

“Every program should have a matching funds component.” This is a tenant Bill Hoffmann rigorously practices at the Hillsborough Education Foundation, where the benefits ensures everyone has “skin in the game” and teamwork propels funding even higher.

### **Fundraising Aligned to Initiatives**

One of the Public Education Foundation of Evansville’s flagship initiatives is the annual House Construction Project. Approximately 200 high school career and technical students participate, and in most years, proceeds from the sale of each house enable the PEF to fund construction of next year’s house. As a result of this program more students leave high school with legitimate, hands-on experience and apprenticeships.

### **Building Community Involvement**

The Brookline Education Foundation achieves a high level of community interest and involvement through its annual Spelling Bees, one for students and one for adults, held every spring and broadcast live on television. This friendly competition brings together teams from schools, parent groups, businesses, even book groups and alumni clubs.

### **Focus Programs for Bigger Impact**

The Ann Arbor Public Schools Foundation is shifting the primary focus from mini-grants toward raising significant funds for district wide writing literacy initiatives in line with community high expectations for education excellence.

### **Alumni Involvement Begins in High School**

The East Grand Rapids Schools Foundation places significant emphasis on alumni giving at all ages. Recent alumni classes give regularly to the endowment and the relationship with alumni begins early; the Foundation board includes two high school students as trustees, each with a two year term.

### **Magnet for Community Giving**

The McKinney Education Foundation doesn't rely primarily on benefits, golf outings, or silent auctions. Due to an emphasis on funding scholarships for students, other local community groups interested in providing scholarships to students raise funds that are turned over to the school foundation to award and administer. This is the multiplier effect in action.

### **Localize Endowments to the School Level**

The Foundation for Madison's Public Schools launched an Individual School Endowment Initiative. This initiative was designed to build an endowment fund for each of the 47 schools in the district. This single initiative has raised over \$937,000 and endowment balances continue to grow.

For a more thorough understanding of the research findings, key insights and recommendations, read the complete report that follows.

## About SilverTree

People give money to organizations that connect with them on a personal level. To grow and thrive, school foundations must find a way to share the life-changing impact your foundation can have on every student, every day.

Who are you? What do you care about? Who have you helped? Why should people donate to your foundation? These are all questions SilverTree Marketing can help you answer by finding, shaping and telling your foundation's story – clearly, poignantly, consistently.

Through research, strategic planning, development of a brand identity, marketing collateral, websites and other marketing tools, SilverTree works with school foundations to uncover your true story, the one with the power to transform awareness into action, and action into results.

For more detailed information about the reserach presented here or about the services SilverTree offers, visit our website at:

**[www.silvertreemarketing.com](http://www.silvertreemarketing.com)**

or contact Michelle Lange at [mlange@silvertreemarketing.com](mailto:mlange@silvertreemarketing.com) or 248-723-6821.



# Appendix

## School Foundation Benchmark Survey Questions

### Section I: About your School Foundation

1. How long has your School Foundation (SF) been active?
  - 0-5 years
  - 6-10 years
  - 11-15 years
  - 16-20 years
  - 21 or more years
2. Who does your SF serve?
  - a single school
  - a single school district
  - all school districts within a geographic area
3. How many students are enrolled in the school or school district(s) your SF serves?
  - 0-1,000
  - 1,001-5,000
  - 5,001-10,000
  - 10,001-20,000
  - 20,001-50,000
  - 50,001 or more
4. What percent of the school or district(s) your SF serves is made up of low-income families?
  - 0-25%
  - 25-50%
  - 50-75%
  - 75-100%
5. Does your SF have a paid administrator?
  - Yes
  - No

6. What is your role relative to your SF?
- Executive director
  - Board member
  - School district staff member
  - Volunteers
  - Other (please specify)

**Section II: The business of raising money**

1. How satisfied are you with the results of your SF's fund raising activities?
- very dissatisfied
  - dissatisfied
  - neither satisfied or dissatisfied
  - satisfied
  - very satisfied
2. How many fund raising activities does your SF plan and execute per year?
- 1-2
  - 3-5
  - 6-10
  - 11 or more
3. What are the methods your SF uses to solicit funds? (Please choose all that apply.)
- Event fund raising
  - Major donors
  - Business partnerships
  - Planned giving
  - Grants
  - Sale of items
  - Mail or e-mail solicitations
  - Other (please specify)
4. Which fund raising method has been most effective for your SF?
- \_\_\_\_\_
5. Why do you think this fund raising method was so successful for your SF?
- \_\_\_\_\_
6. What single event or activity has raised the largest sum of money for your SF?
- \_\_\_\_\_

**Section III: Connecting with contributors**

1. How satisfied are you with the number and diversity of contributors to your SF?
  - very dissatisfied
  - dissatisfied
  - neither satisfied or dissatisfied
  - satisfied
  - very satisfied
  
2. Who are the primary contributors to your SF? (Check the top three.)
  - Alumni
  - Community-based groups
  - Community members
  - Corporations
  - Local businesses
  - Parents
  - Philanthropic foundations
  - School-based groups (PTSA, PTO, Booster Groups)
  - Staff
  - Students
  - Other (please specify): \_\_\_\_\_
  
3. How do you reach out to each of your top three contributing groups?
  - Reach 1st group by: \_\_\_\_\_
  - Reach 2nd group by: \_\_\_\_\_
  - Reach 3rd group by: \_\_\_\_\_
  
4. Who is most active in soliciting funds for your Foundation? (Check the three.)
  - Alumni
  - District staff
  - Parents
  - Paid foundation staff
  - Professional fundraiser
  - Board members
  - Other (please specify): \_\_\_\_\_

**Section IV: Communicating about your Foundation**

1. How satisfied are you with the level of awareness your Foundation has among members of your community?
  - very dissatisfied
  - dissatisfied

- neither satisfied or dissatisfied
  - satisfied
  - very satisfied
  
- 2. Does your Foundation have a formal communications plan that outlines how, when and to whom you are communicating?
  - Yes
  - No
  
- 3. Who was responsible for developing the communications plan?
  - School foundation staff members
  - Board members
  - School district staff
  - Outside marketing firm
  - Volunteers
  - No communications plan has been developed
  - Other (please specify): \_\_\_\_\_
  
- 4. How frequently do you use the following communication tools to keep your community informed about foundation activities?
  - Press releases to local papers (weekly, monthly, several times per year, annually)
  - Presentations to local groups (weekly, monthly, several times per year, annually)
  - Advertising (weekly, monthly, several times per year, annually)
  - Newsletter (weekly, monthly, several times per year, annually)
  - E-mail (weekly, monthly, several times per year, annually)
  - Web site (weekly, monthly, several times per year, annually)
  - Direct mail (weekly, monthly, several times per year, annually)
  - Other: \_\_\_\_\_ (weekly, monthly, several times per year, annually)
  
- 5. Which communication tool(s) do you use to reach out to your community?  
\_\_\_\_\_
  
- 6. Which communication tool has been most effective and why?  
\_\_\_\_\_
  
- 7. When your SF awards grants, how do you communicate this news to your community?  
\_\_\_\_\_

## Section V: Growing your School Foundation

1. How satisfied are you with the net value of your SF assets and/or endowment?

- very dissatisfied
  - dissatisfied
  - neither satisfied or dissatisfied
  - satisfied
  - very satisfied
2. How much does your SF typically raise (net revenue) in one year?
- \$10,000 or less
  - \$10,001-50,000
  - \$50,001-100,000
  - \$100,001-500,000
  - \$500,001-1,000,000
  - \$1,000,001-5,000,000
  - More than \$5,000,001
3. If your SF has an endowment(s), please indicate its value at fiscal year end?
- No endowment
  - \$10,000 or less
  - \$10,001-50,000
  - \$50,001-100,000
  - \$100,001-500,000
  - \$500,001-1,000,000
  - \$1,000,001-5,000,000
  - More than \$5,000,001
4. How satisfied are you with the amount your SF awarded in grants last year?
- very dissatisfied
  - dissatisfied
  - neither satisfied or dissatisfied
  - satisfied
  - very satisfied
5. How much did your SF award in the form of grants last year?
- \$10,000 or less
  - \$10,001-50,000
  - \$50,001-100,000
  - \$100,001-500,000
  - \$500,001-1,000,000
  - \$1,000,001-5,000,000
  - More than \$5,000,001
6. Indicate your SF's top three (3) impact areas.
- Academics

- o Arts
  - o Athletics
  - o Capital improvements
  - o Curriculum enrichment
  - o Instruction materials
  - o Parent education
  - o Professional development
  - o Staff salaries
  - o Technology
  - o Other (please specify): \_\_\_\_\_
7. Within your top impact areas, what kind of project would your SF most like to fund?  
\_\_\_\_\_
8. Where does your SF spend the resources raised?
- o Mini grants to teachers for classroom teaching
  - o Mini grants to teachers for professional development
  - o Topic specific needs for all students (e.g. arts, athletics, technology, academics, etc.)
  - o Capital expenditures
  - o Scholarships given to graduates
  - o Other (please specify)
9. From your viewpoint, what has been your SF's proudest achievement?  
\_\_\_\_\_
10. Please provide your preferred e-mail address below if you would like to receive a copy of our survey results. \_\_\_\_\_