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# **New York City Charter Schools Fundraising Guidebook**

Prepared by:  
The New York City Center for Charter School Excellence

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# Fundraising Guidebook for NYC Charter Schools

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## Introduction

New York City charter schools, like traditional public schools, receive government funding to operate. But this amount is not enough to cover all expenses and typically pays for only 60-80% of a school's total operating costs.

A significant portion of the funding for New York City charter schools comes from donations by individuals, corporations, community organizations and philanthropic foundations. Typically, charter schools—the majority of which serve children from low-income communities—simply lack the funds to hire professional fundraisers and must turn to their volunteer board to assume the fundraising function—even though it is not their area of expertise.

The purpose of this Fundraising Guidebook is to provide charter school boards and school leaders with detailed, step-by-step instructions to establish and manage an ongoing, successful fundraising program. Included are key topics, such as how to incorporate fundraising into the school's strategic plan, several fundraising best practices and examples of successful fundraising plans.

Fundraising is a crucial function for every charter school board as it provides the means to secure the resources needed—personnel, facilities, training and services—to fulfill the school's mission and to operate successfully now and in the future.

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## Summary of Fundraising Strategies and Best Practices

The chart below provides a chapter-by-chapter summary of the fundraising strategies and best practices discussed throughout this guidebook:

Chapter	Subject	Strategies/Best Practices
I.	<b>The Case for Philanthropy</b>	<p>This chapter discusses how to solicit funds from private donors (foundations, businesses and individuals) and provides a template that can be customized for your charter school:</p> <ul style="list-style-type: none"><li>• Provide background information about the benefits of charter schools (accountability, run by an independent board, free from most public school restrictions, innovative educational programs)</li><li>• Include test score results (in general and your school specifically, if applicable) to show their effectiveness.</li></ul>
II.	<b>Role of the School Board in Fundraising</b>	<p>This chapter discusses the roles and responsibilities of various charter school board members in fundraising:</p> <ul style="list-style-type: none"><li>• <b>Board:</b> Determines fundraising budget, is actively involved in gift solicitation with outside donors, makes a personally significant financial or in-kind contribution, recruits new board members who can aid in fundraising.</li><li>• <b>Development Committee:</b> Leads school's fundraising efforts, identifies prospects, systemizes donation process.</li><li>• <b>Events Committee:</b> Are "workers" who develop guest lists, oversee invitations, decorations, catering, etc.</li></ul>
III.	<b>Setting Fundraising Goals</b>	<p>This chapter discusses the importance of having a fundraising strategy and budget, focusing on:</p> <ul style="list-style-type: none"><li>• <b>Strategic planning:</b> Helps the board set priorities and articulate the school's mission and financial needs to potential donors.</li><li>• <b>Budgeting:</b> Gives the school an accurate idea how much money it has and needs in order to set its fundraising goals and activities.</li><li>• <b>Setting a fundraising strategy:</b> Decide on your purpose, personnel to involve and best way to reach targeted donors.</li><li>• The chapter also discusses differences in soliciting for the Annual Fund (unrestricted operating expenses) vs. Capital Campaign (large, restricted funds for major projects such as facilities or equipment)</li></ul>

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IV.	<b>Diversifying Funding Sources</b>	<p>This chapter discusses the benefits of soliciting funds from various sources and finding the best mix of target donors:</p> <ul style="list-style-type: none"> <li>• <b>Individuals:</b> Make up over 75% of charitable funding, provide immediate revenue and often give more over time.</li> <li>• <b>Foundations:</b> They exist to give away money; tend to give large donations at one time in various forms of grants; give credibility to attract additional donors.</li> <li>• <b>Corporations:</b> Often give support for subsequent years; can receive funds from multiple departments; also provide valuable in-kind services.</li> <li>• <b>The Government:</b> Gives renewable grants to schools with large numbers of minority, low income or non-English speaking students, although highly competitive.</li> </ul>
V.	<b>Fundraising Strategies</b>	<p>This chapter discusses various fundraising strategies, action plans and realistic expectations once the target donors are selected. Key strategies discussed include:</p> <ul style="list-style-type: none"> <li>• <b>Individual donors:</b> Identify, cultivate, solicit and follow-up. Strategies include donor database, personal phone calls and letters, in-home information parties and recognition clubs.</li> <li>• <b>Fundraising events:</b> Evaluate resources and select the best events including pledge drives, talent shows, flea markets, student art shows, bake sales, read-a-thons, street fairs, holiday festivals, auctions or family fun nights.</li> <li>• <b>Product sales:</b> Sell products such as magazines, candy, gifts and specialty items to the school and local community. Profits can average 40% to 55%.</li> <li>• <b>Corporate proceeds:</b> Local businesses often donate a portion of their proceeds to the school for a specific period.</li> <li>• <b>In-kind donations:</b> Local businesses often donate goods and services to a school.</li> <li>• <b>School/business partnerships:</b> An ongoing commitment to work together to improve the school, including in-kind donations, selling/leasing facilities or forming a local foundation.</li> <li>• <b>Community-based partnerships:</b> Booster clubs and other groups can provide donations for uniforms or equipment, as well as in-kind services such as coaching.</li> <li>• <b>Annual Appeal letter:</b> A personal solicitation to individuals for donations typically under of \$100. Less costly than advertising and often builds repeat donations.</li> <li>• <b>Phone Solicitations:</b> An annual “phone-a-thon” builds excitement and creates a pool of consistent donors.</li> <li>• Also listed are additional funding resources such as General Mills, Verizon, Target and Scrip.</li> </ul>

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<b>VI.</b>	<b>Grant Writing</b>	<p>This chapter discusses various grant sources and the elements of effective grant proposal writing:</p> <ul style="list-style-type: none"> <li>• Verify your fundraising initiative, type of grants that are applicable and for which you are eligible, and determine if you're a good match.</li> <li>• <b>Government Grants:</b> Can be a daunting process with several forms to complete. Include past-through, direct and discretionary grants on the federal, state and local level.</li> <li>• <b>Private Grants:</b> Come from foundations, corporations or individuals. Tend to be less complex and time-consuming than government grants.</li> <li>• <b>Grant proposals:</b> Typically include an Executive Summary, Statement of Need, Project Description, Budget, Organization Information and Conclusion. Clarity of mission, applicable numbers/statistics and persuasive writing style are keys to a successful proposal.</li> <li>• Also included is a section on dealing with rejection (provides valuable information for the next proposal submission.)</li> </ul>
<b>VII.</b>	<b>Online Donation Software</b>	<p>This chapter discusses the features and benefits of several leading online donation software programs (excerpted from <i>Selecting an Online Donation Tool</i> by Idealware, October, 2005.)</p> <ul style="list-style-type: none"> <li>• Features examined include the donation button and form, types of payment, verification, receipt confirmation, reporting and the time it takes to receive the donation.</li> <li>• Factors to consider when selecting an online donation tool include the average donation size and volume, form design, ability to import data and vendor vs. merchant accounts.</li> </ul>
<b>VIII.</b>	<b>Fundraising Plan Templates</b>	<p>This chapter includes the successful fundraising plans for two New York City charter schools:</p> <ul style="list-style-type: none"> <li>• Fundraising Template #1 shows how a school met its objectives of raising \$250,000 by the end of the year and put in place an effective system for fundraising.</li> <li>• Fundraising Template #2 details a school's plan to rely solely on public funding after five years. Key objectives were to 1) develop a strategic planning process, 2) raise the financial goals determined for each fiscal year, 3) focus the school's branding and marketing for fundraising purposes and 4) strengthen the controls and systems to support the school's fundraising efforts.</li> </ul>
<b>IX.</b>	<b>Fundraising Definitions</b>	<p>This chapter includes several terms used in fundraising to describe various types of donor contributions.</p>

## I. Presenting the Case for Philanthropy

New Yorkers, as a whole, care very deeply about their children and consider access to effective public education as the foundation of responsible citizenship in a just society. The charter school educational movement is based on the firm beliefs that:

- Every child deserves a superior education
- Every child has the potential to succeed in school and in life.
- Charter Schools are a public education alternative built on autonomy and accountability.
- Charter schools are drivers of high student expectations and academic achievement in a caring culture of commitment.
- Charter schools are an ideal way for donors to invest in public education.
- While public education is a public responsibility, private support enables Charter Schools to achieve superior academic results for all students.

Charter schools represent a new kind of public school—independently managed and typically started from scratch by impassioned education entrepreneurs. As charter schools operate free from many of the regulations that constrict traditional schools, they have the potential to be dramatically more effective than the typical public school.

And as schools of choice, charter schools are held accountable for their academic performance and can be closed if they don't succeed. If they are successful, charter schools can serve as models for those who want to start a charter school or seek to change existing ones.

### **The Impact of NYC Charter Schools**

Charter schools are public schools, governed by a volunteer board of directors with a mandate to achieve high academic performance, to select students in an open lottery and to respond to the needs of the community. Charter schools focus on serving the most vulnerable young people in communities where traditional public schools have underperformed. Specifically, 87% of charter school students are African-American or Latino and 75% live in poverty.

Charter schools bring many benefits to the students, parents and communities they serve, helping to:

- Overcome the barriers to existing school reform by creating innovative new schools.
- Create opportunities for breakthrough approaches to educate young people.
- Provide more innovative and diverse schooling options—each charter school's educational philosophy is unique to that school.
- Bring more entrepreneurial educational leadership that can quickly respond to each student's educational need.

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## Performance-Driven Results

Charter Schools adhere to an open and strictly performance-based system with measurable outcomes, available for all to inspect. A school's charter is awarded for five years, and schools may be closed for lack of academic performance or financial viability. So far, the success rate of charter schools is over 90% and many are among the top performing K-12 schools in the city.

Although charter schools are still considered a new movement in public education reform, they have achieved impressive academic results in a very short time. The progress in the academic achievements of charter school students is reflected in their strong performance in the 2004-2005 standardized tests.

- 60% tested proficient in English Language (vs. 52% in traditional public schools)
- 65% tested proficient in Math (vs. 53% in traditional public schools)

## The Funding Challenge

Unfortunately, NYC charter schools receive funding below their needs. The per-pupil government-funding allotment they receive only covers 60% to 80% of their operating costs. State legislation and city support allocates only \$10,500 per pupil (\$9,000 plus \$1,500 in additional allocations, such as Special Ed and federal title funds for low-income students).

To fully address their students' education needs, charter schools require *\$12,000 per pupil* in funding, a difference of \$1,500 per student (exclusive of facility costs which add another \$1,500 per student). Traditional public school spending is \$12,000 per student.

*Therefore, NYC charter schools must seek private support to fill the \$1,500 funding gap per student.*

## How Private Financial Support Can Benefit Charter Schools

The New York City charter school movement urgently needs more additional funders of all kinds—individuals, foundations and corporations. Smart investments from these various donor groups can help close the \$1,500 per-student gap in funding allotments and provide the resources charter schools need to meet the following challenges:

- Build a robust supply of high quality new schools
- Address critical operational challenges and sustainability of charter schools
- Improve charter school quality controls
- Use data to customize instruction to enable all students to succeed
- Improve the effectiveness of existing schools
- Reward innovation and quality in public education
- Offer extended school day, extended school year and academic enhancement programs

With their inherent operating autonomy, charter schools can allocate resources with greater flexibility than traditional public schools. Each \$1 of donor giving matches \$10 in public funding to create a powerful, results-oriented model of reform in public education.

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## How Financial Support Can Benefit Donors

NYC is the most charter-friendly school district in the country. As such, it offers potential private donors the opportunity to play a key role in this innovative, effective and increasingly popular national public education reform movement. Other benefits for private funders include:

- **Charter schools offer a high benefit-to-risk ratio.**  
Charter schools have a success rate of over 90% and consistently rank among the top performing K-12 schools in the city—and make an attractive beneficiary for prospective donors.
- **Private contributions to NYC charter schools help young people succeed.**  
A donor's financial gift is a tangible, measurable step toward improving public education—one child and one school at a time.
- **Charter school models of success can positively impact the larger public school system.**  
Charter schools strengthen the promise of American democracy: *access for all to the best education available.*
- **Charter schools provide a superior education to disadvantaged students**  
Children once considered destined to lives of poverty or with limited options now have the chance to achieve their full potential and make a difference for their families, their communities and for themselves.

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## The Case For Philanthropy: A Template

The following document provides a template that charter schools can use to make their own “case for philanthropy” with potential donors, parents, community leaders and the media.

Simply fill in the data that is specific to your school, local school district and geographic area.

### **The Case for Philanthropy NAME Charter School**

The NAME CHARTER SCHOOL is a new kind of public school—independently operated and started from scratch by FOUNDERS NAMES.

As a public school of *choice*, NAME CHARTER SCHOOL is held accountable for our academic performance. Unlike traditional public schools, we can be closed if we fail to achieve our educational and fiscal objectives. If successful, we will provide a quality education to the children in LOCATION and serve as a model for improving the educational standards for charter and traditional public schools alike.

NAME Charter School cares very deeply about the children in New York City and considers access to effective public education as the foundation of responsible citizenship in a just society. NAME Charter School firmly believes that:

- Every child deserves a superior education.
- Every child has the potential to succeed in school and in life.
- NAME CHARTER SCHOOL provides a public education alternative built on autonomy and accountability.
- NAME CHARTER SCHOOL is a driver of high student expectations and academic achievement in a caring culture of commitment.
- NAME CHARTER SCHOOL is an ideal way for donors to invest in public education.

While public education is a public responsibility, private support enables NAME CHARTER SCHOOL to achieve superior academic results for all its students. As a charter school, we can operate without the many regulations that constrict traditional NYC public school districts, providing us the potential to be dramatically more effective than typical NYC public schools.

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## **The Impact of NAME CHARTER SCHOOL**

NAME CHARTER SCHOOL is governed by a volunteer board of directors with a mandate to achieve high academic performance, to select students in an open lottery and to respond to the needs of the community. We focus on serving the most vulnerable young people in LOCATION where traditional public schools have underperformed. In general, 87% of charter school students are African-American or Latino and 75% live in poverty.

NAME CHARTER SCHOOL will bring many benefits to the students, parents and general community in LOCATION, helping to:

- Overcome the barriers to existing school reform by creating an innovative new school.
- Create opportunities for breakthrough approaches to educate young people.
- Provide more innovative and diverse schooling options with our unique educational philosophy.
- Bring more entrepreneurial educational leadership that can quickly respond to each student's academic need.

## **Performance-Driven Results**

NAME CHARTER SCHOOL adheres to an open and strictly performance-based system with measurable outcomes, available for all to inspect. Our charter is awarded for five years and we can be closed for lack of academic performance or financial viability.

So far, the success rate of New York City charter schools is over 90% and many are among the top performing K-12 schools in the city. Although charter schools are still considered a new movement in public education reform, they have achieved impressive academic results in a very short time. The progress in the academic achievements of New York City charter school students is reflected in their strong performance in the 2004-2005 standardized tests.

- 60% tested proficient in English Language  
(vs. 52% in traditional public schools)
- 65% tested proficient in Math  
(vs. 53% in traditional public schools)

*(add if applicable)*

Similarly, NAME CHARTER SCHOOL has achieved impressive academic results in the XX years we have been in operation. Our scores in the 2004-2005 standardized tests indicate our continued success in raising the academic standard of our students in a short period of time:

- XX% tested proficient in English Language
- XX% tested proficient in Math

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## The Funding Challenge

Like all NYC charter schools, NAME CHARTER SCHOOL receives funding below our needs. Our per-pupil government-funding allotment only covers 60% to 80% of our operating costs. State legislation and city support allocates only \$10,500 per pupil (\$9,000 plus \$1,500 in additional allocations, such as Special Ed and federal title funds for low-income students).

To fully address our students' education needs, NAME CHARTER SCHOOL require *\$12,000 per pupil* in funding, a difference of \$1,500 per student (exclusive of facility costs which add another \$1,500 per student). Traditional public school spending is \$12,000 per student.

*Therefore, NAME CHARTER SCHOOL must seek private support to fill the \$1,500 funding gap per student.*

## How Private Financial Support Can Benefit NAME CHARTER SCHOOL

NAME CHARTER SCHOOL urgently needs more additional funders of all kinds—individuals, foundations and corporations. Smart investments from these various donor groups can help close the \$1,500 per-student gap in funding allotments and provide the resources we need to meet the following challenges:

- Address critical operational challenges and sustainability
- Improve quality controls
- Use data to customize instruction to enable all students to succeed
- Offer an extended school day and/or extended school year
- Provide academic enhancement programs to students
- Continue to attract innovative education professionals

With our inherent operating autonomy, NAME CHARTER SCHOOL can allocate resources with greater flexibility than traditional public schools. Each \$1 of donor giving matches \$10 in public funding to create a powerful, results-oriented model of reform in public education.

## How Financial Support Can Benefit Donors

NYC is the most charter-friendly school district in the country. As such, it offers potential private donors the opportunity to play a key role in the charter school public education reform movement. Other benefits for private funders include:

- **A high benefit-to-risk ratio**  
Charter schools are an attractive beneficiary for prospective donors, consistently ranking among the top performing city schools with an average success rate of over 90%.
- **Help young people succeed**  
Your financial gift is a tangible, measurable step toward improving public education—one child and one school at a time.
- **Positively impact the New York City public school system**  
Charter schools like NAME CHARTER SCHOOL strengthen the promise of American democracy: *access for all to the best education available.*
- **Provide a superior education to disadvantaged students**  
Your donation enables children once destined to poverty to achieve their full potential and make a difference for their families, their communities and themselves.

## II. Role of the School Board in Fundraising

Board members are the primary champions and supporters of all aspects of the charter school—including its fundraising. In fact, one of the primary responsibilities of an effective charter school board, beyond governance issues, is to ensure the fiscal viability of the school through continual fundraising and development efforts.

As any charter school soon realizes, the government-funded per pupil allotment pays only 60%-80% of a charter school's operating costs, and is not sufficient to meet all the school's financial needs for faculty, curriculum development, furniture, equipment, books, etc.

Board members are crucial for raising money to ensure the school's viability. They are the most credible representatives of the school because of their financial and time commitments, their in-depth knowledge of the school's mission and their willingness to ask for support. They should be relentless advocates for the school in asking for financial donations from the many people they know in their professional and personal networks.

### A. Responsibilities of the Board

Beyond governance, the board is responsible for ensuring that the school has the diversity of resources needed to operate successfully into the future. They must be able to sustain both ongoing (annual fund) and large project (capital campaign) funding and take the steps needed to grow the school's donor base.

While board members may be recruited because they are educators, prominent business people or community activists, it should be made clear that they are expected to participate proactively in fundraising. For effective fundraising, each charter school board member should:

- Either serve on the Development Committee or participate fully in fundraising efforts.
- Help create, implement and evaluate the Development Plan.
- Determine what percentage of the overall budget will be dedicated to fundraising. (Nationally, an average of 20 cents on the dollar is allocated to fundraising.)
- Articulate convincingly the need for outside financial support among potential donors (individuals, local businesses, corporations and foundations.)
- Be actively involved in the Individual Gift Solicitation Process (face-to-face meetings, handwritten notes, etc.).
- Attend board meetings (usually quarterly) and at least one school function.
- Read board and school materials to keep apprised of news and events.
- Work collaboratively with the school leader(s)
- Make a personally significant financial contribution to the school.
- Donate in-kind professional services (legal, accounting, marketing expertise).

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## ***Recommended Best Practice:***

### *Personal Contributions by Board Members*

*Establish a formal policy in regard to personal financial contributions by board members, with a goal of 100% participation.*

- *It is easier to convince others to give to the school if board members are also contributing.*
- *Many foundations require 100% board member financial contribution as a criteria for providing grants or other funding.*
- *Personal giving reinforces each board member's commitment to the school.*
- *The school received a valuable and much-needed source of income.*

## **B. Responsibilities of the Board Chair**

This position is a critical leadership role for any non-profit organization. For a school, the board chair serves as the “fundraiser in chief” and should have a very thorough understanding of the school’s overall financial status, mission and goals.

It is important that the board chair is committed to lead the effort to secure funding for the school. This individual must be able to run effective board meetings and motivate others to give to the school as, ideally, the initial gifts to the school will be provided by board members who join the school effort.

## **C. Responsibilities of the Development Committee**

The Development Committee is responsible for leading the school’s fundraising efforts and should work to accomplish the following goals:

- Approve the development work plan every year and assess results.
- Lead the effort in soliciting major gifts for the school in rating, cultivation, solicitation and stewardship efforts.
- Develop ways to ensure ALL board members are participating in fundraising efforts, including substantive in-kind donations.
- Provide board members, at least once a year, with a complete list of local corporate and foundation officers to determine if they know any of the individuals listed. Board members will help in contacting those people on the list to ask for a donation.
- Continually identify new prospects for the school and determine ways to engage these new prospects.
- Work closely with school leadership to systemize the donation process for individual, corporate and foundation donors. This task is critical for the growth and development of the school. Approximately 75%-80% of all donations to non-profit organizations are from individuals, so proper stewardship of the fundraising effort is essential.

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## D. Responsibilities of the Events Committee

School fundraising events are a great way to bring in money for a specific project or program. In addition, these events help raise awareness of the school in the community and bond the people who are working on the event in a common effort

In order to conduct successful fundraisers, the board should have a standing Events Committee. If several fundraising events are planned throughout the year, appoint vice chairs for each event, such as members from other board committees, who can lead, organize and motivate people.

Event committee members should be “workers” who are willing to help develop guest lists, choose a site, coordinate catering, design and print invitations, arrange for decorations and so on. They should also invite a minimum number of people from their own personal sphere of influence to attend and/or volunteer for the event.

People outside the school board, such as parents, alumni and community representatives, should be invited to work with the committee on specific events, as these provide an ideal opportunity to get others involved in the school.

### ***Recommended Best Practice***

#### *Underwriting an Event*

*Ideally, schools should seek donors to partially or completely underwrite the event. A prospective underwriter for an event should be someone who is close to the leaders of the school, including board members or high level donors.*

*Once a fundraising goal has been set, the Events Committee can decide the minimum donation required to attend the event and determine how many people paying the minimum donation are needed to provide the desired revenue.*

*Revenue can be garnered through the individual ticket donation, silent/live auctions and raffles. It is crucial to remember the formula:*

$$\mathbf{Estimated\ Income\ -\ Estimated\ Costs\ =\ Estimated\ Net\ Income}$$

*Estimated costs include the design and printing of the invitations and program, postage, food and drink, catering, venue costs, decorations, security, etc.*

*If a donor underwrites the entire cost of an event, it is important to clearly state on the response card that 100% of the donor's financial contribution is tax deductible and will go directly to the school.*

*If an event is partially underwritten or tickets/tables are being sold, subtract the unfunded portion of the event from the ticket price and note this in the reply card: for example, \$50 of the \$75 ticket cost is tax deductible.*

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## E. Involve All Stakeholders

All charter school stakeholders—the board, founders, staff and parents—should play a role in the fundraising process. By working together, all participant groups will help build the charter school's presence and secure the needed funding for its success.

The chart below lists the role and strengths of each stakeholder group in the fundraising process.

<b>Stakeholder</b>	<b>Fundraising Role</b>	<b>Strength</b>
<i>Founders</i>	<ul style="list-style-type: none"><li>• Sign off on grant applications</li><li>• Attend key meeting with potential donors</li><li>• Function as a spokesperson</li></ul>	<ul style="list-style-type: none"><li>• Create the school's vision</li><li>• Know the school's details, having written the charter application</li><li>• Are credible educators or community leaders</li></ul>
<i>Staff</i>	<ul style="list-style-type: none"><li>• Apply for foundation and corporate grants</li></ul>	<ul style="list-style-type: none"><li>• Have knowledge of the school's education philosophy and curriculum</li></ul>
<i>Board</i>	<ul style="list-style-type: none"><li>• Identify individual donors</li><li>• Advocate for the school</li><li>• Organize fundraising events</li></ul>	<ul style="list-style-type: none"><li>• Committed to the goals of the school</li><li>• Have given financially themselves</li></ul>
<i>Parents</i>	<ul style="list-style-type: none"><li>• Volunteer, especially for events</li><li>• Identify friends and family as potential donors</li></ul>	<ul style="list-style-type: none"><li>• Motivated, as it is a personal cause involving their children</li><li>• Diverse talents among the group</li></ul>

**Source:** *Charter School Founders' Manual*, New Jersey Charter School Resource Center.

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## F. How Board Recruitment Aids in Fundraising

Board recruitment and development are essential for any successful fundraising effort, but are often overlooked. Board members, in collaboration with the school leader, need to take a leading role in setting the vision for the school and then continually raise the money to support that vision. In order to sustain—and increase—revenue for the school, an overall fundraising strategy must be clearly defined and board members must be totally involved and committed to the program.

In today's competitive non-profit environment, it is important for a school board to recruit members beyond those who are known by its current directors. Additionally, board recruitment should be considered an ongoing process and not something that occurs only when an individual leaves the board.

The process to create an effective charter school board development committee is as follows:

### 1. Establish a Board Development Committee

This committee, sometimes known as the Nominating Committee, is responsible the ongoing identification and recruitment of potential new board members—who in turn will become key members of the school's fundraising efforts. The Board Development Committee is responsible for developing and presenting to the board the following recommendations:

- Job descriptions for key board positions (i.e. board chair, committee chairs) and committees of the board.
- Definition of the "ideal" board member.
- Recruitment methods for potential board members who have the financial means and/or high profiles to complement the current board members.
- A review of current and/or suggestions for new committees (e.g. executive, development, finance, etc.).
- Criteria for financial commitment for each board member (e.g., a certain level of giving for all board members, or 100% commitment by all board members at individually stated levels – including in-kind professional services).
- Review of term limits and a process for reinvigorating the board (e.g. procedures to thank individuals for their service, possible one year "cooling off" period for board members who have served three consecutive terms, establishing a Directors Emeriti, etc.).

**Note:** The full board need not approve the committee's recommendations, but they should be made aware of what the committee is doing. Financial commitments and term limits should be ratified by the board of directors.

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## **2. Research nominees**

The board development committee should establish procedures to find new board members. Reaching out to the current board is a good starting point, but it is important to expand the search and use other board recruiting techniques.

Analyze the current board, school donors, friends and individuals who might be interested in associating with the school. Prospective members should be thoroughly researched, rated and vetted and the process documented. A board candidate list should be compiled and updated regularly. Also develop a process to ask nominees to join the board should a position become open.

## **3. Establish a referral network**

Create a referral network by building relationships with outside constituencies, such as associations, foundations, corporations and other organizations. These are usually great places to find qualified and committed new people to bring to the school board.

## **4. Interview candidates.**

As soon as you learn that a position will become open, the board development committee should begin to interview potential board member(s) and make recommendations to the board. Develop a script or guidelines for interviewers to ensure they present a consistent and persuasive cause for joining the board.

## **5. Evaluation**

After the interviews, the board development committee should gauge how closely the nominee fits the ideal profile and to what degree the nominee will participate on the board (i.e. financial commitment, time commitment, value-added resources).

## **6. Selection**

Once a candidate has been selected, they should receive orientation and materials to clearly understand and feel a part of the school. This practice will build good will and encourage them to become an active and participatory board member, willing to work very hard to support the school to a greater degree.

## III. Setting Fundraising Goals

Prospective funders—be it the government, foundations or concerned individuals—respond more favorably to donation requests that are based on specific costs for operating the school, adding a new program, expanding facilities or other projects. Preparing a budget is essential to determine these costs and identify potential sources of revenue to meet them.

By its narrowest definition, a budget is simply calculating what you need to spend to accomplish your goals (expenses) and the amount that must be raised to pay for them (income). Budget creation flows from the strategic planning process—it details in financial terms how the school’s resources will be allocated to accomplish what it has planned.

### A. Fundraising and Strategic Planning

The strategic planning process is essential for a successful development program, as it enables board members—or other concerned parties—to clearly articulate the school’s vision to prospective donors. A successful strategic plan should:

- Define the school’s goals, objectives and priorities for the current year and going forward.
- Clarify the school’s development strategies as it pertains to achieving the mission.
- Describe how the school will use its board and other committees to advance its goals.
- Identify the external and internal challenges that might impact the school’s efforts to implement its plans.

Strategic planning provides the guidelines for determining if fundraising programs—or any other programs—are feasible and in line with the school’s goals and mission. And it enhances the board’s ability to identify and respond to new opportunities that will support the school.

**Strategic planning may take time, but not having a strategic plan is ultimately more costly and time-consuming.**

Advantages of Strategic Planning	Perceived Disadvantages
<ul style="list-style-type: none"><li>• Forces the school to establish priorities to most effectively use its resources.</li><li>• Improves communication at all levels, generating greater trust, participation and results.</li><li>• Maximizes the school’s resources by defining the specific roles of board, staff and volunteers.</li><li>• Provides the criteria to measure the effectiveness of actions.</li></ul>	<ul style="list-style-type: none"><li>• Focuses on long-term solutions not immediately pending problems</li><li>• Creates change, which may be met with some resistance by those who prefer the status quo.</li><li>• Too time-consuming to develop.</li><li>• Board “doers” can be frustrated waiting for action can be taken.</li><li>• Can be perceived as too restrictive and inflexible to respond to developments</li></ul>

*Source: Securing Your Organization’s Future by Michael Seltzer, The Foundation Center.*

For more information on the role of the school board in strategic planning, see Chapter 5 of the *Charter School Governance and Board Development Guidebook* at the NYC Charter Center website at [www.nycchartercenter.org/guidebooks.html](http://www.nycchartercenter.org/guidebooks.html).

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## B. Fundraising and Budgeting

In addition to the strategic plan, a financially-sound budget helps the board determine expenditures for the upcoming school year and beyond. A budget defines the school's priorities in financial terms and helps the board set goals all fundraising activities.

Once approved, the school's budget becomes the reference point for *all* spending decisions and enables the board to:

- Determine how much funding is needed—and may be available—to maintain current operations, expand facilities, add new educational programs, etc.
- Anticipate the school's revenue and expenses on a regular basis.
- Establish priorities and choose which programs/enhancements to fund.
- Be more committed to fundraising if they themselves help decide how the money will be spent.
- Give evidence of sound financial management when seeking funding. (Grantmakers often look at the budget *first* when reviewing proposals.)

Budgeting and fundraising go hand in hand. Without a realistic calculation of how much money the school has—and more importantly *needs*—the board cannot project realistic fundraising goals. Once this figure is established, the board can better plan and implement a fundraising drive to raise the needed revenue from a mix of funding sources. And it can help the board make better financial and operational decisions:

- If fundraising goals are achieved, the board can implement the programs planned.
- If fundraising goals are not met, the board has to modify or eliminate programs.
- If fundraising goals are exceeded, the money can be used to expand school programs or other purposes.

Setting fundraising goals is important to motivate potential donors to give and current donors to continue (and hopefully increase) giving. Clearly stated fundraising goals enable board members to tell prospects how their contributions will fit into the school's overall needs and assure them that any dollars invested in the school will be used wisely to achieve the intended results.

It's also important that board members understand the school's budget before meeting with a potential funder, so they are fully-prepared when asked the inevitable questions: "*How much do you need?*" and "*How much do you give?*"

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## C. Types of Fundraising Campaigns: Annual Fund vs. Capital Campaign

Charter schools need both a steady source of revenue to operate on a daily basis, and additional funding for major projects such as expanding facilities, offering new programs or upgrading equipment.

There are two primary types of fundraising –Annual Funds and Capital Campaigns—that are used to solicit financial support from the school’s key donors groups—individuals, corporations, foundations and the government. Below is a comparison of the two:

	<b>Annual Fund</b>	<b>Capital Campaign</b>
<b>Type of funding</b>	Unrestricted	Restricted
<b>Purpose</b>	Operating expenses	Capital expenses:
<b>Type of giving</b>	Many gifts at all levels	Fewer and one-time large gifts
<b>Frequency</b>	Ongoing, each year	Every 5+ years
<b>Donors</b>	Individuals more than foundations and corporations	Individuals, foundations and corporations
<b>Other benefits</b>	<ul style="list-style-type: none"><li>• Establishes habits and patterns of giving</li><li>• Provides a continual list of top prospects</li><li>• Reinforces the school’s message each year</li><li>• Encourages repeat and upgraded giving</li></ul>	<ul style="list-style-type: none"><li>• Funds major projects:<ul style="list-style-type: none"><li>○ Building construction</li><li>○ Remodeling/expansion</li><li>○ Specific programs</li><li>○ Equipment</li></ul></li><li>• This intensive fundraising program can generate good publicity for the school</li></ul>

## D. Setting a Fundraising Strategy

The fastest and most effective way to raise money for your school is to determine specific needs, identify resources, develop a fundraising plan and then get going. The amount raised from can vary from hundreds to thousands of dollars based on method, effort, number of volunteers, publicity and timing.

### 1. Decide your fundraising purpose

Based on the budget and strategic plan, determine the school’s greatest need—supplies, computers, after-school enrichment program, etc.

### 2. Consider the personnel to involve

Different types of fundraisers require the involvement of different people.

- Sales and events require volunteers such as students, parents, teachers and community members

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- Grant writing requires a person good at writing, with support from the school to gather information, do research and follow-up
- Business/school partnerships require someone, typically a board member, to be the main contact and liaison between the school and the business

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### 3. Determine the best method to reach each fundraising target

Employ multiple fundraising techniques ensure all the school's supporters are aware of and support your fundraising efforts.

- **Students, Parents and the Community**

Sales and events are a good way to encourage students, parents and staff to be involved in helping the school raise money. A school newsletter sent home to parents or promoted through the parent association is also a great way to build a fundraising initiative.

- **Foundations/Large Corporations**

Proposal writing is an effective for soliciting contributions for larger scale projects or programs from foundations and corporations.

- **Local Businesses**

Ask businesses in the community for smaller financial contributions and/or donations of products and services to get them involved.

See Section V of this Guidebook for specific fundraising ideas and guidelines.

**NOTE:** For Department of Education fundraising and reporting regulations that must be followed by any school or school group engaging in fundraising activities, visit [www.nycenet.edu/FundForPublicSchools/ToolsForSchools/DOERegRFGG.htm](http://www.nycenet.edu/FundForPublicSchools/ToolsForSchools/DOERegRFGG.htm).

## E. Fiscal Management

While fundraising is essential to ensure continual operation, charter schools must also develop sound financial management practices to make the most of limited revenue sources. A workable system must be established to ensure compliance with applicable accounting and audit procedures and proper use of public funds in accordance with the school's mission.

A sound fiscal management plan should list projected revenues and expenditures and include:

- Start-up cash flow budget and projections
- Projected revenues and expenditures
- Longer-term (e.g., 3-5 year) balanced operating budget
- Budget-versus-actual monthly report
- Balance sheet summary of assets and debts
- Fiscal statement assumptions (enrollment projections, teacher salaries)
- Description of budget development and oversight process

Charter schools can determine their own accounting system but must use an independent party for its annual audit. Those receiving significant federal funds may also need to comply with various federal accounting and auditing standards, including the 2002 Sarbanes-Oxley law. Schools should consult with the state education agency and other financial experts when developing their fiscal management systems.

## IV. Diversifying Funding Sources

As public schools, charter schools cannot charge tuition and are funded according to enrollment. In New York, charter schools receive about 60-80% of the funds allocated to traditional public schools for operation. Therefore, charter schools must seek a mix of funding support from foundations, corporations, government agencies and individuals *in addition to* per pupil government funding.

A charter school should not be so dependent on a single funding source that the school would be unable to function without it. Schools with a diverse funding base have better access to the resources needed for the programs and services they want to provide their students.

In addition, diversified funding shows potential donors that the school's mission and objectives are broad-based and worthy of support. As the chart below demonstrates, funding sources usually give when they are asked and, if they can, give what they are asked for:

<b>2004 Charitable Contributions: \$248.5 Billion</b>		
<b>Funding Source</b>	<b>Total Giving</b>	<b>Percentage of Total</b>
Individuals	\$187.9 billion	(75.6%)
Foundations	\$28.8 billion	(11.6%)
Bequests	\$19.8 billion	(8.0%)
Corporations	\$12.0 billion	(4.8%)

*Source: Giving USA 2005/AAFRC Trust for Philanthropy 2005*

The key is to approach targeted funders with requests tailored to their interests and their ability to give.

### A. Individual Donations

Individual donors contribute over \$187 billion annually and can be your most important source of funding for your school and an integral part of your fundraising strategy. There are both advantages and disadvantages in individual fundraising.

<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Immediate revenue</li> <li>• Good way to cultivate prospective donors</li> <li>• Contributions typically increase incrementally over time</li> <li>• Increases the school's visibility in the community</li> <li>• Energizes your staff, board, parents volunteers</li> <li>• Enable school to meet an immediate financial need</li> </ul>	<ul style="list-style-type: none"> <li>• Requires sustained, extensive time and effort to plan and implement an individual donor campaign</li> <li>• Initial outlay of funds required</li> <li>• May have to train board and/or volunteers in "art" of effective individual donor solicitation</li> <li>• Possibility that you fail to meet fundraising goals</li> </ul>

This funding resource is covered more extensively in Chapter IV – Fundraising Strategies.

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## B. Foundations

Today the term “Foundation” is used to describe a variety of charitable institutions that lend support to nonprofit organizations through grants. Most foundations are endowed—that is, their benefactors’ gifts were large enough to make grantmaking possible over an extended number of years by expending accrued interest only.

In order for private foundations to receive specific tax advantages, they are required by law to distribute a certain percentage of money each year in grants. Most foundations give an amount equal to 5 percent of assets in grants; some give more.

There are different types of foundation grants available:

- **General support grants** support the general work and goals of an organization. However, foundations are less inclined to make grants of this nature.
- **Program grants** underwrite a particular project that advances an organization’s mission. The program supported is specific and its success can be measured.
- **Capital grants** are earmarked for “capital” purposes, such as renovations, building acquisition or purchasing equipment.
- **Matching grants** are contingent upon an organization securing funds from other sources.

With over \$28 billion contributed by foundations annually, they can be a good source of funding for your school and should be considered in your fundraising strategy. There are both advantages and disadvantages in applying for a foundation grant:

<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"><li>• Their mission is to give money away</li><li>• They tend to give large donations at one time</li><li>• Information on foundation giving is readily available to the public</li><li>• Foundations confer credibility for additional potential donors (individuals and corporations)</li></ul>	<ul style="list-style-type: none"><li>• Intense competition for funding</li><li>• A decision can take up to six month from time of RFP submission</li><li>• Foundations rarely continue funding beyond 3-4 years, so the school may have to look for another source</li><li>• Grant money can be applied only to the program described in the RFP and can’t be applied to administrative expenses</li></ul>

Before making the decision to seek a foundation grant, determine if your school is prepared to do the research to find the right foundation to apply to and if there is someone with the time and skills needed to write the grant application. Often this task is given to a volunteer or an experienced grant writer is hired for the task.

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## C. Corporations

When asking a corporation for a grant, it's important to know their reasons for giving so that you can tailor your application appropriately. Tax advantages are, of course, a major reason for giving, but it is not always the primary factor. Other reasons can include:

- Helping the local or a low-income/minority community
- Sense of social responsibility and giving back
- Increase the company's visibility and enhance their reputation
- Increase the company's sales, profitability and growth

With over \$12 billion contributed by corporations annually, they can be a good source of funding for your school and should be considered in your fundraising strategy. There are both advantages and disadvantages in applying for a corporate grant:

<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"><li>• Likely to give similar support in subsequent years</li><li>• Can approach other departments in the company for other support, such as in-kind services</li><li>• Encourages other companies to give to the school as well</li><li>• Often willing to loan executives or employees as volunteers, enabling the school to do much more than their present resources allow</li></ul>	<ul style="list-style-type: none"><li>• Most awards are less than \$5,000; local business may limit support to \$500-\$1,000</li><li>• May expect public recognition or acknowledgement for their contribution</li><li>• May ask to be involved in your promotional activities to maximize the company's exposure</li><li>• May oppose the presence of other corporate supporters in the same industry</li><li>• May want to have peers and colleagues on the school board which could compromise the board nominating process</li></ul>

As with foundation grants, first determine if your school is prepared to do the research to find the right corporation to apply to and if there is a staff member or volunteer with the time and skills needed to write the grant application and do the follow-up work. If not, a for-hire grantwriter may be needed.

Corporate philanthropy is most often in the form of cash grant contributions. However, unlike foundations, many businesses also support nonprofits through in-kind donations of goods, services and expertise. Companies often place volunteers at the school, "loan" the expertise of business executives, offer free use of company meeting facilities or publicize the school in its newsletter. New approaches, such as cause-related marketing and social investing are becoming popular as well.

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The key is to treat the potential corporate partner like a donor. Understand their wants, needs and preferences, as well as their concerns.

There are six key opportunities for companies to “do good.”

**1. Cause promotions**

Where a corporation provides funds, in-kind contributions or other corporate resources for promotions to increase awareness and concern about a social cause or to support fundraising, participation or volunteer recruitment for a cause.

**2. Cause-related marketing**

Where a corporation commits to making a contribution or donating a percentage of revenues to a specific cause based on product or sales.

**3. Corporate social marketing**

Where a corporation supports the development and/or implementation of a behavior change campaign intended to improve public health, safety, the environment or community well being.

**4. Corporate philanthropy**

Where the corporation makes direct contribution to a charity or cause, most often in the form of cash grants, donations and/or in-kind services.

**5. Community volunteering**

Where the corporation supports and encourages employees, retail partners and/public relations franchise members to volunteer their time to support local community organizations and causes.

**6. Socially responsible business practices**

where the corporation adopts and conducts discretionary business practices and investments that support social causes to improve community well being and protect the environment.

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## D. The Government

Federal funding is available for charter schools through a variety of formula grants that are distributed directly by the U.S. Department of Education or are channeled through state or local education agencies that then make sub-grants. There are also federal discretionary grants available to charter schools to support school activities, such as after-school programs, parent literacy initiatives, social services and professional development.

Government grants can be a potential source of funding for your school and should be considered in your fundraising strategy. There are both advantages and disadvantages in applying for a government grant:

Advantages	Disadvantages
<ul style="list-style-type: none"><li>• More likely for grants to be renewable for ongoing financial support</li><li>• Often given to schools with:<ul style="list-style-type: none"><li>- large numbers of minority students</li><li>- large numbers of non-English and limited English speakers</li><li>- serious academic and social needs</li><li>- in low income areas</li></ul></li><li>• Often are larger than grants awarded by foundations and corporations</li><li>• Enhances school's credibility with other public and private funding sources</li><li>• Easier access to other government agency decision-makers and the decision-making process</li></ul>	<ul style="list-style-type: none"><li>• Highly competitive</li><li>• Strict application deadlines</li><li>• More time-consuming to complete than foundation and corporate grants</li><li>• Awards can be on a reimbursement basis, so schools pay upfront costs</li><li>• Extensive recordkeeping and reporting required</li><li>• Annual audits required</li><li>• Approved grants can be denied due to lack of approved funding by state and federal legislatures</li><li>• Less flexibility in how the school can structure its program delivery</li><li>• Potential negative impact on private fundraising efforts (<i>"School is publicly funded so it doesn't need private money"</i>)</li></ul>

In December, 1999, the U.S. Department of Education established new regulations to ensure that charter schools opening for the first time or significantly expanding their enrollment receive the federal formula funds for which they are eligible.

[www.uscharterschools.org/pdf/fr/fund\\_regs.pdf](http://www.uscharterschools.org/pdf/fr/fund_regs.pdf)

- **Charter School Start-up Funds.**

Funds available through the Public Charter Schools Program help new charter schools pay for planning, design and start-up costs. ([www.ed.gov/pubs/ArtsEd/part11.html](http://www.ed.gov/pubs/ArtsEd/part11.html))

In most cases, state departments of education apply to be part of the program and then award sub-grants to developers and operators within their state. In states that have not applied to the federal program, individual charter schools may, in some cases, apply directly to the Department of Education in partnership with their chartering agency.

[www.uscharterschools.org/pub/uscs\\_docs/fs/csp\\_info.htm](http://www.uscharterschools.org/pub/uscs_docs/fs/csp_info.htm).

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- **Special Education Funding under IDEA.**

The Individuals with Disabilities Education Act (IDEA) helps states cover the extra cost of serving children with disabilities to strengthen their academic expectations. The Office of Special Education and Rehabilitative Services provides information about recent publications, upcoming conferences and events and grant opportunities ([www.ed.gov/about/offices/list/osers/index.html](http://www.ed.gov/about/offices/list/osers/index.html)).

The amount of special education funds each charter school receives and the method by which they receive them vary. For information on whether your school is eligible for IDEA funding, contact your district or state charter school representative or special education official at [www.ed.gov/about/offices/list/osers/index.html?src=mr](http://www.ed.gov/about/offices/list/osers/index.html?src=mr).

- **Title I Grants to Local Educational Agencies (LEAs).**

Authorized by Title I of the Elementary and Secondary Education Act (ESEA) as amended by the Improving America's School Act of 1994, this program provides financial assistance to schools with high numbers of poor children to help meet the educational needs of students who are most at risk of failing to meet challenging academic standards.

A charter school that meets eligibility requirements may receive Title I funding from the state or district, depending on how the state classifies its charter schools. Schools receiving Title I funds must abide by Title I rules and regulations unless specific waivers are granted. The following sources outline the responsibilities and provide suggestions for schools that receive Title I resources:

- The Title I Guidance ([www.ed.gov/legislation/ESEA/Title\\_I/index.html](http://www.ed.gov/legislation/ESEA/Title_I/index.html))
- Allocation to Public Charter School Guidance ([www.uscharterschools.org/pub/uscs\\_docs/fs/title1\\_allocation.htm](http://www.uscharterschools.org/pub/uscs_docs/fs/title1_allocation.htm))
- Fiscal Requirements ([www.ed.gov/legislation/ESEA/Title\\_I/fiscal.html](http://www.ed.gov/legislation/ESEA/Title_I/fiscal.html))

- **Other Department of Education Programs.**

The Comprehensive School Reform Demonstration Program (CSRDP) awards funds to schools that are in the process of implementing comprehensive school reform based on research and effective practices. These grants are awarded and administered by the state. ([www.wested.org/csrd](http://www.wested.org/csrd))

The 21st Century Community Learning Centers Program helps schools implement or expand after school programs that address the educational and social needs of rural or inner-city communities, to supplement and enrich the educational experience of students. ([www.ed.gov/programs/21stcccl/index.html](http://www.ed.gov/programs/21stcccl/index.html))

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- **State Funding.** The distribution of state and local revenues to charter schools is usually based on student enrollment counts (i.e., average daily attendance). Actual school allocations may vary based on interpretations or negotiations with state, district or sponsoring agencies over administrative costs and other fees.

To determine the availability of start-up funds and per-pupil amounts for charter schools, contact the sources listed at [www.uscharterschools.org/cs/sp/view/sp/34](http://www.uscharterschools.org/cs/sp/view/sp/34). In most states, charter schools do not receive capital funds for facilities. They are entitled to federal categorical funding for which their students are eligible, such as Title I and Special Education funds.

## **Additional Resources**

- For a complete listing of federal grant opportunities, see the Department of Education Funding Opportunities web page at [www.ed.gov/fund/landing.jhtml?src=ln](http://www.ed.gov/fund/landing.jhtml?src=ln).
- *The Guide to the U.S. Education Department Programs and Resources* provides general information on how to apply for Department of Education grants at <http://web99.ed.gov/GTEP/Program2.nsf>.
- *Accessing Federal Programs: A Guidebook for Charter School Operators and Developers* ([www.uscharterschools.org/pdf/gb/acc\\_fed00.pdf](http://www.uscharterschools.org/pdf/gb/acc_fed00.pdf)).

## V. Fundraising Strategies

For board members new to fundraising, it can be tempting just to brainstorm ideas and select those that they like best, such as holding a fundraising event or asking a celebrity sponsor to make a large donation. Once your target donors are identified (see previous section), develop an action plan to concentrate efforts on a few major goals, set realistic expectations based on available resources and begin building long-term relationships with current and potential donors.

### A. Soliciting Individual Donors

It is critical for board members to help cultivate and solicit individuals donors who comprise the largest source for charitable giving—over 75%—and should be the primary focus of the school's fundraising efforts. Individual gift giving will enable your school to build a base of support within the local community and involve those who share your educational vision. And individual donor prospects are more likely to:

- Support a start-up organization such as a charter school
- Respond to an enthusiastic personal appeal from board members and volunteers
- Give donations with no restrictions or only for specific purposes
- Increase their donations incrementally over time

There are four key stages to the individual gift solicitation process:

#### 1. Identify Prospects

Generally, 80-85% of individual donations comes from about 15%-20% of the donors. Thus, it is clear that the cultivation, solicitation and stewardship of individuals is very important for a successful fundraising strategy.

Identify potential new donors through board members' personal and professional contacts who might be interested in helping a charter school. A good prospect meets the following ABCs of giving: **A**ble to give; **B**elieves in the school's cause and will **C**ontact someone who knows them personally.

#### 2. Cultivate Prospects and Donors

This is an ongoing educational process where you learn more about the prospects and they learn more about you and your organization.

#### 3. Solicitation

This is where you actively ask a prospect and/or donor for money. This should take place only after the prospect and/or donor has been effectively cultivated.

#### 4. Follow-up and Stewardship

In this stage, you thank the prospect and/or donor for their time, gift, in-kind service and lay the groundwork for the next gift. A continuing dialogue should be established with the donor to ensure that they are regularly kept apprised of happenings and successes. This dialogue can be done with letters, personal notes, by telephone and in-person meetings.

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## **Recommended Best Practice**

### *Elements of a Successful Individual Solicitation*

*It takes about six contacts with a prospective donor to secure a gift. This usually means two face-to-face meetings, letters/notes describing school updates, a visit to the school, newsletter(s) from school and/or an annual report.*

*Consider who should make the primary contact, what interests the potential donor has in the school, and what programs would resonate with the donor.*

*Once a prospect is ready to be solicited, the following guidelines should help in making an effective request for a contribution:*

- 1. Personal meetings.** *A personal meeting is the most effective way to solicit a gift. Prospects should be ranked and grouped and top prospects solicited in person. The best approach is to have two people visit the potential donor.*
- 2. Elements for successful solicitation.** *Remember that the main reason people don't give is because they haven't been asked. The following guidelines can make individual solicitation calls more successful.*
  - a. A positive and enthusiastic attitude.*
  - b. Research their giving history to the school and know their background (biographic and philanthropic).*
  - c. Arrange to meet in a private setting, such as a restaurant, but be sure the place chosen is conducive to conversation.*
  - d. Plan your approach. Anticipate possible points of resistance and prepare your responses.*
  - e. Practice your presentation so that you are comfortable with the subject.*
  - f. Bring another board member so you can play off of each other.*
  - g. Begin by discussing the school's mission, its success and its needs.*
  - h. Keep your prospect's sights high by suggesting payments over time rather than one-time gift.*
  - i. Do not leave without scheduling a follow up for a specific date and time.*
- 3. Follow-up.** *Send a hand-written thank you note that tells of your genuine appreciation of their time. Follow with a more formal letter that specifically cites the amount the donor has given and where it will be applied. Send a separate notice if you don't receive a check within 30 days.*

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The following chart provides the steps needed for a successful individual giving process:

## Stage 1: Identify and Qualify Prospects and Donors

Opportunity	Owner
<p><b>1. Assess the status of current donors</b></p> <ul style="list-style-type: none"> <li>- Rank donors by gift amount and frequency of giving</li> <li>- Provide information about capacity and inclination based on your personal knowledge</li> </ul>	<p>Development Staff Board Members</p>
<p><b>2. Generate lists of new prospects</b></p> <ul style="list-style-type: none"> <li>- Identify contacts of high-end and loyal donors, current and lapsed donors, newspaper society columns, participant lists of relevant conferences, annual reports of similar programs</li> <li>- Create a list of all personal and professional contacts who might become involved</li> <li>- Brainstorm, review lists and assign prospects to board members, based on connections</li> </ul>	<p>Development Staff</p> <p>Board Members</p> <p>Development Staff/ Board Members</p>
<p><b>3. Qualify donors</b></p> <ul style="list-style-type: none"> <li>- Send a letter advising that you will be calling the prospect in order to thank and update them on activities at the school</li> <li>- Follow-up with a telephone call, asking how and why they became associated with the school</li> <li>- Ask if it would be possible to meet with them in person to thank them and tell them in greater detail (and with visuals) what their support is accomplishing</li> </ul>	<p>Development Staff for ED and/or Board Member</p> <p>ED/Board/Development Staff</p> <p>ED/Board/Development Staff</p>
<p><b>3. Create and manage the database</b></p> <ul style="list-style-type: none"> <li>- Acquire biographical information</li> <li>- Record action steps: invitations, solicitations sent, phone calls made</li> <li>- Take notes on all conversations with donors</li> <li>- File all paper records of correspondence, including check copies and acknowledgement letters</li> <li>- Check that all details are correct (salutations, name spelling, etc.)</li> </ul>	<p>Development Staff</p> <p>ED/Board/Development Staff</p> <p>Staff, ED</p> <p>ED/Board/Development Staff</p> <p>ED/Board/Development Staff</p>

# Fundraising Guidebook for NYC Charter Schools

## **Recommended Best Practice**

### *Build a Donor Database*

*The board can take the lead in creating a potential donor database by compiling a mailing list of their friends, colleagues and business associates. Add to the list the parents of current school children, those who have expressed interest in the school and/or attended school events, and those who live in the community. This list of supporters will grow over time and may be a source for major donors.*

*Get a database system that can pull data by various criteria for more targeted marketing (i.e., those who have increased donations, gave over \$100, etc.).*

## **Stage 2: Cultivate Prospects and Donors**

<b>Opportunity</b>	<b>Owner</b>
<p><b>1. Create a Calendar of Quarterly Touch Points</b></p> <ul style="list-style-type: none"> <li>- Thank you calls to certain level donors after gift arrives</li> <li>- Newsletter detailing success stories, calendar of events, volunteer opportunities</li> <li>- Mass emails telling a story (with donor's permission)</li> <li>- Invitation to a "thank-you reception" hosted at a board member's home or at the school</li> <li>- Invitation for an individual or group site visit</li> <li>- Invitation for a volunteer opportunity</li> </ul>	<p>Staff, ED, Board</p> <p>Staff</p> <p>Staff</p> <p>Staff/Board</p> <p>Staff/Board</p> <p>Staff</p>
<p><b>2. Create a Giving and/or Recognition Club</b></p> <ul style="list-style-type: none"> <li>- Giving societies create a sense of belonging and of being essential to an organization's success</li> <li>- Define membership on: Gift Level (give \$1,000 or more annually) Loyalty (given 5 years in a row)</li> <li>- Host events just for this group of donors</li> <li>- Use names that convey leadership</li> </ul>	<p>Development Staff/ Board Members</p>
<p><b>3. Create Board and Committee Membership</b></p> <ul style="list-style-type: none"> <li>- Invite donors to serve on a host committee for an upcoming event</li> <li>- Create an advisory board for planned giving or upcoming campaign. Make it clear that the advisory board is advising on fundraising, NOT programs.</li> <li>- Use every committee meeting as another opportunity to educate the donor on the needs of your school.</li> </ul>	<p>Development Staff/ Board Members</p>

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## Stage 3: Solicitation of Gifts

Opportunity	Owner
<p><b>1. Personalize Letters to Prospect and Donors</b></p> <ul style="list-style-type: none"> <li>- Mail is the least costly and easiest form of solicitation, but yields the least results</li> <li>- Tell a story and make it compelling</li> <li>- Consult sources for ways to improve letter's effectiveness.</li> </ul>	Board Members
<p><b>2. Make Phone Calls</b></p> <ul style="list-style-type: none"> <li>- Can be standalone or follow-up calls to the solicitation letter</li> <li>- Call if a donor skips a year of giving. They may have simply forgotten but if there is a complaint, you can address it and still get a gift.</li> </ul>	Board Members/Staff
<p><b>3. Host In-Home Information Parties</b></p> <ul style="list-style-type: none"> <li>- Engage current donors and board members as hosts</li> <li>- Not a big drain on the budget, especially if underwritten by the host</li> <li>- Make expectations for fundraising clear to hosts and to guests</li> <li>- Provide guests with a take-away on the school and its funding needs for specific programs</li> </ul>	Board Members

### **Recommended Best Practice**

*How to handle donor responses*

*At the end of the conversation, if the prospect agrees to the amount suggested, accept the gift gratefully and let them know how the gift will be used. If this is not the case, these suggestions may help:*

**1. The prospect requests time to consider the proposal.**

*This shows interest on their part. Suggest a specific date and time within two to three weeks for a return visit.*

**2. The prospect shows interest in giving below what is asked.**

*Decide whether to accept the gift or ask them to reconsider. If the offer is not much below what was expected, accept it but encourage the donor to reconsider. Ask why the donor cannot consider a higher gift at this time.*

**3. The prospect indicates a complete refusal.**

*Try to "keep the door open." Express appreciation for the appointment and suggest that the donor give the matter more thought. Say you would like to keep the donor apprised of school activities from time to time. If the prospect does not want this, graciously thank them for their time.*

# Fundraising Guidebook for NYC Charter Schools

## Stage 3: Solicitation of Gifts - continued

Opportunity	Owner
<p><b>4. Face-to-Face Solicitations</b></p> <p>NOTE: Reserve fact-to-face solicitations for your most promising donors.</p> <ul style="list-style-type: none"> <li>- Remember that you are asking for the school, not for yourself</li> <li>- Make your own contribution first before asking others</li> <li>- Do your homework (Development Staff compiles the information and briefs the ED and board members)</li> <li>- Map out talking points on paper and rehearse</li> <li>- Make the ask</li> <li>- Acknowledge past support if applicable OR acknowledge philanthropic inclination</li> <li>- Tell prospects why the school is so important to you personally and why you are willing to make a similar financial contribution</li> <li>- Stress the importance of the donor's leadership and participation</li> <li>- Be specific in how this particular gift will help your school and its students: use personal, anecdotal stories</li> <li>- Ask for a specific amount of money</li> <li>- If prospect agrees, thank them sincerely.</li> <li>- If prospect says no, ask if there is another amount they wish to give or can you send them more information.</li> </ul>	<p>Board Members/ED/ Development Staff</p>

### **Recommended Best Practice**

*As many charter school are located in lower income neighborhoods, be sensitive to the amount of money you ask to be donated. Perhaps parents can give only \$10 or \$10 per month. But ask parents to contribute because they have a personal stake in the school's success.*

*Another option is to ask for in-kind contributions, such as plumbing repairs or painting a classroom. These are a win-win opportunities in that the school saves money and parents feel they have made a very personal and worthwhile contribution to their children's education.*

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## Stage 4: Follow-up and Steward Prospects and Donors

Opportunity	Owner
<p><b>1. Build the donor’s loyalty to your school</b></p> <p>NOTE: It is much easier to get a second gift than a first.</p> <ul style="list-style-type: none"> <li>- Acknowledge gifts in a timely manner</li> <li>- Make it personal</li> <li>- Be sure to get the salutation, gift information and IRS rules correct</li> <li>- Answer questions, send requested materials</li> <li>- Write up a report on the visit, phone call or house party and file it</li> <li>- Update the database with any new information you receive; even the tiniest detail can be relevant</li> <li>- As soon as you get the first gift, begin working on the next gift.</li> </ul>	<p>Development Staff/ ED/Board Members</p>

### **Recommended Best Practice**

#### *Annual Appeal*

*One successful way to market to individual donors is with an **Annual Appeal** which can include a direct mail campaign, a phone campaign or both:*

- *Develop a letter that is simple and familiar, perhaps telling the “success story” of a student from the school. Also describe the school and its educational vision.*
- *End the letter with a specific request for action: “Please donate \$25 or a \$10 monthly contribution. Use the form provided or donate on our website at [www.xxx.org](http://www.xxx.org).”*
- *Have a board member add a brief handwritten note to each letter. This personal touch has been proven to increase the response rate.*
- *Mail the letter and reply form to everyone in the school database.*
- *Follow-up the mailing with a phone campaign to those who haven’t yet responded.*

*An Annual Appeal phone campaign has similar procedures.*

- *Develop a script that is simple and familiar.*
- *Introduce yourself as a board member or volunteer for your school.*
- *Ask the prospect if they have received a mailing recently from the school.*
- *Say a few words about the school, its mission and relate a success story or statistics.*
- *Ask if they have any questions.*
- *Ask for a donation. If not interested, thank them anyway for their time.*

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## B. Fundraising Events

Fundraising events are an effective way to celebrate, raise money and promote your school at the same time. They provide the chance to involve all school stakeholders –parents, teachers, local business, even the students themselves. And events are a great way to honor or recognize those who have made a key contribution—of time and/or funding—to the school.

The following steps provide an overview to planning and executing a fundraising event:

### 1. Evaluate your Resources

Before starting a fundraising event, consider the following:

- **Space:** Where can the fundraiser be held? How do I reserve that space?
- **Staffing:** Who can volunteer at this event: parents, teachers and community members? Can the students help as organizers and/or volunteers?
- **Scheduling:** How long will it take to plan and implement the event? Are there conflicts with other events (parent-teacher conferences, science fairs)?
- **Audience:** Who and how many will attend the event?
- **Budget:** What are the costs for food, decorations, rental space or other supplies?

Some of the event examples provided in this section require laying out money in advance, but some do not require any money at all. Many event supplies can be sold to the school at a discount or donated by businesses if you ask them. You can ask a business to sponsor an event and pay for supplies and promotion costs.

### 2. Select the Type of Event

Your event will be more effective if you can tie it to a specific program or project. For example, to fund art programs, put together a gallery of student work. To upgrade the library, have a book fair or a read-a-thon. To improve your auditorium, do a movie night.

### 3. Planning and Promotion

Organize a committee to plan the event, with task-specific sub-committees (i.e., food, publicity, space, volunteers, etc.) lead by a contact person. Give each sub-committee a specific agenda, assignments and a timeline.

Develop a communications plan to promote the event to the school and the local community:

- Write a simple newsletter or flyer, including a message from the principal, calendar of events and stories of past events.
- Solicit ads from local businesses to offset the cost of printing.
- Post information on the school website to generate awareness of the event and recruit volunteers.
- Use the parent association to advertise the event and recruit volunteers.

Solicit local businesses or free or discounted goods for the event, such as food, drinks, decorations or paper supplies.

Invite local VIPs such the City Council member, Regional Superintendent, Borough President and local business leaders.

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## 4. Execution

Have periodic committee meetings to make sure tasks are being completed, to provide encouragement and to troubleshoot problems. At the event, have people there to take photographs and write about the event for publication.

## 5. Follow-up and Debrief

Publicize the success of the event in a follow-up newsletter, letter to parents or article in the local paper, so everyone knows the results of their hard work and effort.

Record the amount earned, timeline and process you followed for easier execution next year. Summarize any problems/issues, how they were resolved or could have been better resolved in a file to be passed to next year's organizer.

Send thank you letters signed by the principal and event organizer to volunteers, participants and businesses that donated supplies or helped the fundraiser in any way. This will increase the likelihood of their helping again in future events.

Keep a list of donors, volunteers and participants for reference next year.

## Suggested Fundraising Events

The following fundraising event suggestions were contributed by various NYC public schools and excerpted from *Beyond the Bake Sale*, written by Jean Joachim, a NYC public school parent and fundraiser.

### 1. Pledge drive

- **What to do:** Send home letters asking parents to donate money to the school and describe what the money will be used for. Tell a story about the students or the school that personalizes the request and makes it more compelling for potential donors. Consider soliciting local businesses, community groups and alumni. If there is no alumni list, consider researching to see if one can be started.
- **Resources needed:** Paper, copying, envelopes, stamps, volunteers to organize mailing, process and record donations
- **Remember to:** Write thank you letters to every donor!
- **Good for:** Schools with little advance money and little experience. Requires a strong writer to compose the letter.
- **Suggestion:** To increase donor response, PS 166 Manhattan suggests having a pledge drive for specific programs instead of a general pledge drive.

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## 2. Talent Show

- **What to do:** Organize the students to perform a talent show in the school auditorium. Ask performing arts/drama teacher to help, if there is one available. Get students on the organizing committee to recruit other students to participate.
- **Resources needed:** Student participation, auditorium/performance space, microphone and sound system, committee to organize, volunteers to sell tickets, volunteers to promote and publicize to school community.
- **Remember to:** Sell refreshments at the show, ask local businesses to donate soda and snacks or have students/parents bake goods to sell.
- **Good for:** Schools wanting to involve students and parents.

## 3. Saturday Flea Market

- **What to do:** Have the school community donate items to sell in the school gym or school yard on a Saturday.
- **Resources needed:** Publicity, right to use school rooms on the weekend, collection bin, volunteers to set up tables, price and sell items.
- **Remember to:** Ask local businesses to donate items they no longer need. Sell refreshments at the event.
- **Good for:** Schools with a solid organizing committee and lots of volunteers to help promote the event, collect and organize donations and work the day of the flea market.

## 4. Student Art Show

- **What to do:** Invite parents and community members to see and admire student artwork created specifically for the show and displayed throughout the school. Charge a small admission at the door or set up a pledge table at the entrance; to sell the artwork and/or refreshments.
- **Resources needed:** Student artwork, space to display the work, easels, display case, tables/ability to fasten artwork to the wall, volunteers to set up and break down, and collect admission/pledges.
- **Remember to:** Get permission to use space; work closely with the art teachers to gain their help.
- **Good for:** Schools with little fundraising experience; schools trying to raise money for arts programs; schools trying to bring the parents into the school.
- **Suggestion:** Consider using a student art show to raise money for art programs. Similar themes can be an academic, math or science fair.

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## 5. Theme Bake Sales

- **What to do:** Customize bake sales to coincide with holiday themes (Christmas, Easter, Thanksgiving). Bake sales can be held at school or local community events.
- **Resources needed:** Volunteers to bake, volunteers to sell, promotion, a table to display baked goods. If doing a Cookie Swap (see Suggestion), tins to hold cookies, scales to weigh them, the use of the school gym and a series of tables.
- **Remember to:** Be holiday-specific! Hold the bake sale a few days before Thanksgiving and sell pumpkin pies. Sell “patriotic” baked goods and beverages near voting booths on election day. Sell muffins before school and desserts for after school/at evening events.
- **Good for:** Schools with little fundraising experience and little money, schools that involve students and parents.
- **Suggestions:**
  1. A variation on this theme is a **Cookie Swap**, where people donate a variety of cookies. Buyers then fill a tin with various types of cookies and pay by weight. In this way, families have a nice cookie spread for the holidays without having to bake all the different types of cookies themselves.
  2. Another variation was contributed by **PS 236 in Brooklyn**. They suggest selling baked pretzels a few times a week in the school cafeteria. Pretzels are a Department of Education-approved item and can be sold for \$1.00, while the vendor charges only \$0.25. The vendor even supplies PS 236 with the mustard, napkins and warmers. It is an easy way for the school to make money.

## 6. Read-a-Thon

- **What to do:** Have students ask their family and friends to donate money for every minute (or 10 minutes or half hour, etc) a student can read on a Saturday. Gather the students in the school library/gym/classroom, record their reading time and collect the pledges.
- **Resources needed:** Students who will read for a time period, books, pledge forms, the use of a school room, a few volunteers to coordinate.
- **Remember:** Department of Education policy prohibits students from going door-to-door to fundraise for their schools, so they cannot ask for pledges in that manner.
- **Good for:** Schools with few resources, schools trying to raise money for books or the library.
- **Suggestion:** Students can read to an adults, adults can read to children or students could read to one another.

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## 7. Halloween Festival/Indoor Street Fair

- **What to do:** Organize an indoor Halloween Festival with games, a haunted house, pumpkin painting, costume contest, music and food. Have volunteers and attendees dress up. Charge admission at the door or sell tickets for games and haunted house. Ask people to donate Halloween treats to sell.
  - Turn a classroom or hallway into a haunted house with decorations from the party store and black cloth/paper.
  - Decorate trick or treat bags.
  - Have a dance with a DJ in the school gym and activities in the hallways such as face painting.
- **Resources needed:** A lot of volunteers, Halloween decorations, games (such as bean bag toss), space in the school, volunteer or paid DJ, donated food, pumpkins and paint. Ask parent and school volunteers to see what artistic talents they can contribute for the festival.
- **Remember to:** Start planning well ahead of time. This event requires a lot of volunteers who should be organized into subcommittees: games, promotion, security/tickets, decorations, supplies, food, etc.
- **Good for:** Schools with a strong parent base to get involved and schools with advance money for supplies and decorations before holding the event.
- **Suggestions:** One school suggested having each class create a carnival game to contribute to the festival. Check this site for more Halloween game ideas: [www.gamekids.com/hallow1.html](http://www.gamekids.com/hallow1.html)

## 8. Spring Auction

- **What to do:** Have local merchants, parents and community members donate goods and services for auction in the school gym. Consider having a restaurant donate dinner and charge a fee at the door, or sell tickets for sellers to have a table at the auction.
- **Resources needed:** School gym, tables, volunteers, donations from local businesses, microphone. If dinner is served, donated food, plates, utensils, beverages. If a raffle, raffle tickets and volunteers to sell tickets.
- **Remember:** Pick a theme and make the event a fun, decorative one.
- **Good for:** Schools with a strong local business community, schools wanting to involve the whole family.
- **Examples:**
  1. PS 261 suggests combining the auction with a raffle. Tickets are sold before the event, with the drawing held the night of the auction (NOTE: raffle tickets cannot be sold to students). Put prize coupons inside balloons and sell them for \$10.
  2. PS 166M suggests having classes create special one-of-a-kind items on which to bid. The auction is usually a parents-only event. To encourage higher attendance, provide babysitting at the event.

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## 9. Family Fun Night

- **What to do:** PS 158 in Queens suggests hiring a magician and putting on a show at the school. Sell tickets to the event, sell hot dogs and soda in the cafeteria. Decorate with balloons. Parents volunteer their time to work the door and the concession stand.
- **Resources needed:** School auditorium and cafeteria, volunteers, tickets, donated/reduced price food, magician.
- **Remember to:** Ask the school community to donate items (such as books, movies or games) and package them into baskets to raffle off during intermission.
- **Good for:** Schools with some advance money to hire the magician, schools looking to have a family event.

### Additional Resources

An excellent resource for describing and planning school fundraising events is *Beyond the Bake Sale, the Ultimate School Fund Raising Book* by NYC public school parent Jean Joachim. The book includes ideas for school events, how to run them, timelines and innovations from school fundraisers nationwide.

### **Recommended Best Practice**

#### *Event Specifics*

*Once the broader issues of the event have been addressed, the Events Committee should decide on more specific details, including:*

1. **Duration:** *A breakfast event should last 60 minutes, a cocktail reception should last 90 minutes and a dinner should last about two hours.*
2. **Invitation:** *The invitation should state what the event is supporting and include the date, time and place, ticket price (noting the allowed tax deduction), attire, hosts/sponsors and the contact name and number for questions.*
3. **Timing:** *Invitations should be mailed about six weeks before an event and printing takes at minimum one week. Try to get a local printer to donate the printing in exchange for a note of thanks in the invitation and/or program.*
4. **Reply card.** *The reply card should include the date, time and place of the event; levels of giving; space to make a contribution if the addressee cannot attend; space for the attendee's name, address, telephone number and e-mail; and tax deduction allowances. Remember to include a stamped self-addressed envelope for the reply card.*
5. **Program.** *Every event should have a program so attendees know what to expect. Include the school history and vision, children's artwork, acknowledgement to high level donors (top two or three giving levels), auction/raffle donors, in-kind donors and event agenda including times.*

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## Fundraising Event Comparison Chart

Following are some of the pros, cons and tips to implement an event successfully.

Goals	Pros	Cons	Suggestions
<b>House Parties (Leader: Board)</b>			
<ul style="list-style-type: none"> <li>• Build list of friends</li> <li>• Find local supporters for funds and volunteers</li> </ul>	<ul style="list-style-type: none"> <li>• Introduces school to board family and friends</li> <li>• No cost to school as host pays</li> <li>• Low investment</li> </ul>	<ul style="list-style-type: none"> <li>• Not likely to generate large donations</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare handouts and information on fundraising needs</li> <li>• Let donors pledge or donate on the spot but also take away information</li> </ul>
<b>Major Events – Dinner, Concert, Performance (Leader: Board and Parents)</b>			
<ul style="list-style-type: none"> <li>• Build towards a major annual event, which may generate significant funds over time</li> </ul>	<ul style="list-style-type: none"> <li>• Generates good feelings about the school</li> <li>• Ticket fee plus silent or live auction, 50/50 raffle (needs a license)</li> <li>• Opportunity for corporate sponsors</li> </ul>	<ul style="list-style-type: none"> <li>• Can be a FriendRaiser and a FundRaiser</li> <li>• A lot of work for the amount of cash raised</li> <li>• Needs cash in advance to pay for location, caterer, printer, postage, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Volunteers can contribute food, location, auction items, printing, etc.</li> <li>• For silent auctions, set prices that the audience can afford</li> </ul>
<b>Cultivation Event (Leader: Board and Staff)</b>			
<ul style="list-style-type: none"> <li>• Donations or pledges expected from many attendees within a reasonable time</li> </ul>	<ul style="list-style-type: none"> <li>• Gives prospects a chance to see school in-depth</li> <li>• Gives people a “feel-good” opportunity</li> </ul>	<ul style="list-style-type: none"> <li>• Takes careful planning and an exact script</li> </ul>	<ul style="list-style-type: none"> <li>• Similar to house party but with identified good prospects</li> <li>• Showcases students and their achievements</li> </ul>
<b>Bake Sales, Art Sales, Walk-a-Thons (Leader: Board, Parents and Volunteers)</b>			
<ul style="list-style-type: none"> <li>• Fees or sales received at the time of the event</li> </ul>	<ul style="list-style-type: none"> <li>• Engages more people, including parents and students</li> </ul>	<ul style="list-style-type: none"> <li>• People-intensive but can be led by volunteers</li> </ul>	<ul style="list-style-type: none"> <li>• Don’t under price - be sure to make enough money</li> <li>• If it works, make it an annual activity-build a reputation</li> </ul>

**Source:** *Charter School Founders’ Manual*, New Jersey Charter School Resource Center.

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## C. Product Sales

Another way for schools to raise money is by selling products such as magazines, candy, food, gifts, wrapping paper, flowers, candles, household and specialty items to the school and local community. Profits can average 40%-55%.

Reputable fundraising companies, such as Tracey Hamilton, often include free catalogues and collection envelopes, free shipping on minimum size orders and a free “fundraiser reconciliation report” of total sales, net profits and top sellers. For more information, visit [www.fundraisingzone.com/fund-raising/charter-school-fund-raising.htm](http://www.fundraisingzone.com/fund-raising/charter-school-fund-raising.htm).

Product sales are best for schools with students who can sell to family and friends with the resources to purchase items. Few adult volunteers are needed and it requires less initial outlay than a fundraising event. Expect about six months of lead time before receiving any profit.

Consider the following before beginning a product sales fundraising campaign:

### 1. Choose a Product to Sell

Consider the school population, the time of year and the needs of the students.

### 2. Timing

Sell wrapping paper in the early fall to ensure that it arrives before the holidays, or candy in January for Valentine’s Day.

### 3. Outreach to Parents and Students

Promote the sale to the school community. Make it easy for people to both buy and sell the product by providing ordering deadlines, contacts, payment methods and delivery dates.

### 4. Management and Distribution

Appoint a committee to handle all orders, money and inventory and staff a location for easy pick up. Prepare orders ahead of time so the pick up line moves quickly.

### **Recommended Best Practice**

*Open a School Store*

*The following recommendation comes from PS 236 in Brooklyn:*

- **Elementary School:** *The school store is a cart wheeled into the cafeteria twice a week selling school supplies such as pens, pencils, folders, notebooks, rulers and crayons.*
- **Junior and High School:** *Use a room (if one is available) so that the store can be more permanent. In addition to school supplies, the school store could sell school t-shirts and sweat shirts, greeting cards or other small items.*

*For more information on this idea, contact Parent Coordinator Antoinette LaBella at [ParentCoord236@aol.com](mailto:ParentCoord236@aol.com).*

### **Resources for Product Sales**

Organizing product sale fundraisers can be a daunting task, but the resources listed below can walk you through the process:

- [www.gsp.com](http://www.gsp.com): Helps schools determine what to sell and how to go about the process.
- [www.school-fundraisers.com](http://www.school-fundraisers.com): Offers a toll free number to talk to a fundraising consultant.
- [www.cherrydale.com](http://www.cherrydale.com): Has an easy internet form to fill out for more information.

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## D. Corporate Proceeds

Often, local businesses will donate a percentage of their proceeds for a specific period to a school in their community. Corporate proceeds are a good fundraising option for your school if:

- You are trying to involve the local business community in your school
- Someone in your school community has a connection to a local business
- You have the ability and mechanisms to promote a program
- Your school community wants to help raise money for the school, but does not have a lot of time to volunteer

Holding a **School Night** at a local restaurant or retailer is a great way to raise funds for the school. Basically the merchant agrees to donate to the school an agreed-upon percentage of sales for a specific night or time period.

- **What to do:** Arrange with time, date and percentage of donated sales proceeds with the manager at a local store/restaurant. Promote the store and the event to get people to come out and buy something that night. Ask the store to have posters, balloons or volunteers from the school there to encourage sales.
- **Resources needed:** A few volunteers to approach the business and arrange promotion, and be there on the school night to encourage people to participate; supplies such as posters and balloons to put in the store if the store agrees.
- **Remember to:** Sign an agreement with the store to verify what percentage of sales on what night your school will be receiving. Send a thank you note to the store manager and employees for their participation, and be loyal to that store.
- **Good for:** Schools with few volunteers, good connections to a particular retailer, or someone comfortable approaching and selling store managers on the idea.
- **Suggestion:** If the event is successful, suggest having “School Night” once a month, or every six months.
- **Examples:**
  1. Each month, PS/MS 207 in Queens receives 20% of the total sales for orders placed between 4pm and 8pm at the local Burger King. The Parent’s Association hosts this fundraiser every month and students draw posters that are placed in the restaurant to promote sales.
  2. Pizzeria Uno provides MS 245 with vouchers to give to the students’ families, and 20% of purchases made with the vouchers are donated to the school. There is a website and materials explaining this program. Approximately 70 families participated from MS 245.

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## Additional Resources

The following websites provide ideas and programs for having a percentage of sales donated to your school on a long term basis:

- **Scrip:**  
This national fundraising program lets schools, teams or parent associations buy gift certificates to local stores at a discounted price (5%-10% off) and then sell them to the community at face value. This program is a popular with donors—they still shop at their usual stores but are now helping the school earn money. [www.scrip.com](http://www.scrip.com) and [www.scripadvantage.com](http://www.scripadvantage.com).
- **General Mills Boxtops:**  
Schools collect the box tops of General Mills products from students, parents and teachers, send them to General Mills and receive 10 cents per box top. Put a box in the school hallway or have teachers collect box tops from students to send in bulk. Schools can enroll in the program by calling 1-888-799-2444. [www.boxtops4education.com](http://www.boxtops4education.com)
- **Schoolpop.**  
Schools register at the Schoolpop website and then encourage parents and community members to shop at the site. A percentage of the purchase profits are donated back to their school. The Schoolpop site is linked to many popular merchants' sites, so shoppers continue to buy from their regular sources, but now they are also helping the school fundraise. [www.schoolpop.com](http://www.schoolpop.com)
- **Verizon Long Distance Extra Credit**  
Any Verizon Long Distance user can enroll online or call Verizon at 1-877-X-CREDIT and have Verizon donate 5% of the user's bill to the school. *There is no cost to the Verizon user.* Each quarter, a check is sent automatically to the school with all the donations from the school community. [www22.verizon.com/longdistance/extracredit/overview.jsp](http://www22.verizon.com/longdistance/extracredit/overview.jsp)
- **Target School Fundraising Program**  
Schools can sign up to get 1% back on purchases made at Target with a Target Guestcard or Target Visa, and a .5% donation for purchases made anywhere with a Target Visa. [http://target.com/target\\_group/schools/search\\_school.jhtml](http://target.com/target_group/schools/search_school.jhtml)
- **WaMoola for Schools**  
Customers earn points each time they use a Washington Mutual Visa Check card for any purchase. At the end of the year, Washington Mutual donates cash to the school based on the number of points designated by the customer. The school can use the money for anything it needs. The customer pays nothing to enroll or belong to the program and there is no limit on the number of points that can be earned. [www.wamoolaforschools.com](http://www.wamoolaforschools.com)

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## E. In-Kind Donations

As with corporate proceeds, in-kind donations of goods and services by local businesses can be an effective way for your school to raise well-needed funds.

In-kind donations are a good option for your school if someone in the school community is connected to, or willing to ask, local merchants to make the donation.

Be very clear when you ask for the donation—know exactly what you want and how much you need for the event. You do not want to accept donations of products you don't need or can't serve. The more specific you can be in your request, the better.

- **What to do:** Approach local businesses for equipment, supplies, food and beverage donations for school events. Many businesses are happy to give free or discounted products, especially if you offer to promote their generosity at the event. This increases their visibility in the community and hopefully brings them new customers.
- **Resources needed:** Someone to speak to the businesses and organize the donation.
- **Remember to:** Send a thank you note for any donation, no matter how small, that you receive!
- **Good for:** Schools that do not have advance money for events.

## F. School/Business Partnerships

A school/business partnership is characterized by an ongoing commitment between the two parties to work together to improve the school and its achievements. Many businesses in the city are interested in working closely with an individual school to help boost the students' learning, provide access to special programs or services, sponsor events to bolster the school community, or a variety of other activities.

School/Business partnerships should be considered when:

- The principal is interested in developing and managing a sustained business partnership. The principal **must** be willing and able to take an active part in the partnership, devote time to the relationship, and respond to the businesses needs while fostering a partnership that benefits the school.
- The school can define specific needs with which the business can get involved
- Someone in the school community has a business and is interested in getting more involved in the school

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A school/business partnership can take many forms, such as:

- **In-kind contributions:** These usually involve the donation of items such as computers and office or art supplies. Often the contribution can be for specific services, such as after school computer classes for students or school personnel, career/job counseling for students, the use of company facilities, employee gift-matching programs, scholarships, teacher/student recognition awards, guest lecturers, facilities construction and endowment building.
- **Formation of local foundations:** School/business partnerships are often facilitated by tax-exempt, not-for-profit foundations set up by local businesses, community organizations or individuals associated with public schools. These partnerships work to generate revenue from other sources, such as tax-deductible donations from parents or businesses.
- **Selling or leasing of services and facilities:** Some schools can rent excess school space for a community or privately-sponsored event, sell advertising on their school buses, place vending machines on campus, sell billboard space on school buildings or rent roof top space for cellular relay antennas.

Following is a general guideline for a successful school/business partnership:

## 1. Determine How the Business Partner Should Help

The aim of the partnership is to help the school improve student achievement and attain the vision of the school. Therefore, it is crucial that the school guide the activities for any partnership. The school must be able to articulate specific ways that the business can help the school (e.g. a “menu of options” for the business to choose from).

Consider the input of staff, parents and students to widen options for business involvement. Talk with colleagues at other schools who have successfully pursued partnerships; they may have new ideas for you to consider.

Consider the various resources of a business that could be useful to your school, most importantly their volunteers and management expertise. It is recommended that you build the personal relationship through interactive volunteer experiences before asking for money. You are more likely to create a stable and long lasting partnership this way.

## 2. Get to Know Your Business Partner

Ask your business partner about their interest in your school and tell them about your goals and achievements. Take them on a tour of the school. Learn what the business partner wants from the relationship before launching into requests and find projects that are mutually-beneficial. Even if a business does not jump at your first suggestion, don't be discouraged. Keep working to find activities that fulfill the needs of the business and the school.

## 3. Create an action plan

Working within the school's vision, develop clear, realistic and measurable goals for the partnership. Use the resources of each partner and consider opportunities for student, parent and staff input. Create a calendar of events and distribute to both partners. Determine who will take the lead on organizing each event and what resources are involved. Consider opportunities to publicize events and the partnership.

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## 4. Implement Partnership Activities

Involve employees, students, parents and staff in the implementation of partnership activities. The more people are actively engaged, the more solid the partnership will become. Consider having a partnership “kick off ceremony” to make the school and business community aware of the newly forged bond.

## 5. Follow-up Constantly

After every partnership activity, the school and business should get together and debrief. Discuss what was successful and what can be improved for the next activity. Was everyone involved? Did it reach the students? Did it help to reach a previously stated goal? Is it helping each partner meet their needs? Let everyone provide input. Be sure to thank the volunteers who participated, as appreciation is extremely important.

## 6. Evaluate the Partnership Annually

At the end of the school year, determine if the goals set at the outset of the partnership have been met. Have an honest discussion about the overall partnership and whether or not it is working for both partners. If both sides feel positive on the relationship, make a preliminary plan for the following year and set a time to meet to create a new action plan.

## 7. Celebrate Your Success and Thank Your Partner

It is important to celebrate the partnership and recognize the good work that both the school and the business have done. Share your success with the entire school community and show appreciation for everyone’s contributions.

Write about your partnership in the school newsletter, website, letters to parents and local community newspapers. Ask to include something in the businesses’ communications.

## How to Recruit a Business Partner

The following section is adapted from the School to Work Alliance workbook entitled *Effective School-Business Partnerships and Advisory Councils*.

Schools have limited time to recruit business partners, and therefore must make an efficient and targeted effort. The three main steps are to 1) identify potential partners; 2) articulate your educational goals and how a partner can help and 3) approach the partner. Following is a detailed description of these steps:

### 1. Identify potential partners

The recruitment process is easiest if you can establish a team. Bring together interested staff and parents and work together throughout the recruitment process, and if possible, into the partnership.

- *Work with a partner who knows someone at the school.* Ask school staff and board members for contacts that could lead to partnerships. Include programs such as Junior Achievement, mentoring programs and contacts made through Principal for a Day.

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- *Consider people who have something in common with your school.* Are there any special programs that might draw in a partner? Consider alumni or parents who have connections to businesses. Contact the local Chamber of Commerce or Business Improvement District for a list of businesses that might want to work with you.
- *Brainstorm potential partners, preferably with a team.* Having input from staff, parents and students will increase your pool of possibilities.
- *Gather information about potential partners.* Ask about their community involvement to see if they are a good match for your school. Do you know someone in the business that could help get your foot in the door? Remember that many of the businesses you approach may turn you down. If you are looking for 3 partnerships, you should approach at least 10 businesses.

## 2. Explain How a Business Partner Can Help

To successfully market your school to your list of potential partners, create a message about your school and its goals that is short, persuasive and informative.

- *Businesses often want to be involved, but do not know how.* You need to tell them how their involvement can help you achieve your goals. Write out a short (one page) document that describes how a business can contribute. The business representative can mail or hand out the document in meetings with colleagues.
- *Do not create a shopping list.* Businesses want to respond in a meaningful way and know what specific needs their contribution will help attain.
- *Be concise.* While businesses want to help, they do not have the time to review a school's CEP or other longer documents. You need to spell it out neatly and succinctly for a business partner.
- *Gather other materials about your school.* A school brochure or one page description of your school with relevant information work well. Both pieces should include your school's programs, demographics and accomplishments. They don't have to be expensive or professionally produced, but should be clear, concise and well written.

## 3. Approach the Partner

Now that you have a list of potential partners and materials that clearly articulate your school needs, it is time to sell your school.

- *Mail your information to the proper person.* Typically this is the director of community affairs or human resources. For small businesses, ask for the manager of owner. Keep a record of who you sent the letters to and when you sent them.
- *Follow up every letter with a phone call **within seven days of the mailing**.* If possible, call people in the business with whom you have a mutual acquaintance and mention them by name. Have your acquaintance make the introduction before calling.
- *When you call, be very clear about your reason for calling.* Consider writing out a script that succinctly describes what the school is asking for. Refer to the letter that was sent and have the materials you sent in front of you for reference.

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- *Use a team approach for the follow-up phone calls.* Make sure everyone on the team knows what they are asking for and refers the school's mutual acquaintance of the business when calling.
- *Establish a next step for all interested partners.* Before completing the call, be clear about when and what the next action will be. Take down all contact information and determine who will call who, on what date and time, and when you will meet.
- *Keep records of your calls.* Write down what day and time you called and with whom you spoke. Write down what you said you would do and when the next contact will be. This file should be accessible by all people working on building the partnership.

***Recommended Best Practice:***

*Sample School/Business Partner First Meeting Agenda*

- I. Introduction***
- II. Both partners present their interest in the partnership***
- III. School presents facts, needs and goals***
  - a. School demographics*
  - b. School improvement goals*
  - c. Identification of greatest needs*
  - d. Outline of goals for partnership*
- IV. Business presents facts, needs and goals***
  - a. Description of business*
  - b. Number of staff members*
  - c. Products/services provided*
  - d. Any special activities/programs that might be of interest to the school*
  - e. Needs for the partnership*
  - f. Possible goals for the partnership*
  - g. Time and staff available for partnership activities*
- V. Brainstorm goals and ideas for partnership activities***
- VI. Timeline for next steps and key contacts***

***At the next meeting:*** Establish an action plan for the first partnership activity.

***Note:*** Give the business partner a tour of the school. They will appreciate seeing what the school looks like and how the students behave. They are there to help, so make the students a part of the partnership from the very beginning.

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## Sample Partner Activities – Elementary Schools

### Academic Assistance

- Tutoring
- Mentoring
- Recognize student achievement – provide prizes for perfect attendance, grade improvement, etc.
- Academic contests (essays, spelling, art)
- Reading programs (read aloud days)
- Serve as judges in school fairs and activities
- Field trips to business offices

### Events

- Plan fundraising events in coordination with school leaders
- Institute an employee giving program
- Holiday parties
- Book drives
- Sponsor school beautification projects
- Be a guest speaker
- Print school newspaper or other publications
- Sponsor recognition events for top students and/or teachers

### Professional Development

- Offer educational resources for teachers and program
- Provide professional development sessions for teachers and administrators in topics such as accounting, management, etc.
- Mentor a principal on a regular basis
- Provide consulting services: marketing, public relations, computer for school
- Help teachers and administrators assess needs, set goals and develop strategic plans
- Help school appeal for and receive community support
- Advise and/or join the school leadership team
- Be a Principal for a Day

### Community Outreach

- Encourage and share best practices with other corporations to get them involved in the schools
- Encourage parents to volunteer
- Work with local Business Improvement District on projects to support the school
- Help the school appeal for and receive community support
- Build pride through local promotional initiatives

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## Sample Partner Activities – High Schools

### Career Development

- Guest speakers at school
- Career workshops for students
- Work site placements
- Job shadowing
- Field trip to your offices
- Internships
- Mock interviews
- Career day
- Job application training

### Academic Assistance

- Tutoring
- Mentoring
- Teach a specialized course (art, drama, dance, web design, etc)
- Mock trials
- Expose students to specific careers, technology, not found in school
- Recognize student achievement – provide prizes for perfect attendance, etc.
- Provide grants for students for higher education or school supplies

### Professional Development

- Provide professional development sessions for teachers and administrators in topics such as accounting, management, etc.
- Mentor a principal on a regular basis
- Provide consulting services for the school: marketing, PR, computers
- Help schools develop fundraising objectives and plans
- Help teachers and administrators assess needs, set goals and develop strategic plans
- Advise and/or join the school leadership team
- Be a Principal for a Day

### College Prep

- SAT/Regents tutoring
- Application process assistance
- Writing application essay
- Creating a portfolio
- Financial aid application assistance
- Communication/interview skills

### Skills Training

- Computer training (Word, PowerPoint, Excel, web design, HTML, publishing)
- Financial literacy classes (saving, budgeting, balancing a checkbook, planning for the future, credit cards)

### Events

- Plan fundraising events in coordination with school leaders
- Institute an employee giving program
- Be a guest speaker for assemblies or staff meetings
- Serve as a judge for science fair, debate or other school competition
- Sponsor school beautification projects
- Print school newspaper or other publications
- Sponsor recognition events for top students and/or teachers

### Community Outreach

- Share best practices with other corporations to get them involved in the schools
- Encourage parents to volunteer
- Work with local Business Improvement District on projects to support the school
- Help the school appeal for and receive community support
- Build pride through local promotional initiatives

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## Resources for School/Business Partnerships

These programs can help you find a potential business partner.

- **Adopt a School**

The **Adopt a School** program, operated by The Fund for Public Schools and PENCIL, matches interested business partners with schools identified by the Regional Superintendents as being schools in need. To register your school in the program, go to [www.nycenet.edu/fundforpublicschools/adoptaschool/default.htm](http://www.nycenet.edu/fundforpublicschools/adoptaschool/default.htm).

- **Principal for a Day**

Principal for a Day is a catalyst for developing ongoing partnerships between the private sector and schools. Each spring, more than 1,200 private sector leaders throughout the tri-state area experience a day in the life of a New York City principal.

Principals can use the day to articulate school needs clearly, engage potential business partners in the school and help turn the Principal for a Day experience into a more long term business partnership.

Principal for a Day is the flagship program of PENCIL, an organization dedicated to creating school-business partnerships. Go to <http://www.pencil.org> to apply for the program.

## G. Community-Based Partnerships:

In addition to local businesses, charter schools often form partnership with local community-based organizations, such as senior citizen groups and booster clubs, to help develop fundraising strategies, network with local businesses and coordinate services such as concession stands, coaching, transportation, uniforms or equipment. In addition community members and parents to volunteer in school libraries and cafeterias, help with clerical work or teach in classrooms.

Some charter schools share operational, instructional and program costs with other government agencies that provide social services to the school's students or their families, such as grounds maintenance, use of buildings and transportation vehicles.

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## H. Direct Mail Campaigns: The Annual Appeal Letter

The Annual Appeal Letter is a form of direct mail fundraising where you personally solicit a large number of individuals for financial support, usually for donations of \$100 or less. An Annual Appeal Letter lets you get your message, literally, into the hands of anyone for whom you have an address, and *you* control the message. At a fraction of the cost of advertising, the Annual Appeal Letter is an essential part of any fundraiser’s arsenal

Advantages	Disadvantages
<ul style="list-style-type: none"><li>• Can target people who know the school and/or are in the area.</li><li>• Tangible and tactile – the prospects holds it in their hands and reads it at their leisure.</li><li>• Identifies potential larger donors—people who give once will likely give again.</li><li>• Produces measurable results.</li><li>• Generates a “typical” donor profile.</li><li>• People who don’t respond are at least made aware of the school.</li></ul>	<ul style="list-style-type: none"><li>• Requires a significant investment before reaping any rewards.</li><li>• Must pay for printing, postage, writing, design, stuffing and perhaps a prospective donor list.</li><li>• Indirect cost for salaried staff to prepare and coordinate mailings, if not done by volunteers.</li><li>• Can be risky, especially for first-time campaigns where it’s hard to gauge proper response.</li></ul>

To whom you send your Annual Appeal Letter is vitally important. In direct mail lingo, a “house list” is comprised of individuals who have some previously established relationship with your organization and make the best potential donors. These can be people who attend your events or call/write for more information about your school.

On average, two-thirds of donors who have given before will, if asked, renew their support. People on your house list who are not donors—vendors, volunteers, alumni—should be asked to give at least once a year. Remember, it’s more expensive to approach “untested” individuals for money.

### Determining a Campaign’s Effectiveness

The number of letters mailed relative to the number of contributions received is called the *response rate*—the most important variable in direct mail fundraising. A response rate of 0.5 to 1 percent is considered good for first-time mailings to people who haven’t given before.

To determine the effectiveness of your mailing, you must know how much it cost to generate each response. Divide the total cost of the mailings by the number of positive responses received. For example:

- If it costs \$500 to mail 1,000 letters and generates 10 responses, the cost per response is \$50 ( $\$500 \div 10$ ). You’ve created 10 new donors at zero cost, but also zero profit.
- However, if those 10 donors give only \$35, then you’ve gained 10 new donors with no profit and a loss of \$150.

While both examples appear unsuccessful at first, in reality it is a successful investment in the school’s future. You now have 10 new people to ask for extra gifts, invite to special events and become renewable or large sum donors.

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## **Recommended Best Practice:**

### *10 Quick and Easy Steps for An Effective Annual Appeal Letter*

#### **1. Thank before asking**

If you are mailing to past donors, be sure to acknowledge their past support before launching into a request for more money.

#### **2. Ask early**

Be sure that your mission and “the ask” are clearly stated in the opening paragraph as this is read more closely than the rest of the letter. You can always elaborate on your mission and the impact of the gift in later paragraphs.

#### **3. Ask for a specific amount**

Donors like benchmarks. Insert an ask amount that is appropriate for that donor or include a donation range, which is particularly effective with lower-end contributors. If you are writing to a past donor, ask for a higher amount, but be careful not to say “*Last year, you gave \$100. Will you consider an increase to \$250?*” as the donor will remember the \$100 they gave previously and not the \$250 you are hoping to get.

#### **4. Keep the letter to one-page**

People usually don’t have the time, patience or desire to read more than one page in a solicitation letter. Keep the text substantive and delete any extraneous sentences. Remember—you don’t have to say everything in the letter. Include a simple brochure, newsletter or compelling photographs to substantiate your letter’s message.

#### **5. Tell the prospective donor what their gift (or past support) will do**

Be as specific as possible and include facts such “*Every \$100 donation purchases XXX books for the school library.*” Use bullet points and bold type to effectively convey your message. Or tell a compelling story of how one child was helped by the funds donated.

#### **6. Take advantage of the P.S.**

Research shows that people read the first paragraph and the P.S. most closely and skim the rest of the letter. Use the post-script to emphasize a specific point, such as reminding people to take advantage of matching company gifts or to give you the names of others who might be interested in supporting the school.

A personal, hand-written P.S. is most effective. You can also make a typed P.S. appear hand-written by using blue color ink and certain cursive-style “script” fonts found in most desktop publishing software.

### **7. Personalize the letter**

Use a personal salutation such as “Dear Jim,” as most “Dear Friend” and “Dear Mr. Jones” letters get tossed as junk mail. Ask board or staff members to hand-write personal messages on the letter.

If possible, write the name of a board member or the executive director in blue pen above the return address on the outer envelope to ensure the letter gets opened. Mark the reply envelope to the attention of a board member or the executive director. The donor will think the donation is going directly to that person and will be more likely to reply.

### **8. Include a stamped, self-addressed envelope**

Do anything to make it easy for the donor to contribute. For example, a SASE seems obvious, but it is often overlooked. Also, make sure that your reply device has information such check payable information and which credit cards are accepted. Also include contact information in case donors have questions.

### **9. Use stamps on the outer envelope**

While more costly than bulk rate, stamps get mail opened more often than metered mail. If stamps are too expensive, use them only for your high-end solicitation letters and send the rest pre-sorted first class or third class mail. Remember that unusual shapes and weight will increase postage costs, so weigh a sample solicitation package (including reply card and envelope, brochure and any other inclusions) at the post office **before** printing your material.

### **10. Time your solicitation**

The ideal mailing months are September through December while the worst months to solicit are August, January and mid-April. Take advantage of the support that your other mailed pieces (e.g. newsletters, school updates) can give to your solicitation, but be careful not to bombard donors with too much mail.

Once a donor has made an annual gift, don't solicit them again until the next year, but do keep after past donors who don't respond to your first appeal. Try to space these clean-up mailing 3-4 months apart.

*Source: Robin Hood Foundation*

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## How to Organize a Direct Mail Campaign

Direct mail shouldn't be a single event but a sustained effort throughout the year to ensure your school is presented to potential donors on a regular basis. Often, the more times you mail to a list of supporters, the more you will ultimately raise. Aim for two to three times a year.

Donors you acquire through direct mail become possible candidates for major contributions or participants in special events or volunteers. The following steps outline the procedures for organizing a direct mail campaign.

### 1. Create a List to Identify Prospective Supports

Candidates for your first direct mail appeal should be those with whom you have already established some contact. If this list is small, you might consider adding to your list:

- Ask your principal supporters for ten new names and addresses, such as friends, co-workers, relatives, business associates, vendors and neighbors.
- Rent existing lists of donors from groups with similar constituencies. The average contributors list ranges in price from \$45 to \$150 per 1,000 names, with a minimal rental of 2,000 names.
- Swap or borrow lists for other schools and community organizations in your area. Bear in mind that some groups may be protective of their mailing lists and refuse to exchange or sell this information.
- Make use of free publicity in your community, such as public service announcements on radio, web sites, notices in local newsletters and press releases in local media. Gather the contact data from any interested individuals.

### 2. Develop the Direct Mail Piece

Your direct mail "package" should consist of:

- An outside envelope which can include a "teaser" slogan, quotation or call to action to compel readers to open the envelope and read what's inside.
- The letter, which can range from one to six pages. Most frequently used is one or two 8.5" x 11" sheet printed both sides.
- Reply card with areas to fill in the donor's information, payment method and gift. List 4 or 5 levels of giving, including "Other." Add prestigious-sounding names to each category level, such as "patron" or "benefactor" to stimulate higher donations.
- Return envelope for the reply card, addressed to your school. Providing a prepaid postage imprint can be costly, but is a courtesy for responding donors.
- Your piece can also be a self-mailer – a flyer with a coupon or perforated postcard that donors tear off and send back.
- You can include other items in your mailing, such as a brochure, newsletter, note from the principal or photographs, but these will add to the cost of your mailing.

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### 3. Write the Copy

Your direct mail letter must give compelling reasons why recipients should support your school and explain how the money will be used. The letter must be easy to read and not too wordy. And it must offer something to the reader, even if it's intangible (i.e., the chance to help an inner city child go to college or reach their full academic potential.)

- Set a tone for the copy and make sure it is used consistently throughout the piece.
- Mention the minimum gift amount in the letter to encourage at least that level of gift. Generally, people will contribute the amount you request.
- Set an overall financial goal in the letter: *"We need to raise \$2,500 to continue our after-school computer program for the coming school year. If 100 people each give \$25, we'll meet our goal."*
- Tell the reader exactly what a specific donation amount makes possible. *"Your \$25 contribution enables us to provide a student one month of computer training."* The more a donor can visualize the connection between their check and helping someone, the more likely they will contribute or increase their gift.
- If possible, thank a donor for their past gift, stating the amount and date of the contribution. Describing in the letter that the person's contribution, together with the gifts of others, has made possible can make the donor feel that they've made a difference, regardless of the size of the gift.
- There's nothing wrong with asking for more money, just be sure to justify the request.
- Personalize the letter with the recipient's name in the salutation. Handwrite a personal message for large donors.

### 4. Design the Piece

Some schools just send the letter on school letterhead; others will hire (or get pro bono) a designer to create the piece.

- When using photos, include "real" shots of the school's students rather than stock photographs of smiling anonymous people. Readers can tell the difference.
- Show your students in action—reading, responding in class, at the computer, etc.
- Use your logo or parts of your letterhead for the artwork to present a consistent and appealing graphic image.

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## 5. Arrange Printing and Mailing

Before deciding what to include in your piece, check postal regulations for minimum and maximum size and weight for bulk and first-class mailings.

- Most commonly used is the No. 10-sized envelope.
- Obtain at least three bids from local printers before deciding. Make sure bids are on the identical specifications (i.e., 4-color printing and perforations) and include a paper sample. Determine if costs include folding and delivery.
- Plan a volunteer night to stuff your mailing and bundle it appropriately by zip code for the post office. Consult your local post office or visit [www.usps.com](http://www.usps.com) for details on bulk rate permits and labels
- For mailings in excess of 5,000 pieces, it's more effective to have a letter shop affix the labels, stuff envelopes and bundle them for the post office unless you have a very large volunteer staff to do it.
- Ask a board member with connections to a printer to donate their services pro bono or at no-markup.

## 6. Monitor Returns

All contributions should be acknowledged with a personalized thank-you note within a day or two of receipt. This acknowledgement builds goodwill and provides the donor a receipt for their tax-deductible contribution.

- The thank-you note can be brief and specify the donation amount. Note that the IRS requires you to acknowledge any contribution over \$250 and to specify if any goods or services were received for the gift.
- Contributions will start to come in about one week after the mailing. Be sure you have sufficient staff or volunteers on-hand to open envelopes and record contributions.
- Tabulate the number of responses and dollar amounts so that the response rate and the average gift can be calculated.

## 7. Assess Results

Analyze the success or failure of the campaign in terms of total responses, total dollars earned, average gift and dollars earned vs. dollars spent. Generate weekly report summaries to keep apprised of the campaign's effectiveness.

- First-time mailings can be considered a success if income equals expenses, as you have gained a number of donors who might respond again to your requests.
- Break-even or profitable first-time mailings should encourage you to repeat the campaign.
- If expenses exceeded income by a wide margin (more than 30%), you may want to reassess whether direct mail is good for your fundraising efforts, unless you can isolate the reasons that the mailing failed and correct them in your next campaign.
- Remember, your mailing might fail due to bad timing, high costs or wrongly-targeted lists.

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## 8. Plan Your Next Mailing

Don't wait a year for your next mailing. Deciding when to mail again is your next task.

- Plan a fixed mailing schedule of 3 to 4 mailings per year.
- Determining your average gift, response rate and profitability provide the data needed to decide when to schedule your next mailing.
- Keep in mind the seasonality of the school year. In other words, don't send out a mailing in September for funds you'll need to before the school year begins.
- Typical best times to do a direct mail campaign include:
  - January 1 to February 1 (Post-Holiday Appeal)
  - March 1 to March 31 (Spring Appeal)
  - September 1 to October 15 (Post Labor Day Season)
  - November 7 to November 21 (Year-End Holiday Season)

### **Recommended Best Practice**

#### *Unit of Service Costing*

*In fundraising, a Unit-of-Service is a way of ascribing a typically small dollar amount needed to provide a service or program, typically on an individual basis. It can be an effective way to solicit funds from donors in low to middle income communities.*

*For example, if a school wants to buy 50 computers to be used by 250 students, simply multiply the cost of the computer (\$300) by the number of computers needed (50) and divide by the number of students served.*

$$50 \times \$300 = \$15,000 \div 250 = \$60 \text{ Unit of Service}$$

*A direct mail appeal could be sent to potential donors, asking for contributions of \$60:*

*"Your gift of \$60 allows us to provide after-school computer training to one student for the year, providing them the usable skills required in today's technology-driven economy."*

*A similar approach would be to list different contribution levels:*

*"Dear Donor:*

*We are conducting our annual campaign effort to provide after school computer training for our students. Here is the impact you can make with your contribution:*

- *A gift of \$60 can provide one student computer lessons for the year.*
- *A monthly pledge of \$30 (\$360 for the year) enables us to assist six children per year.*
- *An outright gift of \$1,000 will enable us to help an entire classroom."*

**NOTE:** Much of the information for this direct mail section comes from *Securing Your Organization's Future* by Michael Seltzer and The Foundation Center.

### **Recommended Best Practice**

#### *Effective Marketing Materials*

*Marketing materials include business cards, public service announcements, websites, brochures, flyers, direct mail letters, newsletters, advertisements in the local papers and giveaways (pens, key chains, etc.).*

*The charter school's vision, logo and a consistent message should be incorporated in all marketing materials given to prospective parents, donors, board members and the community. The school's logo should be visually linked with the school's mission.*

*Good marketing materials ensure that the school is reaching each target market in the most efficient way possible. For example, brochures given to potential donors should be clear as to why they should support the school. Brochures given to parents for recruitment purposes should reflect the benefits their child will receive by attending the school. The marketing message for these two constituencies is quite different.*

*Effective marketing materials should incorporate the following:*

- *Ensure that all promotional materials have a consistent message, tone and look (i.e., color scheme, logo, fonts, etc.)*
- *Written materials should clearly state the facts and success of the school (e.g. 85% of our students are minority; 95% of our students pass the standardized test with a score of 80% or better).*
- *Information should be in a concise and clear format and not be text-heavy.*
- *Always provide the school's contact information and website address.*
- *When possible, include pictures of the school's students, rather than stock photos.*
- *Make sure the material looks fresh and new, and not dated.*
- *For high-end materials, such as brochures or the school's website, inquire if a local designer will do the work pro bono or at a reduced rate.*

*Source: **Charter School Founders' Manual**, NJ Charter School Resource Center.*

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## I. Phone Solicitations/Phone-a-thons

An annual phone campaign drive is the logical follow-up to direct mail solicitation letters. The keys to a successful phone campaign are preparation, noting the progress of the campaign to-date and the ability to secure gifts paid over six months vs. one-time gift.

- **Make your own gift.** Your contribution will have a direct impact on the level of success you have when contacting prospective donors. If you give generously, so will those you call.
- **Know the facts.** Know key points about the school, such as student population, mission and the range of donors who support the school. The more you know about the school, the better you will be prepared to answer questions. Prepare and use a Case Statement that tells the school's story persuasively. (See following page)
- **Be enthusiastic.** Your positive attitude will come through in your calls and influence those you are soliciting as well as fellow solicitors.
- **Raise your prospect's sights.** Challenge the prospect to make the best gift they can afford. Start high (the amount indicated in the letter would be a good starting point), then work your way down to a level which is agreeable to the prospect.
- **Note the amount raised.** Mention the school's annual campaign goal and how much has been raised thus far. The spirit of generosity from these gifts will have a big impact on those being called at this time.
- **Ask for a commitment payable over six months.** Suggest a six-month payment plan as it is easier for donors to make a pledge than a gift in full immediately. A payment over time encourages a donor to give more. Present the gift in monthly terms (example: \$25 a month for six months) with reminders sent each month with reply envelopes.
- **Try not to settle for a one-time gift.** If a donor says they will send in a check, ask them to consider making a larger gift payable over six months instead, enabling them to make a larger gift than they thought they could possibly afford.

### The Telephone Call

A successful solicitation phone call goes through a series of steps:

#### 1. Introduce yourself.

Start by saying you're a board member/parent/volunteer of the school, and you are volunteering with others for the school's annual campaign.

#### 2. Note the reason for the telephone call.

Explain that you are calling about the school's annual campaign and ask if they have received a letter and a brochure from the school.

#### 3. Explain the purpose of the school's fundraising campaign.

Note the need to provide additional financial support for the educational services offered by the school. Highlight any specific key initiatives that the school is undertaking.

#### 4. Report progress to date.

"Over \$\_\_\_\_\_ has been raised from \_\_\_\_\_ gifts. We have received several significant pledges."

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## 5. Request a commitment.

Keep your sights high and suggest the amount noted based on the prospect's previous giving and the current year's ask mentioned in principal's letter to all prospects. Suggest time payments of just \$\_\_\_\_\_ per month.

## 6. Never underestimate the generosity of others

Suggest the idea of a larger gift payable over six months rather than a one-time donation.

## 7. Document the gift.

Thank the donor and verify their contact information. Explain how the pledge payment system works. Ask donors to wait until they receive correspondence from the school before making a down payment and to use the envelope provided.

### **Recommended Best Practice**

#### *A Case Statement – Telling the School's Story*

*A case statement provides talking points or a "cheat sheet" to help you define for potential donors, in an effective and compelling way, the reason your schools needs the money how much you need and how it will be used.*

*A case statement should be prepared for every fundraising campaign or event and should include:*

- *The school's mission and vision*
- *The goal of the fundraising campaign (a new library, computers)*
- *A description of the need and how the project will fulfill it*
- *A description of the project*
- *Simplified budget*

*To be effective, your case statement must convince donors that their money will be used to solve important problems. Be sure to describe the **community's** need, as well as the school's need. For example, if requesting funding for an after-school program, discuss the community's lack of appropriate safe places for children to go after school and the potential threats (gangs, drugs, crime) that unsupervised children might face.*

*Describe the benefits the program will provide—rather than something the school lacks. For example, if you want to raise \$1,500 for video projectors for the classroom, say you seek funding for "tools that will offer students a multi-sensory learning experience," rather than simply stating "The school needs audio-visual equipment."*

*The case statement should show how much it will take to accomplish its goal. For example, saying "We need \$5,000" or "We need money to furnish the classrooms," it is hard for potential donors to know how their contribution will make a difference.*

*Listing the items that are needed and their costs provides donors an opportunity to sponsor an item: for example, 20 computer at \$XX each.*

*Source: **Charter School Founders' Manual**, NJ Charter School Resource Center.*

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### Sample Telephone Call To a Previous Donor

**CALLER:** Hello, Mr./Mrs./Ms.\_\_\_\_\_. This is [YOUR NAME] calling for [SCHOOL]. I'm calling regarding the school's annual campaign drive. You have been a very generous supporter to the school in the past and we are grateful for your gift of \$\_\_\_\_\_ to last year's campaign. The brochure you received in the mail from [PRINCIPAL'S NAME], the school's principal, illustrates how your generosity has allowed the school to continue many of its services.

*(Mention a few key accomplishments of the school this year. Have your school fact sheet and brochure at-hand for reference when answering donor questions.)*

**CALLER:** I think the work of this school is so crucial to this community that I have sacrificed some of my time to make these phone calls. I have also made a financial pledge to support it. The overall target for the campaign is \$\_\_\_\_\_, and we have raised \$\_\_\_\_\_. [PRINCIPAL'S NAME] and I are hoping that you might consider increasing your gift this year to \$\_\_\_\_\_ over a six-month period. We really need your help. Would it be possible for you to commit \$\_\_\_\_\_ per month over six months for a gift of \$\_\_\_\_\_?

**DONOR:** Yes, I/we can do that.

**CALLER:** Thank you very much for your generosity. It will really help. We'll be sending you a "thank you" letter and a return envelope for your first payment shortly. Let me verify your contact information to make sure that our records are correct.

**DONOR:** Yes, that is my address.

**CALLER:** Thank you again for your support of the [SCHOOL NAME].

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## Sample Telephone Call To a Non-Donor

**CALLER:** Hello, Mr./Mrs./Ms.\_\_\_\_\_. This is [YOUR NAME] calling for [SCHOOL NAME]. I am calling you concerning the school's annual campaign and to ask if you are familiar with the school. You should have received a brochure and letter from [PRINCIPAL'S NAME], the school principal, illustrating how much of an impact the school has made in our community. Did you receive this in the mail?

**DONOR:** I don't remember receiving it.

**CALLER:** Let me tell you about [SCHOOL NAME].

*(At this time, mention a few key accomplishments of the school this year. Have your copy of the school fact sheet and brochure at-hand for reference when answering donor questions.)*

The overall target for the campaign is \$\_\_\_\_\_, and we have raised \$\_\_\_\_\_ from \_\_\_\_\_ people. I think this school is very important to our community; that's why I have sacrificed my time to make these phone calls. I have also made a financial pledge to support the campaign.

[PROSPECT'S NAME], I don't know what you can do, but we're asking everyone to consider making a commitment of at least \$\_\_\_\_\_ per month over six months for a total pledge gift of \$\_\_\_\_\_. We really need your help! [PRINCIPAL'S NAME] and I are hoping that you could be an active supporter of the school's annual campaign by pledging a gift, utilizing the six-month payment plan.

**DONOR:** That's too much. I don't think I can afford to give that much.

**CALLER:** Maybe then you would consider making a pledge of \$\_\_\_\_\_ per month over the next six months for a \$\_\_\_\_\_ total gift.

**DONOR:** I think I can afford to make that gift.

**CALLER:** Thank you very much for your generosity. It will really help. We will be sending you a "thank you" letter and a return envelope for your first payment shortly. Let me verify your mailing address and the spelling of your name to make sure that our records are correct.

**DONOR:** Yes, that is my address.

**CALLER:** Thank you again for your support of the [SCHOOL NAME].

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## How to Handle Donor Responses

The following are suggestions for handling various donor responses during phone call solicitations:

### ***“I don’t like being told how much I should give.”***

No one is expected to give more than they can afford. Any amount is appreciated. Some people can give more, but we only determine that by asking for your consideration. The amount I mentioned was only a suggestion.

### ***“I don’t wish to pledge.”***

Depending on the donor’s reason, you might mention:

- It’s easier to pledge than to make a gift in full. A pledge enables you to give more, should you care to, and should you be capable of doing more.
- A pledge is not legally binding. If, for good reason, a pledge cannot be fulfilled, it is certainly understandable.
- A monthly statement with a return envelope will be mailed to make it easier for you to pay.

### ***“We need more time to consider”***

That’s fine. I will call you back next [DAY].

*(Specify a day, no longer than a week, to call back for a final decision. Don’t yield your prerogative to call back for a decision.)*

### ***Recommended Best Practice:***

#### ***Thanking Donors***

*It is very important to thank donors publicly and often. The acknowledgement should be an integral component of the fundraising process. As the rule of thumb is to give six thank-you’s to your donors, the following suggestions may help:*

- *Have board members make a personal call, especially for large contributions.*
- *Have the school send a letter thanking and acknowledging every contribution.*
- *Invite donors to a special “thank you” event at the school.*
- *List donors on the school’s newsletter, website and marketing materials.*

***Source:*** *Charter School Founders’ Manual, New Jersey Charter School Resource Center.*

## VI. Grantwriting

In addition to the “hands-on” fundraising efforts described in the previous chapter, charter schools can raise much-needed funds through grants from corporations, foundations, individuals and the government. Although grantwriting involves time, preparation and research, it can raise significant funds and should be considered for schools where:

- The goal is to raise \$5,000 or more in funding for a specific program or project.
- The principal has agreed to sign off on the final proposal.
- There is someone with strong writing skills and the time needed to write the application.
- There is at least a six month lead time to raise money.
- There is someone who could do the follow-up calls, letters, interim and final reports
- There is someone who could develop and maintain a tracking report in relation to the name of the institution, the ask, last year’s gift amount and date, dates for interim reports, final reports and meetings.

### ***Recommended Best Practice***

*The Fund for Public Schools*

*Note that many foundations will only make grants to a 501(c) 3 organization.*

*If your school does not have this designation, the Department of Education has set up **The Fund for Public Schools**, a 501(c)3 that will act as the fiscal agent for any school grant, accept the grant money and allocate it to the school to use. The Fund does not control the money, it simply facilitates the donation.*

*To set up an account with the Fund, email [fundforpublicschools@nycboe.net](mailto:fundforpublicschools@nycboe.net) or call Deborah McGinn at 212-374-2874.*

*Source: Fund for Public Schools.*

There are several decisions to make before beginning to write your grant application:

### **1. Clarify Your Fundraising Initiative**

The clearer you are about your objective and how to achieve it, the better your chances of finding the right funder and writing a solid proposal. You should first determine if sufficient need for your program exists, who is going to run the program, its goal, the materials and personnel needed and how results will be measured.

### **2. Decide What Type of Grant to Write**

Research and identify funders whose grantmaking guidelines match your proposed project. Decide if you want to apply for government and/or private grants.

### **3. Decide if Your Want a Joint Proposal**

Many funders welcome joint proposals. For example, if a nonprofit group is running an after school program at your school, consider writing a joint proposal to expand the program to serve more of your students. In this way, you can take advantage of the nonprofit’s grantwriting resources and create a more solid proposal.

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## 4. Verify You Are Eligible for the Grant

Check with the funder to ensure that your charter school is eligible for the grant. Different funding agencies can have multiple and very specific criteria. For example, a recent NY State Education Department RFP stated:

*“In order to be eligible to apply for these grants, an organization must be a consumer-controlled, non-for-profit 501c(3) with a governing board comprised of 50% or more people with disabilities.”*

## 5. Determine if You Are a Good Match

Make sure your request matches the criteria for the grant. For example, if you want to start a reading program, don't apply for a grant that funds health and fitness projects. Consider the following factors:

- The purpose of the grant and if it is applicable for public schools
- The size of the grant
- The grant award cycle and due date
- Length of the grant (one-time or multiple years)
- Information to be included in the grant proposal

## A. Government Grants

There are many types of government grants available to charter schools on the federal, state and local level. These include:

- **Pass-Through Grants** are funds given by the federal government to city and state agencies who then “pass-through” the funding onto schools through a competitive grant application.
- **Formula or Direct Grants** are distributed to schools through the NY State Department of Education based on a designated formula, such as income levels, percentage of minorities or the number of non-English and limited English-speaking students in the school district. Charter schools are more likely to receive direct grants from the state government.
- **Discretionary Grants** are highly competitive and awarded on the basis of selection criteria developed by the funding agency. This type of grant typically requires a Request for Proposal (RFP).

Government grants are typically given just once a year according to a funding cycle that differs from the fiscal school year. For example, federal grants are tied to the government fiscal cycle (October to September), while NYC grants use an April to March fiscal cycle.

In addition, government grants use a weighted point system of criteria to evaluate proposals. Allocations vary for each funder, so read the instructions carefully and focus on what the government agency deems to be more important.

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## Additional Resources

The following websites provide more information on government grants:

- [www.grants.gov](http://www.grants.gov).  
Find and apply to over 1,000 grant programs by all federal grant-making agencies.
- [www.ed.gov/funding.html](http://www.ed.gov/funding.html)  
The Department of Education grants
- [www.state.ny.us](http://www.state.ny.us).  
A complete listing of all state agencies that provide grants.
- <http://usny.nysed.gov/grants>.  
List of NY State Education Department government grants.
- [www.ocfs.state.ny.us](http://www.ocfs.state.ny.us).  
The Office of Children and Family Services receives significant funding from the federal government and lists several RFP opportunities.
- [www.nlc.org](http://www.nlc.org).  
The National League of Cities lists city government grant opportunities.

### **Recommended Best Practice:**

#### *Special Grant Application Forms*

*While the federal grant application process appears daunting, it is largely the completion of a series of forms and the creation of a project narrative and a budget with a detailed justification narrative.*

*Almost all federal applications start with the **Standard Form 424 – Application for Federal Assistance**. In order to complete this form, you school needs an Employer Identification Number (EIN) assigned by the IRS, and a DUNS identification number. (This can be obtained by calling 1-866-705-5711.)*

*There are other forms that contain standard legal text that your school can fulfill both federal and the grant's requirements in regard to discrimination, lobbying, non-profit status, civil rights, etc.*

*Another very important assurance is your school's willingness to submit to required financial and compliance audits by an independent third party.*

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## B. Private Grants

Private grants come from foundations, corporations or individuals who want to be involved in the community and will donate (often substantial) funds to local schools.

Private grant applications tend to be less complex and time-consuming to complete than government grants and are more flexible in terms of regulations. Often private funders have their own specific guidelines for proposals that can be found on their website.

As with government grants, it is important to do research before completing your application to determine if your school meets eligibility requirements and your needs match the funder's grant criteria.

### ***Recommended Best Practice***

#### *Common Application Form*

*The New York Regional Association of Grantmakers (NYRAG) has created a four-page Common Application Form (CAF) that is accepted by over 60 foundations and corporations. This form streamlines the grant application process and allows schools to apply for several grants with only one form.*

*Note that each funder may ask for materials in addition to the Common Application Form, so read the funder's guidelines carefully. A Common Application Form can be downloaded at [www.nyrag.org/usr\\_doc/34420.pdf](http://www.nyrag.org/usr_doc/34420.pdf). For a list of funders who accept the CAF, go to [www.nyrag.org/info-url2335/info-url\\_show.htm?doc\\_id=34435](http://www.nyrag.org/info-url2335/info-url_show.htm?doc_id=34435).*

*The names of other foundation and corporate donors can be found at:*

- **Foundation Center:** [www.fdncenter.org](http://www.fdncenter.org).
- **Foundation Finder:** <http://lnp.fdncenter.org/finder.html>
- **Fundsnet Online Services:** [www.fundsnet.com](http://www.fundsnet.com)
- **Fund for Public Schools:**  
[www.nycenet.edu/FundForPublicSchools/ToolsforSchools/FoundationList.htm](http://www.nycenet.edu/FundForPublicSchools/ToolsforSchools/FoundationList.htm)

*Source: Fund for Public Schools.*

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## C. Elements of a Grant Proposal

Although each funder RFP may have its own requirements, they generally contain the same components. Check the donor's website for their specific guidelines.

Below is a general outline of the key grant proposal elements. Maximum page lengths can vary considerably per funder.

Element	Purpose	Length
<b>Executive Summary</b>	Overall statement of your case and summary of the entire proposal	1 page
<b>Statement of Need</b>	Why this project is necessary	2 pages
<b>Project Description</b>	Describes in detail how the project will be implemented and evaluated	3 pages
<b>Budget</b>	Financial description of the project plus explanatory notes	1 page
<b>Organization Information</b>	History and structure of the school; its programs, activities, student population, areas served and current achievement levels,	1 page
<b>Program Evaluation</b>	Details of measurable results	1 page
<b>Conclusion</b>	A summary of the proposal's main points	2 paragraphs

**NOTE:** Check if the funder accepts the Common Application Form, described on the previous page, which will save you time and effort and can be used for a multiple grants.

Sometimes an RFP asks applicants to submit a one-to-two page **Letter Of Intent (LOI)** prior to filing the application. Some agencies use the LOI to determine if the project is applicable or interesting enough to review. For others, the LOI is a mere formality.

Review the requirements of the LOI carefully. It may state that applicants who don't file the LOI are prohibited from later filing an application.

### ***Program Narrative (Government Grants)***

*Many government grants include a section called "Program Narrative" that lists which criteria the funder is emphasizing. It is the challenge of the grant writer to incorporate this key criteria into all the other discussion points in the RFP.*

*This section also includes details such as maximum document length, font size, spacing, margins and other formatting. **Pay careful attention.** Failure to comply with these seemingly insignificant instruction can lead to rejection.*

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## D. Writing an Effective Grant Proposal

### 1. Executive Summary

The first page of the proposal, the Executive Summary is a brief synopsis of information to convince the funder to support the project. An effective Executive Summary should include:

- **Problem**  
A brief statement of the problem or need your school has recognized and is prepared to address (one or two paragraphs).
- **Solution**  
A short description of the project, including what will take place, how many people will benefit from the program, how and where it will operate, for how long, and who will staff it (one or two paragraphs).
- **Funding requirements**  
An explanation of the amount of grant money required for the project and what your plans are for funding it in the future (one paragraph).
- **School history and expertise**  
A brief statement of the name, history, purpose, and activities of your school, emphasizing its capacity to carry out this proposal (one paragraph).

### 2. Statement of Need

This section at the beginning of the grant application is also called “Needs Assessment” and in essence describes of the problem the grant will fix or the service the grant will help the school provide.

This section is the justification of why the program or project should be funded. It should demonstrate a clear understanding of the problem in terms of community benefits and reinforce your ability to implement the solution successfully.

#### Tips for Writing an Effective Statement of Need:

- **Define the problem**  
Be clear and concise and explain who the problem is affecting, the significance and cause of the problem and why the problem should interest the funding agency.
- **Gather and display statistics**  
Include demographic, test scores and other information, using pie charts and bar graphs for effective visual comparisons. Include reputable sources of data.
- **Describe your needs in human terms**  
Identify the physical, economic, social, financial or other problems that your solution be address. A comparison between the school and the larger community often makes a compelling case.
- **Match the priorities of the funding agency.**  
For example, if student reading levels are low and you are writing a grant for more books, state the school’s current reading levels vs. city or national averages. Then explain how the lack of books (the problem) is preventing the school from attaining the desired level of student reading achievement. Be detailed in the description—specify what types and how many books the school needs.

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### 3. Project Description

This is your plan of action and the place to address why your solution is the best alternative compared to other solutions you examined. When describing your program, highlight the aspects that best match the funder's priorities. For example, if a donor is interested in volunteering, stress that you have a program that brings parent volunteers into the school to read to children.

This section should have five subsections:

A) Goals B) Methods C) Staffing/Administration D) Evaluation E) Sustainability

#### A. Goals and Objectives

This section describes how your school plans to overcome the problem and the measurable results you hope to achieve. Consider it an evaluation tool that funders will use to determine if your program or project is feasible. Be sure that your goals and objectives are clear, measurable and able to be completed in a specific timeframe.

Don't confuse goals and objectives. Goals are conceptual and more abstract. Objectives are the measurable and time-specific outcomes of your program and the criteria by which to measure your program's effectiveness.

Goal	Objective
Our after-school program improve our students' reading comprehension.	Our after-school remedial education program will assist 50 children in improving their reading scores by one grade level, as demonstrated on standardized reading tests administered after participating in the program for six months.

#### Tips for Writing Goals and Objectives

- **Set Specific Goals**  
If you are writing a grant for a supplemental math programs for your students who are one year below grade level in math, state where you want them to be at the end of the program, such as at grade level or six months behind grade level. Note that goals don't have to be test score based; they can be to teach students healthy eating habits, or be able to design a chemistry experiment.
- **Identify Whom You Are Helping**  
Describe which students you are targeting (gifted 10<sup>th</sup> graders) and the timeframe (10 weeks, over the school year). Be sure to review the donor's guidelines for any additional information they want in this section.
- **Build a Storyline.**  
Be specific. Give dates, places, number and results. Attach letters of support from community leaders. Perhaps draft a letter of support that an individual or organization can then modify in their own style.

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## B. Methods

This section describes the specific activities that will achieve your objectives and enables the funder to visualize the project's implementation. It should establish your credibility and convince the reader that your school knows what it is doing.

- **How:** This is the detailed description of what will occur from the time the project begins until it is completed. Your methods should match the previously stated objectives.
- **When:** List in a table format your tasks, timeframe and responsible parties to ensure your action plan is logical, achievable and can be easily understood. An example is a "Triple T" Timeline Chart that lists the **T**ask, **T**alent **T**ime for each segment of the project or program. For example:

Task	Talent	Time
Form a Curriculum Development Advisory Group (CDAG)	Principal, teachers, parents, community groups	July 1
Hire Education Consultant	Principal, CDAG	August 1
Develop curriculum materials	CDAG, Education Consultant	August 15 - October 1

- **Why:** Describe what your school has done in the past to show your ability to do something similar in the future. If your school is proposing an innovative pilot program, show that you have the talent and experience to be successful. You may have to defend your methods, especially if they are new or unorthodox. Include expert testimony and examples of other projects that have worked.

## C. Staffing and Administration

Discuss the number of staff, their qualifications and specific assignments. Details can be included either as part of this section or in the appendix, depending on the length and importance of this information.

- "Staffing" may refer to volunteers or consultants, as well as to paid staff. While volunteer profiles may not be needed, describing tasks they will do underscores the cost-effectiveness of the project.
- For a project with paid staff, be certain to describe which staff will work full time and part time, those that will be recruited and those that are already employed by the school.
- Salary and project costs are affected by staff qualifications. Describe the practical experience and educational background you require for key staff. A strong, well-qualified leader can help influence a grant decision.
- Describe your plans for administering the project. This is especially important if more than one agency is collaborating on the project. Identify who is responsible for financial management, project outcomes and reporting.

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## D. Evaluation

In this section, describe how you will use specific, objective data to show the results of the program or project. Funders want assurance that their grant money will be well-spent. Show how you will determine whether or not the program was successful in meeting its goals, and if not, why it didn't work.

Evaluation methods should be easily understood and directly relate to the program goal. Comparison of "before and after" data is a simple and effective way to evaluate a program. Be sure to review the donor's evaluation requirements when designing your evaluation method.

### Tips for Writing the Evaluation Section:

- **Internal Evaluation**

Show how your internal evaluation system will be used to assess progress and make changes that lead to greater achievement of the program's goals.

- **External Evaluation**

Many funders require an external evaluation that highlights the outcomes of your program and offers suggestions for improvement. The assumption is that an outside party will provide an unbiased and objective assessment of the program's results in meeting the goals detailed in the grant.

- **Be Specific**

Key factors of your evaluation plan should include:

- Who will gather the data (internal staff, outside consultant)
- When the data will be gathered (mid-year, end of school year, ongoing)
- Data gathering techniques (test scores, teacher logs, etc.)
- Who will analyze results (internal staff, neutral third party)

## E. Sustainability

Evidence of fiscal sustainability has become an integral characteristic of the successful grant proposal. Funders will want you to prove that your project is:

- Finite, with specific start-up and ending dates
- Capacity-building and contribute to the future self-sufficiency of your school
- Attractive to other funders for future resources

Be very specific about current and projected funding streams, both earned income and fundraised, and about the base of financial support for your nonprofit.

Make sure to have backup figures and estimates ready, in case a prospective funder asks for this information, even though you probably won't include this information in the actual grant proposal..

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## 5. Budget

The budget defines the costs of your project or program. It can be a simple one-page statement of projected expenses and revenue or a more complex presentation. Prepare this section with care because it highly impacts your credibility with the funder. Your budget must be based on realistic numbers that justify the amount of money requested.

Make sure that your costs match with the amount of funding a donor is able to provide. Your budget does not need to be overly detailed, but every item that is explained in your project description MUST be accounted for in the budget.

**Be sure to allocate funds for an independent audit!**

**NOTE:** You do not want to receive funding for a program and then realize the sum you asked for is not enough. If the funder cannot provide the amount you need, do not try to cut your budget. Find another funder that is more appropriate for your program, or have more than one donor fund the program.

Budget categories typically consist of:

1. **Personnel and Fringe Benefits**  
(certificated and non-certificated personnel)
2. **Travel**  
(number of trips, destinations and number of staff traveling)
3. **Equipment**  
(number and cost of items)
4. **Supplies**  
(number and costs of items)
5. **Contractual**  
(number of days and cost per day of outside consultants)
6. **Construction**  
(typically office or classroom space leasing. Most federal, corporations and foundations do not provide for construction costs)
7. **Other**  
(list expenses such as postage, publications, curriculum development, etc.)
8. **TOTAL DIRECT COSTS (Lines 1-7)**
9. **Indirect Costs**  
(administrative and overhead costs, often given as a percentage of the total grant)
10. **Training Stipends**
11. **TOTAL COSTS (lines 9-11)**

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## **Recommended Best Practice**

### **Write a Budget Narrative**

Whether or not it's required, add a Budget Narrative that explains how you arrived at the calculations for each budget category. This is usually done in paragraph form:

*“Costs projected in the budget are reasonable to provide the services the program proposes to provide to 550 students in XYX School and Annex. Note that in-kind contributions amount to at least 46% of the budget. Salaries and wages are comparable to others in similar positions with our school system. Contractual agreements will be made with Global education Center for multicultural education and with the Steeple Players for drama classes. Indirect costs are calculated at the standard rate of 1.65%. In year one, there is a one-time cost for the purchase of the Accelerated Math program for each school site. Aside from this one-time expense, the following two years remain basically the same. The support provided by community partners is detailed in the Letters of Commitment (Appendix A). The following budget summaries for each of the three grant years includes in-kind funding from these partners.”*

Source: *How to Get Grants and Gifts for the Public Schools* by Stanley Levenson.

Budget costs should be grouped into subcategories that reflect the critical expense areas. Significant costs should be broken out within the subcategories with a dollar figure attached to each line. Personnel subcategories might include salaries, benefits, and consultants. Non-personnel subcategories might include travel, equipment and printing. You may need to estimate some costs, such as salaries for project personnel not yet hired. Minor expenses can be combined on one line.

## **Recommended Best Practice**

### **Budget Worksheets**

Summarize expense and budget items, and the calculations used to arrive at these dollar figures, on worksheets. These are an excellent tool to prepare the budget and for monitoring and reporting actual vs. estimated results. A portion of a worksheet for a year-long project might look like this:

<b>Item</b>	<b>Description</b>	<b>Cost</b>
Executive Director	Supervision	10% of salary = \$10,000 25% benefits = \$ 2,500
Project Director	Hired in month one	11 months at \$35,000 = \$32,083 25% benefits = \$ 8,025
Tutors	12 working 10 hours per week for three months	12 x 10 x 13 x \$ 4.50 = \$ 7,020
Office Space	25% of current space	25% x \$20,000 = \$ 5,000
Overhead	20% of project cost	20% x \$64,628 = \$12,926

Source: *Proposal Writing Short Course*, The Foundation Center.

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## Tips for Preparing a Budget

- **Use Cost per Participant**

Explain costs per participant instead of the total cost. For example, rather than state you need \$400 for books, explain that you have 20 students x 2 books per student x \$10 per book = \$400.

- **Include Additional Funders**

Funders will often ask to see additional sources of funding if you have more than one donor for a particular project. It must be noted in your grant proposal if the school is paying for half of the program. Refer to the funder's budget guidelines to ensure you include the information they want.

- **Ask for Enough Money**

Make sure you have enough resources in the budget to adequately carry out the project. On occasion, funding agencies have turned down projects that do not ask for enough money to meet objectives and, conversely, increase the budgets for programs they really like.

- **Provide Necessary Details**

The itemized budget should have enough details to explain how specific budget categories were calculated. For example, rather than list \$3,000 under "Travel," show how the money will be spent on airfare, accommodations and per diems for staff members. Further elaboration for each budget items should appear in the Budget Narrative section.

- **Fiscal Accountability**

Demonstrate that your school had fiscal accountability measures to ensure that grant dollars will be spent exactly as specified in the application. Government funders in particular want to know how your school will track personnel costs and may ask you to supply pay stubs.

### ***Recommended Best Practice***

#### *Budgets for Government Grants*

- *Note that government grants require the submission of a two-page Form 424 "Budget Information – Non-Construction Programs." However, a budget narrative must accompany Form 424 with specific details about major budget categories—personnel and Other than Personnel Services (OTPS).*
- *Most government grants carry some restrictions, either on activities and fundable expenditures. Read carefully what the grant will NOT pay for, such as training and certain travel expenses.*

**Source:** *Grants Writing Guide* by Focus Fundraising.

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## 6. Your School's Information

Although you may want to put information about your school in the front of the proposal, it usually is better to first sell the need for your project and then follow with your school's ability to carry it out.

- Don't overwhelm the funder with facts about the school. Convey this information by attaching a brochure or a one page Fact Sheet that includes your school's mission, location, student and community demographics, achievement levels, programs and accomplishments.
- Demonstrate how the subject of the proposal fits within or extends the school's mission, structure and expertise.
- Discuss the size of the board, how board members are recruited, and their level of participation. (Include the full board list in an appendix.) If your school has an active volunteer group, describe the functions that the volunteers fill.
- Describe the students you serve, the number you reach and any special or unusual needs they face (poverty, non-English speaking, etc.).

## E. Follow-up

After the proposal is sent, make a follow up call to the funder to ensure that the application has been received and if there are any questions that you can answer. Also consider inviting a member to see your school and/or the program for which you are requesting funding.

Be patient! Most funders make decisions at board meetings, which usually occur only one or two times a year. Do not call a foundation every week looking for an answer.

**If your school receives the grant** for which you have applied, the first thing to do is write a letter and make a phone call thanking the funder for the money they have provided.

- The foundation will most likely require that you report back on how the money was spent and the outcome achieved from the program they funded. (This will be detailed in the Evaluation section of the grant application.)
- Appoint one person to complete the report with the information requested in a timely manner. Be honest in your report, give the results truthfully and indicate how you could improve, especially if you hope to receive continued funding. This report can be compiled by an outside third party to ensure objectivity.
- Keep the funders in the loop on school events that relate to their grant. Invite them to events and ask them if they want to tour the school. This will help maintain good relationships and make it easier to apply for funding again.

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## F. Dealing with Rejection

If your grant application is rejected, consider it the first step in the re-application process. Many funders appreciate if a school is willing to try again. Often the rejection has less to do with the idea of the program than its implementation, budget or the staff's experience.

A denial letter can provide the basis for a stronger, more focused application in the next funding cycle. Start thinking ahead to the next submission. Your school now knows what's entailed in the application process. Ask a third party to review your next proposal.

However, don't assume that the next RFP will have the exact same selection criteria. Don't start re-writing your new application until you receive and thoroughly review the new grant application guidelines.

### **Recommended Best Practices**

#### *Avoiding Common Mistakes*

- **Choosing the wrong funding agency:**  
*Selecting the right donor is extremely important. You MUST do research to ensure that the program for which you seek funding matches the interests of the funding organization. Research the funder online or talk to them to make sure that your program is something in which they are interested.*
- **Not effectively articulating your case for support:**  
*The grant writer should have excellent writing skills, be willing to devote the time necessary and be adept at constructing a convincing argument as to why the donor should give money to your program.*  
  
*The application should be written in a clear and simple format, so that someone unfamiliar with your program will understand your needs and intended outcome. Don't use educational "buzz words" or make the proposal too complicated. Have several people read the proposal before sending it. Typos and grammatical errors will hurt your chance of receiving funding.*
- **Being vague and/or inconsistent:**  
*The program goals and objectives must be clearly stated. Ask an appropriate, interested funder for money for a well-defined school need and you will be much more likely to receive the grant. Be clear and consistent throughout the entire proposal.*
- **Not following the funder's guidelines**  
*One of the most common mistakes is the failure to follow the funder's instructions. Read the grant guidelines carefully and follow the criteria stated. Address each point listed in the RFP as completely as possible. Do not skip sections or add unnecessary information. Meet the funder's deadline and follow submission instructions.*
- **Not saying thank you:**  
*Always thank a donor for any funding or gift they provide to your school.*

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The following sources were used in writing this section. :

- *How to Get Grants and Gifts for the Public Schools* by Stanley Levenson, a school fundraising consultant.
- *Grants Writing Guide: Basics of Government Grant Writing for Non-Profits* by Focus Fundraising.
- The Foundation Center <http://fdncenter.org/learn/shortcourse/prop1.html>.  
The Foundation Center also offers the following online tutorials
  - Proposal Writing Short Course  
<http://fdncenter.org/learn/shortcourse/prop1.html>
  - Proposal Budgeting Basics  
[http://fdncenter.org/learn/classroom/prop\\_budgt/index.html](http://fdncenter.org/learn/classroom/prop_budgt/index.html)
  - FAQs on Proposal Writing  
[http://fdncenter.org/learn/faqs/section\\_3d.html](http://fdncenter.org/learn/faqs/section_3d.html)

## **Additional Grantwriting Resources**

- Grant Proposal.com  
<http://grantproposal.com/>
- University of Massachusetts Amherst Campus – Office of Research Affairs  
[www.umass.edu/research/ora/dev.html](http://www.umass.edu/research/ora/dev.html)
- *A Guide to Proposal Planning and Writing* by Jeremy T. and Lynn E. Miner.  
[www.wm.edu/grants/PROP/miner.pdf](http://www.wm.edu/grants/PROP/miner.pdf)
- The Minnesota Council on Foundations  
[www.mcf.org/mcf/grant/writing.htm](http://www.mcf.org/mcf/grant/writing.htm)
- Grants for Nonprofits: Education  
[www.lib.msu.edu/harris23/grants/2educat.htm](http://www.lib.msu.edu/harris23/grants/2educat.htm)
- Grants for Nonprofits: Children and Youth  
[www.lib.msu.edu/harris23/grants/2child.htm](http://www.lib.msu.edu/harris23/grants/2child.htm)
- Grants Alert  
[www.grantsalert.com](http://www.grantsalert.com)

## VII. Online Donation Software

(NOTE: This section is excerpted from **Selecting an Online Donation Tool** by Idealware, October 2005. The report is based on product reviews, interviews with nonprofit staff and consultants who have used the tools and discussions with the products' sales representatives. To access this report directly, visit [www.idealware.org/donations/intro.php](http://www.idealware.org/donations/intro.php).)

There are several software programs that will allow charter schools to accept credit card donations online, without investing a lot of time or money to add this functionality to their website.

At a basic level, all online donation tools work pretty much the same way. A “donation” button on the website links to a donation form where donors enter their contact and credit card information. The software then verifies the credit card data and ensures that the donor’s money gets to your school. Online reporting tools allow users to see what’s been donated and export the donation information to another database.

Beyond these similarities, donation tools can vary widely. Some are intended to stand alone as a donation tool, while some come in suites intended to support much more.

Features	Features	Examples	Fee
<i>Donation Portal</i>	<ul style="list-style-type: none"> <li>Inexpensive</li> <li>Central website lets users donate to several organizations</li> <li>Clear to donor that a different website is handling the processing</li> </ul>	PayPal, Network for Good	About 3% of each donation. No other fees.
<i>Donation Specialists</i>	<ul style="list-style-type: none"> <li>Reasonably priced</li> <li>Handles donations only</li> <li>Provides functionality that matches the school’s website</li> </ul>	DonateNow	About 3% of each donation. \$15-\$25 monthly fees
<i>Online Payment Specialists</i>	<ul style="list-style-type: none"> <li>Also support event registration, product sales, member dues</li> </ul>	GiftTool, Contribute, CharityWeb	3-8% of amount paid, \$20-\$50 monthly fees, or combination of both
<i>Integrated Online Solution</i>	<ul style="list-style-type: none"> <li>Support donation, email, web content management</li> <li>Powered by a central online database</li> <li>Suite of tools to communicate with and manage constituents</li> </ul>	MemberClicks, eTapestry	3-8% of amount collected in donations plus monthly fees ranging from \$15-\$1000

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## A. Basic Functionality

### 1. The Donation Button

The donation process begins with a “Donate Now” button or link, with information describing the school and how donors' money is used.

- When donors click the button or link, they are taken to a Donation Form where they can determine how much they would like to give.
- Donors also provide their billing and credit card information, as well as any other requested data.

### 2. The Donation Form

The look and functionality of the Donation Form differs among the software programs.

- Tools such as PayPal and Network for Good make it obvious to the donor that they have left your site and are now being asked to donate through a different website.
- Most tools allow you to tailor the appearance of the donation form to match the colors, fonts and images to your website. However, unless the form has the same navigation bar as the rest of your website, it will not look like it is part of the same site.
- All tools ask the donor to enter their credit card number and contact information, but the other fields on the donation form vary from vendor to vendor. Many include custom fields that enable the donor to target their gift to a specific program or to sign up for a newsletter. Some provide for employer matching.

### 3. Types of Payment

Different vendors allow for different types of payments.

- All tools support Visa and Mastercard and many support American Express, Discover, or other cards.
- PayPal is increasingly used as a payment method by charity organizations.
- Many vendors provide recurring donation functionality so that donors can automatically give the same amount every month.
- Electronic Funds Transfers (EFTs) allow donors to enter check information and have the money transferred automatically from their checking account.

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## 4. Verification/Back End System

Once donors enter their information and click to finalize payment, the backend payment process begins.

- The credit card is validated to ensure that the number is acceptable and that funds are available.
- Some vendors provide additional checks to reduce the number of fraudulent charges such as the CSV code (the 3-digit code on the back of the card) and/or that the billing address match that in the credit card issuer's record.
- Other tools check if the donation for a fraudulent pattern, likely resulting in a charge that is not a legitimate donation.
- If the payment information passes the screening process, the card is charged. The transaction process happens in a matter of seconds.

## 5. Confirmation and Receipt

- When the transaction is complete, the donor is shown a confirmation page and sent a confirmation and tax-ready receipt via email
- Some vendors will account for less than 100% deductible donations in these receipts (for instance, to account for a thank you gift).
- A record of the transaction contact and donation information is typically available in an online reporting tool.

## 6. Reporting

- A few tools allow you to see a summary of donation over time, for month-to-month or year-to-year comparisons.
- Many tools let you export donation data to a text file. Files that are compatible with a specific database or features that allow you customize the export file will help to make this data ready to import into your database.
- Some vendors provide programmatic access to data through secure FTP or web services that let automatically pull data into your database on set intervals.

## 7. Receiving the donation

Actually receiving the money takes a little time.

- When the money is received from the donor, it is deposited into a type of bank account called a merchant account, which can be in your school's name or the payment vendor's name.
- If the merchant account is in your school's name, the donated funds will be electronically deposited into your bank account in three to five days.
- If you are using your payment vendor's merchant account, you will get the money from the vendor by check or electronic deposit (EFT). Most vendors pay monthly; a few pay twice a month or even more frequently.

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## **Recommended Best Practice:**

### **Running Credit Card Transactions Yourself**

*Some services offer to store or send you the donor's credit card number so that you can run the donation yourself, just like a phone donation. This is probably not a good idea, for a number of reasons.*

- *It typically doesn't save much money compared to the effort it takes for your staff to manage the process.*
- *You'll be charged 2% or more for any kind of credit card transaction, even if you run it yourself.*
- *If credit card numbers are stored (no matter how securely), and your staff has access to them, you are potentially jeopardizing your donors' information.*
- *There also may be potential issues with merchant accounts, time lags and declined credit cards.*

*The bottom line: don't do it unless you're sure you know what you're doing.*

## **B. How to Choose an Online Donation Tool**

When deciding which online donation tool to purchase, consider the following factors:

### **1. Donation Size and Volume**

Different vendors use different pricing structures. It's important to estimate the donations you expect to receive per month and how large a typical gift will be in order to accurately compare fees across vendors. Remember that if the vendor does not provide a merchant account, you will need to pay for that separately.

### **2. Critical Features**

Define what online donation features are necessary and narrow the list to those tools that can support these features. Do you need to:

- Accept tribute or memorial gifts?
- Support employer matching?
- Include specific custom fields?
- Handle recurring gifts or EFT transactions?
- Receive the donation money more than once a month?

### **3. Donation Form Design**

Some vendors' donation forms look nothing like your website, and some prominently display the vendor's logo. Others offer forms that are tailored to match your organization's website and navigation – but you pay for the privilege.

Charter schools may want to use a less expensive but recognized tool—like PayPal or Network for Good—that has limited flexibility but can lend additional credibility to your donation processing. However, a donation form that matches the look of your website can help you appear more professional and may increase donations.

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## 4. Importing Data

Most tools let you export data as a text file that you can import to a separate donor database – an investment of about an hour a week. However, some tools make data integration much easier by letting you create a text file that specifically matches your donor database. Others allow you set up an automatic data synchronization process. Consider how much you are willing to spend to save yourself time doing it.

## 5. Vendor vs. Your Own Merchant Account

To take online donations, you will need to use a bank account that accepts online credit card payments, called a **merchant account**. Some vendors will allow you to use their account, or you can apply for your own. If you already have a merchant account (i.e., for taking credit card payments over the phone), you can probably use it for online payments as well—but this may require verification and paperwork.

<b>Vendor's Merchant Account:</b>	<b>Your Own Merchant Account:</b>
<ul style="list-style-type: none"><li>○ The vendor handles the paperwork.</li><li>○ It is likely less expensive.</li><li>○ The vendor answers donor credit card billing questions.</li><li>○ Funds are received in bulk once or twice a month.</li><li>○ Some vendors can display your school's name even if you use their merchant account.</li></ul>	<ul style="list-style-type: none"><li>○ Receive the money faster—generally within five days.</li><li>○ Your school's name, rather than the vendor's, is shown on the donor's credit card bill.</li><li>○ Generally less expensive for high donation volumes.</li><li>○ More flexibility to choose the most favorable merchant account rates.</li></ul>

It makes sense for charter schools that are beginning online donations to use a vendor's merchant account, while those who are ready to invest more seriously should consider setting up their own account. Vendors who require you to have your own merchant account will recommend several with whom they work. In fact, the vendor may limit you to using one of a specific set.

### ***Recommended Best Practice:***

*Regardless which software program you choose, donations won't come pouring in just because you can now take them online. Consider how you will encourage potential donors to go to your website to make a contribution. Ask yourself:*

- *How will supporters know that online donations are an option?*
- *How will you integrate your online donation capabilities into your direct mail and other fundraising campaigns?*
- *How will you connect with donors after an online contribution has been made?*
- *How will you ensure donors receive the acknowledgement and receipts they need?*
- *How will you encourage online donors to become more involved with the school?*

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## C. Recommended Online Donation Tools

Below is a listing and brief description of the online donation tools recommended by Idealware. In-depth product reviews and a detailed comparison chart can be found at [www.idealware.org/donations/recommended.php](http://www.idealware.org/donations/recommended.php).

### 1. If you expect only a few donations and price is a key concern

If you are simply looking to get started with an online donation program, a lower price tool that is not specifically integrated with your website may make sense.

- **Click and Pledge** ([www.clickandpledge.com](http://www.clickandpledge.com))
  - Reasonable functionality at affordable prices
  - A good choice, especially for schools who expect a few donations.
  - The donation form is designed to be integrated into a website as a pop-up
  - Can include some custom fields and a top banner, but not the website navigation bar or a tailored background color.
  - A new release in 2006, offers a added functionalities, including customizing the donation form background color and support recurring donations
  - Setup Fee: \$0
  
- **Network for Good** ([www.networkforgood.org](http://www.networkforgood.org))
  - Low-cost but completely un-customizable tool
  - Good choice for schools interested in testing an online donation program
  - Extensive branding gives the donor little doubt that they have left the organization's website to make a donation.
  - Setup Fee: \$0
  
- **PayPal Donations**  
([www.paypal.com/cgi-bin/webscr?cmd=p/xcl/rec/donate-intro-outside](http://www.paypal.com/cgi-bin/webscr?cmd=p/xcl/rec/donate-intro-outside))
  - The lowest fees among donation tools
  - Can't customize the look or the fields on the donation form
  - Difficult to integrate into a website
  - The user experience is unmistakably PayPal.
  - Widely known and trusted by tech-savvy donors
  - Some advanced features make this worthwhile for schools with a technically savvy staff-person.
  - Setup Fee: \$0

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## 2. Best value tools

There are several tools that offer solid features and customization at affordable rates.

- **Auctionpay** ([www.auctionpay.com](http://www.auctionpay.com))
  - Reasonable functionality at affordable prices
  - Donation form can be integrated into the look of the school's website
  - The school's name appears on the donor's credit bill
  - Donated money is distributed twice a month
  - Good option for a middle-of-the-road donation, registration, and event solution at a reasonable price
  - Setup Fee: \$395
  
- **eTapestry** ([www.etapestry.com](http://www.etapestry.com))
  - Intended as an integrated online database, but offer a quality affordable donation tool that can be used alone.
  - Ideal for those who want to integrate donation and email functionality in one package.
  - The school must have its own merchant account
  - Lowest fees include support only via email
  - Setup Fee: \$350
  
- **Groundspring Donate Now** ([www.groundspring.org](http://www.groundspring.org))
  - An affordable option for schools that don't need complex customizations or their own merchant account.
  - Donation form can be seamlessly integrated into the school's website.
  - Recent merger with Network for Good bring financial stability
  - Setup Fee: \$199
  
- **MemberClicks** ([www.memberclicks.com](http://www.memberclicks.com))
  - Can build and update your own custom donation forms
  - Good, moderately priced option.
  - An integrated database/donation/membership/email solution
  - Good for those who want to integrate donations into additional functionality
  - Setup Fee: \$100

Idealware recommends the following tools for those willing to pay more for top of the line features, such as integrating with their external database:

- **Contribute.com** ([www.contribute.com](http://www.contribute.com))  
Setup Fee: \$0
  
- **GivenGain eTribuo** ([www.givengain.com](http://www.givengain.com))  
Setup Fee: \$498
  
- **CharityWeb** ([www.charityweb.net](http://www.charityweb.net)).  
Setup Fee: \$1,295

## VIII. Fundraising Plan Templates

### Template #1: The New York Academy Charter School

#### The Challenge

As no sustained fundraising has been done to date, the **New York Academy Charter School** must develop strategies to ensure the fiscal viability of the organization and take deliberate action to raise revenue. Specific strategies include: ensuring a full board of directors giving program, expanding sources of support, marketing the school in ways that will attract new money and strengthening the staff's ability to execute the fundraising objectives. A development professional will help the school allocate activities among all fundraising areas.

#### Goal #1: To raise \$250,000 by the end of 2005 (with a \$500,000 stretch goal)

1. **OBJECTIVE:** *Revitalize the volunteer leadership of the school*  
**Strategies include:**
  - a. **Enhance** the school's organizational structure and board of directors
  - b. **Review** all board members, evaluate their past participation, thank them (if appropriate) for their prior service and ensure their commitment for the upcoming fiscal year.
  - c. **Recruit** new board members who can provide governance, as well as give and/or get financial support.
  - d. Create **job descriptions** and board committees, such as nominating, development/fundraising, marketing/advertising, events and finance.
  - e. Familiarize both current and new board members with their **responsibilities**, in writing, based on the approved job and committees descriptions.
  - f. Institute a "**giving and/or getting**" level for *all* board members (including in-kind professional counsel).
  - g. Define **expectations** and goals for board committees.
  - h. Establish and monitor **terms** for the board and committee chairs. Rotate off any board members that are not adding value to the school.
  - i. **Identify** prospective board member who represent a diversity of the general population and the various businesses and industries in New York.

**NOTE:** *The names of the charter schools used in the fundraising plan templates in this section are fictitious and do not represent actual New York City charter schools.*

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2. **OBJECTIVE:** *Obtain support from foundations and corporations*

**Strategies include:**

- a. **Research possible funding sources**, working closely with the board and/or donors to identify corporations and foundations that might provide support:
- b. Establish a **goal** for support from foundations and corporations.
- c. Create a **report/proposal calendar** for corporations and foundations.
- d. Utilize **Taft and The Foundation Center's CD-ROM program** to investigate possible corporate/foundation funding sources.
- e. Create a list of **likely prospects**.
- f. Develop **proposals** for capacity building, operations and program support.
- g. Submit proposals with the school's **financial and marketing materials** (brochure, audited financial statement, annual report )
- h. Circulate among the board **a list of the board members** and/or officers of foundations and corporations to which the school has submitted proposals, or plans to submit proposals.
- i. Have board members **follow-up** on submitted proposals where they have a personal connection to one of the entities solicited.
- j. Research the **affiliations** of board members and others in the school's database to uncover prospective funding sources – particularly for institutional capacity building and operational support.
- k. Send **progress reports** and other relevant materials to current school and corporate donors.
- l. Write personalized **acknowledgement letters** to donors.

3. **OBJECTIVE:** *Raise \$XXXX from individuals, including major gifts*

**Strategies include:**

- a. Review the school's database to **determine the potential giving** to the school and decide what would be considered a major gift.
- b. Work closely with the board, donors and volunteers to **identify major donor prospects** that might provide support:
- c. Develop a **solicitation plan** for each major donor prospect.
- d. **Invite major donors** to visit the school and ask for donations within the context of a coordinated solicitation plan.
- e. Create a **newsletter** that includes a solicitation article and distribute to the entire school database. Enclose a return envelope to encourage contributions.

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4. **OBJECTIVE:** *Increase direct mail income to \$XXXXX.*  
**Strategies include:**
- a. Establish **giving levels**
  - b. **Segment** direct mail donors by giving levels and develop a special appeal for high-end/regular donors.
  - c. Develop realistic **expense and revenue projections** based on an analysis of historical data.
  - d. Create a **mail schedule for active donors** (those who have had contact with the school in the past 18 months).
  - e. Create a **mail schedule for lapsed donors** (those who have had contact with the school in more than 18 months, but less than 3 years).
  - f. **Recognize increased contribution** levels in both acknowledgement letters and solicitations.
5. **OBJECTIVE:** *Ensure the accuracy of the school's database.*  
**Strategies include:**
- a. Establish a comprehensive **gift acknowledgement and donor database system**.
  - b. Create a consistent **pledge reminder** form letter that is sent at standard intervals.
  - c. Ensure **checks and balances** with new system.
6. **OBJECTIVE:** *Create special events to introduce the school to new audiences.*  
**Strategies include:**
- a. Ask a donor or board member to **host** an event(s).
  - b. Secure a **high profile guest speaker** whom people would pay to see and/or charge for a talk from an education expert.
  - c. Ensure **major donors are present** at the school's events.
  - d. Develop **revenue and expense projections** for the event.
7. **OBJECTIVE:** *Review fundraising opportunities with other non-profits.*  
**Strategies include:**
- a. Work with key school members to review possible relationships between the **Lutheran Church** and the school.
  - b. Discuss "adopt-a-school" options with the Lutheran Church whereby the church would commit to raise funds for the school through pew collections.
  - c. Determine business avenues that would produce **more revenue** for the school (e.g. "adopt-a-library," "adopt-a-class")
  - d. Work with key school members to review possible relationships between the school and the **local Chamber of Commerce**.

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## **GOAL #2: Enhance the controls and systems for the school's fundraising efforts**

**1. OBJECTIVE:** *Ensure the accuracy of the fundraising database*

**Strategies include:**

- a. **Standardize a system** for reporting gifts and producing detailed financial reports.
- b. Use **checks and balances** to ensure the accurate recording of gifts and gift histories.
- c. Generate the **prompt acknowledgement** of contributions (72 hours-1 week).

**2. OBJECTIVE:** *Improve communications to all constituencies.*

**Strategies include:**

- a. Publicity
  - Develop/expand a PR campaign that raises consciousness of the school and encourages contributions in every promotional piece.
  - Publicize volunteer efforts to support the school and its programs.
- b. Newsletter
  - Ensure a **consistent** format, tone and message that includes the school's brand and "story."
  - Budget permitting, produce a fall and spring issue around **timely school issues** (e.g., the beginning of the school year).
  - Have at least one story per issue focus on the **impact** that the school has on students (programs, human interest, etc.).
  - Regularly **recognize volunteer efforts** from the board, volunteers, etc.
  - Plan **photographs** of events with the newsletter in mind.
- c. Website
  - Evaluate the **effectiveness** and number of hits on a regular basis.
  - Ensure donations or pledges can be made easily **online**.
  - Add a **human interest component** to vividly illustrate the impact of the school's education programs.
  - **Update** the website regularly to include latest news, achievements, events, etc.
  - Ensure that the "**look**" is consistent with the branded image of the school.

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## Template #2: New York City Preparatory Charter School

### The Challenge

**New York City Preparatory Charter School**, a single-sex prep school, has decided to rely solely on public funding after a period of 5 years. A critical decision must be made as to what role private funders will have in the school. A possibility is to have private funds flow through a separate foundation dedicated to fund programs and initiatives that would not otherwise receive government funding or support.

### GOAL #1: Develop a strategic planning process

1. **OBJECTIVE:** *Clarify funding policies.*

**Strategies include:**

1. Work with outside professionals and/or the New York City Center for Charter School Excellence to **find a strategic planning professional**.
2. Ensure that the strategic planning process **describes** how private fundraising will be accomplished (i.e. through the school's 501(c)(3) status).
3. **Conduct private fundraising** through this entity to avoid confusion with donors.
4. Ensure that the private fundraising entity has the **elements** needed for a fundraising board: by-laws, committees, position descriptions for committee chairs, minimum giving levels, term limits and profiles of board candidates.

### GOAL #2: Raise the determined financial goal for each fiscal year.

1. **OBJECTIVE:** Empower the board of directors.

**Strategies include:**

- a. Hold a board **mini-retreat** as part of the strategic planning schedule to outline the fundraising efforts needed to carry out the strategic plan successfully.
- b. Hold the annual board meeting in **late June** to get members excited and ready for the extensive fundraising efforts that will be done in the fall.
- c. Hold a board meeting in **September** to reinforce fundraising efforts with specific contributors (individuals, corporations, foundations).
- d. Provide an in-depth **orientation** for the board chair to explain the challenges and opportunities facing the school and the need for a focus on fundraising.
- e. Institute **levels of giving** for **all** board members.
- f. **Set** board/committee meetings at the start of the fiscal year to ensure attendance.
- g. Have each board member **serve on a committee** and work with other committees to develop expectations and goals for accomplishment.
- h. Ensure **board terms** are adhered to and rotate off any board members that are not producing added value for the school.
- i. **Identify board prospects** who represent the diversity of New York's businesses and general population, including younger members, minorities and women.
- j. Encourage and assist board members to cultivate board candidates through breakfasts, receptions and other events to which prospects can be invited.

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2. **OBJECTIVE:** *Increase gifts from foundations and corporations*

**Strategies include:**

- a. Establish annual financial **goals** for corporate and foundation support.
- b. **Research** prospective corporate and foundation funding sources from the school's available resources.
- c. Research the **association** of the school's board members, friends and donors with other corporate and foundation boards to uncover prospective funding and to obtain any follow-up assistance for submitted grants.
- d. Strategize and submit **proposals** for programs that would be attractive to funders.
- e. Circulate among board members, close friends and donors a **list** of foundations and corporations, including board lists, to which the school is planning or has already submitted proposals.
- f. Ask board members, close friends and donors to identify any **additional potential corporate/foundation funders** to solicit.
- g. Make use of **The Foundation Center's database on CD-ROM and FC Search Online** to investigate possible corporate/foundation funding sources.
- h. Use the **Taft Group's Annual Foundation and Corporate Reporter**.
- i. Conduct **ongoing research** using a variety of web sources and fundraising periodicals/journals including Guidestar, The Foundation Center, The Chronicle of Philanthropy, Standard & Poor's Directories and individual corporate and foundation websites.

3. **OBJECTIVE:** *Develop a fundraising solicitation plan for foundations and corporations.*

**Strategies include:**

- a. Develop a report/proposal **calendar** for corporations and foundations.
- b. Identify at least **30 new prospective** corporate and foundation funding sources a month.
- c. Create a **general operating proposal** for the school.
- d. Submit **letters of inquiry**, program narratives and/or proposals as requested by the prospective donor.
- e. **Follow up** with the solicited institutions within four weeks.
- f. Coordinate potential corporate/foundation **site visits** to showcase programs that demonstrate the benefits of the school for single-sex education.
- g. Plan a corporate and/or foundation **event** to familiarize institutional support prospects to the school. This event would be hosted by the chief officer or president of a corporate foundation and/or foundation.
- h. **Track** the results of corporate/foundation solicitations and create a schedule to reapply to institutions that have declined in the past, but still express interest.

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4. **OBJECTIVE:** *Cultivate relationships with current corporate/foundation partners.*

**Strategies include:**

- a. Send interim reports, final reports and other relevant materials for current foundation and corporate donors as advised by their requests and guidelines.
- b. Work with the school's administration to collect information to produce comprehensive and creative reports on specific projects.
- c. Write personalized acknowledgement letters whenever possible.
- d. Recognize and showcase the school's powerful corporate/foundation partners through articles in the newsletter, website and/or annual report.

5. **OBJECTIVE:** *Grow individual giving through personal cultivation and solicitation.*

**Strategies include:**

- a. Establish a fundraising **goal** and develop a plan for cultivating and soliciting current and prospective individual donors of \$2,500 and above.
- b. Develop a **"tickler" system** in the database to guarantee the timely contact and solicitation of current donors.
- c. Institute a **letter/e-mail campaign** to enlist or re-enlist donors below \$5,000.
- d. Research all current and prospective corporate donors to create a list of companies that provide **matching gifts**. Ensure this list is on the website and in newsletters or press packets. (Note: all fundraising-related publications should remind donors to contact their human resources office about giving a matching gift to the school.)
- e. Include a **comment** in thank-you letters, advising donors of the option to increase their donation via a matching gift.
- f. Implement **small cultivation and fundraising functions:**
  - **Assign** major gift prospects to the development committee, selected board members and other close members of the school.
  - **Determine** the number of calls to be made per person each week to determine the aggregate goal for individual solicitations.
  - Hold **"Friendraiser"** events that a current donor would host at their home.
  - Conduct **business socials** that a current donor would host at their workplace.

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6. **OBJECTIVE:** *Establish the annual fund direct mail program as a “feeder” to a higher level individual giving program.*

**Strategies include:**

- a. All donors who have **not given in one year’s time**, or who are not going to be personally solicited, should receive an annual direct mail solicitation letter with a pledge card and return envelope.
- b. **Parents** of all students should be asked to support the school – irrespective of their gross income.
- c. Create a letter and a pledge card that contain a **success story** of how a child or children benefited from their education at the school.
- d. Ask each board member to provide a **list of 100 people** to whom they would be willing to send the letter (besides the high level major donors who are solicited in person). Use this list to create a database.
- e. Ask each board member to send a solicitation letter **on their personal stationary**, as it has a higher probability of being opened. Expect a 20-30% response rate.
- f. **Recognize increased contribution levels** in both acknowledgement letters and in solicitations in succeeding years. (e.g. *“Thank you for your gift of \$50 last year. This year, would you consider a gift of \$55 or even \$60 in order to help ensure the continued excellent education of all our students?”*)

7. **OBJECTIVE:** *Establish a young professional executive committee to cultivate mid-career professionals for future board membership and for fundraising and networking programs.*

**Strategies include:**

- a. Work with current corporate supporters to **identify talented** and motivated mid-career professionals (VP, SVP, EVP) for this committee.
- b. Establish the **purpose for this group** (fundraising only), a name for the committee, its leadership structure, activities, recruitment strategy and fundraising goal. (**Note:** Emphasize that committee members, and those who donate through it, can network among themselves and with senior level corporate executives at events and business socials.)
- c. Have the committee chair serve as an **ex-officio member of board** so there will be a bridge between the current and future leaders of the school board.
- d. Determine what **programs** the committee would be interested in supporting (e.g. scholarships, capital expenditures, programs).
- e. Ensure **year-round fundraising efforts** with an annual goal.
- f. Seek a donated venue for an annual **thank-you and networking event** to positively reinforce the committee’s continued support.
- g. Ensure that this committee is **represented** on the website and in marketing material.

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8. **OBJECTIVE:** *Create a planned giving program with the guidance of an outside expert.*

**Strategies include:**

- a. Hire a **planned giving professional** to advise and negotiate planned gifts if needed.
- b. Give a planned gifts presentation to the board to **raise awareness** of its importance.
- c. Provide opportunities for key school constituents (board, administration, important partners) to **understand** why planned gifts are a crucial component of an effective, long-term fund raising effort to sustain the school into the future:
  - **\$6-10 trillion** will be transferred from the baby-boomer generation.
  - Planned gifts tend to be large gifts.
  - Target donors are individuals **over the age of 55** (particularly women) with interest in bequests or life income vehicles (annuities, charitable remainder trusts, charitable lead trusts), that provide donors with tax saving incentives.
  - Gifts that come from assets rather than income create another **revenue stream of donors** (e.g. retirement plans; life insurance; appreciated property, real estate, stocks, mutual funds).
  - Planned gifts **save the donor taxes** on appreciated assets via reduced estate tax, charitable deductions and the avoidance of capital gains on a planned gift (not the sale of asset).
- d. Institute a **planned giving acceptance policy** that details what types of gifts the foundation will and will not accept (for example, items that are difficult to sell such as livestock, fur coats and jewelry).
- e. Establish the New York City Prep **Legacy Society** and the New York City Prep **Legacy Society Advisory Committee** and promote the Society in communications sent to current and prospective donors.
- f. Create and implement a **marketing plan** for planned gifts which includes a special section on the website, newsletter and annual report.
- g. Develop sophisticated **promotional material** that tell the benefits of planned gifts to a donor and the school.
- h. Build a **relationship** with planned gift prospects and have a planned giving professional negotiate the gift, when appropriate. (Note: The development staff should learn about this function so they can assume negotiation duties in the future).
- i. Maintain the necessary **paper work and records**, with guidance from a planned gifts professional. All records will be held strictly confidential.

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## **GOAL #3: Focus the school's branding and marketing for fundraising purposes.**

1. **OBJECTIVE:** *Ensure branding is determined to be of interest to the donors.*

**Strategies include:**

- a. Shift from an institutional perspective to a donor perspective in order to:
  - Understand the school's external constituents.
  - Know what drives the external constituents to give.
  - Enhance the school's image in the minds of donors.

2. **OBJECTIVE:** *Improve overall communications efforts to all constituencies who are considered prospective or current donors.*

**Strategies include:**

- a. Develop an **advertising/PR campaign** to include website, ads, direct mail and newsletter, as appropriate, to increase the school's visibility with funders.
- b. Ensure communications to current and potential donors has a very **clear and concise message** for financially supporting the school.
- c. Hold a **monthly meeting** to review/revise the communications plan as needed.
- d. Develop a **monthly calendar** for communications activities so the development team can anticipate and ensure its message is included.
- e. Use **PR agency contacts** to maximize fundraising efforts:
  - Get celebrity donations for auctions at fundraising events.
  - Get in-kind venues for small cultivation and fundraising events.
  - Secure celebrities as speakers and guests of honor at fundraising events.

3. **OBJECTIVE:** *Improve specific communications efforts to external constituencies..*

**Strategies include:**

- a. Newsletter
  - Focus the content, look and layout of newsletters to **donor interests**.
  - Ensure at least two issues compliment **fundraising efforts**.
  - Include **pledge envelopes**, with printer codes, in newsletters and make suggestions for their content.
  - Focus one story per issue on the **impact** the school has made on its students.
  - Take **photographs** at events and include them in the newsletter.
- b. Information Packet
  - Develop a **packet** with a fact sheet and creative materials on the school.
  - Regularly **update** and replace old materials with more relevant ones.
  - Ensure that all materials included in the packet have the school's logo/colors and reflect the school's mission and successes.
  - Update to enclose/remove time sensitive materials (invitations, newsletters).

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## **GOAL #4: Strengthen the controls and systems to support the fundraising and program efforts.**

1. **OBJECTIVE:** *Ensure proper use of a database for development efforts*

**Strategies include:**

- a. Develop **acknowledgement and data entry** policy and procedures.
- b. Ensure **clean and accurate** data entry.
- c. Ensure that **all** contributions are acknowledged **within 72 hours** of their receipt.
- d. **Update** acknowledgement letters at least twice per year.
- e. Ensure reply devices have an **e-mail field** to gather information as an additional means to contact donors.
- f. Ensure that all **donor files** are in good order and understandable.

### IX. Fundraising Definitions

The following terms are used in fundraising to describe the various types of donor contributions. They include:

- **Annual Appeal:** The annual fundraising campaign to individuals, usually by mail, but also by phone or both.
- **Annual Fund:** The overall program and operating funds raised in a year from any combination of individual donors, events or grants.
- **Campaign:** A specific fundraising activity or goal, such as a mailing or a series of integrated events.
- **Major Donor:** Those who make a “significant” contribution to the school. The definition of a significant contribution varies. Startup charter schools in lower income communities might consider those who give in excess of \$100 to be major donors.
- **Restricted Funds:** Money donated for a specific project. These funds must be tracked separately in the school’s accounting system and can only be used for the designated purpose. However, funds can cover more than one year.
- **Unrestricted Funds:** This money can be used at the school’s discretion to support operating costs.

**Source:** *Charter School Founders’ Manual*, New Jersey Charter School Resource Center.

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- Development Advances LLC. [www.developmentadvances.com](http://www.developmentadvances.com).
- Fund for Public Schools. [www.nycenet.edu/FundforPublicSchools.com](http://www.nycenet.edu/FundforPublicSchools.com)
- The Foundation Center. <http://fdncenter.org>
- *Charter School Founders' Manual*, New Jersey Charter School Resource Center. [www.njcharterschools.org](http://www.njcharterschools.org)
- *Grants Writing Guide*, by Focus Fundraising.
- *Securing Your Organization's Future* by Michael Seltzer. The Foundation Center, 2001.
- *How to Get Grants and Gifts for Public Schools* by Stanley Levenson.