Benchmarking California's Community College Foundations:

Success Factors and Suggestions for Growth

Presented by

George Boodrookas, Ed.D. – Philanthropia Consulting

NCCCF Coffee Hour Presentation

October 26, 2023

Network of California Community College Foundations

Agenda

- Comparison of 2012 & 2023 survey results
- Analysis of staffing and structure of CA Foundations
- Analysis of fundraising results & purposes
- Challenges faced by CCC Foundations
- Success factors for CCC Foundations
- Profile of a successful CCC Foundation

Findings from the 2012 NCCCF Survey

Comparison: Number of Staff and Fundraising History

The average amount of funds that community college foundations raised over the last five years increased in correlation with an increase of foundation staff members. Foundations with a staff of six or more members raised an average of $12,996,416.38, while foundations with one or less staff members raised an average of $2,568,916.46 over the last five years.

Average amount raised over last 5 years (by number of staff)	
Staff of 1 or less	$2,568,916.46
Staff of 1 – 3	$3,454,650.00
Staff of 3 – 5	$5,402,473.46
Staff of 6 or more	$12,996,416.38

Findings from the 2023 NCCCF Survey

Comparison: Number of Staff and Fundraising History

The average amount of funds that community college foundations raised over the last 3 years increased in correlation with an increase of foundation staff members. Foundations with a staff of six or more members raised an average of $17,610,672, while foundations with one or less staff members raised an average of $1,326,670 over the last 3 years.

Average amount raised over last 3 years (by number of staff)	
Staff of 1 or less	$1,326,670
Staff of 1 – 3	$2,525,334
Staff of 3 - 5	$8,890,451
Staff of 6 or more	$17,610,672

*Data from 33 responding colleges with 3 most recent years of data

NCCCF Survey Findings (50 respondents)

- **73%** are auxiliary 501 (c)(3) non-profit corporations
- **27%** are independent non-profit corporations
- Director/Executive Director is lead staff title in **90%** of Foundations
- Longevity of lead staff ranges from 4 months to **37** years
- **76%** report to the college president or district chancellor
- **24%** report to the foundation board

NCCCF Survey Findings (continued)

- Average gross assets of all 46 respondents - **$16.93M**
- Purpose of endowed accounts – scholarships, programs & emergency assistance
- Average distribution of endowed accounts – **3-5% annually**
  - Administrative/sustainability fee – .75% to 2% when applied
  - Inflation set-aside at some colleges
  - Distribution of 3-5%
- **Example:** 3.5% distribution; 2.0% set-aside; 1.5% fee

NCCCF Survey Findings (continued)

- Approximately **$105M** raised by 42 foundations in 2021-2022
- Average of **$2.28M** raised in the last fiscal year by those foundations
- Foundation portfolio assets **lost** during 2021-2022 – -$38.5M
- Foundation portfolio assets **gained** in 2020-2021 – $86.4M
- Foundation portfolio assets **gained** in 2019-2020 – $18.9M

NCCCF Survey Findings (continued)

- Scholarship funds distributed in 2021-2022 - **$25.5M**
- Average per campus in scholarship distribution - **$515,000**
- Average # of scholarships distributed – **420**

- Total operating expenses for (48) foundations - **$29.7M**
- Average per campus in operating expenses - **$620,000**

Challenges Faced by our CCC Foundations

- Staffing limitations are impeding growth and sustainability
- Insufficient technology for donor management
- College/District bureaucracy and leadership instability
- Campus understanding of foundation and fundraising mission
- Insufficient resources for alumni identification and engagement

Challenges Faced by our CCC Foundations

- Board recruitment/development/participation needs improvement
- Accounting/audit assistance is limited
- Limited institutional support – financial & operational
- Culture of philanthropy on campus not developed

Success Factors for CCC Foundations

- Adequate and effective **staffing**
- Strong institutional **support**
- Investment in donor management & other technologies
- Investment in **alumni** identification and engagement
- **Storytelling** – the secret sauce of fundraising
- A campus culture of philanthropy…top-down and bottom-up
- Strong **board** members who understand their roles/assets
- **Accounting** support from the institution
- Sound investment & operational policies (including sustainability fee)

Profile of a Successful CCC Foundation

- Staffing of at least 3 full-time equivalent personnel
- ED who reports to the president & sits on college cabinet
- Diversified fundraising revenue sources; more than just events!
- Independent, effective donor data management system

Profile of a Successful CCC Foundation

- Support from multiple areas of the college
  - Business Office
  - Human Resources
  - Payroll & Purchasing
  - Public Relations & Marketing
- Access to the student directory for alumni data
- Unrestricted funds to support growth and innovation

Profile of a Successful CCC Foundation

- College CEO who understands and engages in philanthropy
  - Strong support role at minimum
  - Chief fundraising officer at best
- Strong culture of philanthropy on campus
- Board members who understand their role and do not micromanage the ED and team

Profile of a Successful CCC Foundation

- Board members who understand they are exemplars in the fundraising mission by giving and getting additional support
- Board members who prioritize fundraising and trust the exper
- College leadership and boards willing to INVEST in the Foundation operation while seeking accountability

Profile of a Successful CCC Foundation

- Foundation team and board members focused on the strategic directions of the Foundation and not easily distracted by the "next shiny object"
- Strong emphasis on professional development for team members and volunteers
- Board support for sustainability fees for the operation

Profile of a Successful CCC Foundation

- Foundation that partners with alumni, retirees, employees and students to raise funds that impact student success
- Focus on story gathering and storytelling in donor relations
- Building major gift and planned giving operations for the future

Common Strategic Directions @ CCC Foundations

- ***Enhancing Our Image and Telling our Story*** (public relations & marketing; gathering and telling the story via multiple media channels)
- ***Identifying and Engaging our Alumni*** (identification, cultivation, solicitation, stewardship)
- ***Building our Revenue Streams*** (annual fund, major gifts, planned giving, campaigns, grants, enterprise activities, etc.)
- ***Growing our Infrastructure*** (staffing, board development, technology, fiscal/accounting matters, policy development, college support, etc.)
- ***Collaborating with Internal/External Partners*** (formal and informal arrangements with college, donors, city, community, etc.)
- ***Building a Culture of Philanthropy*** (employee giving & board giving; leading by example so that donors see the support at the college and emulate it)

Resources of the Network

- Access to **"The Vault"** repository of data, samples & ideas
- Network Coffee Hour & special presentations – 8x per year
- The **Network Academy** – 9 modules of professional development
- Access to Roundtables with special guests (archived)
- Access to a network of sympathetic leaders eager to share
- Option to become a board member
- Access to a Network consultant

George Boodrookas, Ed.D.

Philanthropia Consulting

george@myphilanthropia.com

(209) 985-9090