ED304170 1988-07-00 Community College Foundations. ERIC Digest.

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Community College Foundations. ERIC Digest.

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Many community colleges are responding to decreasing funding and rising costs by mounting aggressive fund-raising campaigns to solicit financial support from individuals and corporations. The not-for-profit community college foundation plays a major role in the colleges' overall resource development plan by soliciting gifts directly, promoting the college to its publics, and determining how the resulting funds are allocated (Keener, 1982).

The Chronicle of Higher Education (Bailey, 1986) reported that as of January 1986, an

estimated 730 community colleges had established foundations, up from 546 in 1978. According to Robison (1982), these organizations are usually one of the following types:

1) Holding Corporations, which possess and manage assets as their

only activity;

2) Personality or "Old Buddies" Foundations, which act almost as the

personal charity of a community and social leader and his/her

friends;

3) Structural Agents or Operating Foundations, which, acting as

separate legal entities, conduct financial transactions not

permitted within public school budgets;

4) Special Purpose Foundations, which solicit, manage and disburse

funds for a single cause, such as a scholarship fund; or

5) Comprehensive Foundations, which may encompass features of the

other four models.

Because the foundation is legally and organizationally independent of the college, it is able to promote the well-being of the college without the statutory limits placed upon the college's governing board and staff. There are no restrictions on the legitimate concerns of a community college foundation.

REASONS FOR ESTABLISHING A FOUNDATION

Kopecek (1982) highlights a number of ways in which foundations can benefit community colleges.
* Because a non-profit foundation has tax exempt status, the

contributions of individuals, businesses, and corporations to the

foundation are tax deductible, while donations made directly to the

college are not.

* Foundation support permits colleges to implement programs and

services that are not within their operating budgets.

Possibilities include community service programs for older

adults, enrichment programs for talented or at-risk high school

students, day care centers for the children of the students and

staff, or specialized in-service training.

* Unlike public funds, foundation money is not restricted to basic

functions, making it possible for community colleges to build

facilities, such as art centers, museums, or theaters; offer

recreational, remedial or community service programs; and purchase

sophisticated technological equipment that might not legally be

financed with state moneys.

* Ties with community leaders can be strengthened.

* Foundations give alumni and other college supporters an

opportunity to show their appreciation in tangible ways.

Though these benefits are potentially available to all colleges, a number of factors will affect the extent to which individual foundations can accrue them, including the geographic location, age, and size of the campus; the abundance of wealth present in the community; the community's pre-existing level of institutional awareness and commitment to giving; and the satisfaction of college alumni with their educational experiences.

CREATING A COMMUNITY COLLEGE FOUNDATION

Sharron (1978) lists four phases in the development and organization of a foundation.
PHASE ONE: ORGANIZATION & ADMINISTRATION.

The college develops articles of incorporation and by-laws for the foundation, files for IRS tax-exempt status, secures the approval of the state government, selects the core group of the board of directors, and develops a brochure for public distribution.

PHASE TWO: EDUCATIONAL AWARENESS.

The foundation's board of directors is briefed by the college administration on the various activities and programs of the college.

PHASE THREE: COMMUNITY RELATIONS.

The foundation undertakes a large-scale public relations campaign, distributing brochures about the foundation and various college programs and setting up opportunities for the college president to address community groups.

PHASE FOUR: PLANNING & IMPLEMENTATION.

The board of directors and its committees plan a calendar of fund-raising activities and other events for the coming year.

According to Sharron, during the first year of operation, the foundation should focus on cultivating potential donors and volunteers. During the second year, activities should emphasize corporate giving. During the third year, a program of planned or deferred giving should be implemented.

CHARACTERISTICS OF SUCCESSFUL COMMUNITY COLLEGE FOUNDATIONS

Duffy (1979) reports that the community college foundations that most effectively meet their goals share the following characteristics. They
* have strong public relations with the community;

* involve community leaders and potential donors in their operations;

* provide for community involvement in campus activities;

* sponsor college-oriented events on an ongoing basis;

* serve as a major source of student financial aid; and

* initiate new ideas and processes.

Another measure of the success of foundations is the number and amount or donations they solicit. Reporting on a national survey of community colleges, Degerstedt (1982) identified the following fund-raising methods as most effective:

personal solicitations, including those made by foundation board members;

direct mailings to the community at large special events;

business/industry donations;

limited direct mailings to targeted groups, such as alumni, businesses, or special interest groups;

annual fund campaigns;

memorial gifts;

membership dues;

wills, bequests, estates;

benefit dinners;

special projects;

staff donations;

community programs.

Underpinning the ability of foundations to raise significant amounts of money and garnering community support are the backing of the college's president or chief executive officer; mechanisms within the foundation for effective planning and goal-setting; ongoing communication between the foundation and the college and the community; and an understanding of factors that will motivate the community to support the foundation.

The commitment of the board of directors to the foundation and the college and their role in advisory and fund-raising activities is also instrumental to success of the foundation. Kopecek (1982) suggests that: (1) the board be relatively large, including between 18 and 35 members; (2) meetings be held no more than three or four times a year; (3) meetings be well organized, focusing on action items and short reports; and (4) day-to-day activities be guided by an executive committee and staff, under the direction of the executive director of the foundation, who is preferably a full-time member of the college staff.

The economic climate of the 1980's dictates that community colleges become more aggressive and creative in seeking private financial support. The foundation can play a central role in an effective resource development program.

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Title: Community College Foundations. ERIC Digest.
Document Type: Reports---Descriptive (141); Information Analyses---ERIC Information Analysis Products (IAPs) (071); Information Analyses---ERIC Digests (Selected) in Full

Text (073);
Target Audience: Practitioners
Descriptors: Community Colleges, Donors, Educational Finance, Educational
Resources, Fund Raising, Governance, Organizational Development, Organizational
Effectiveness, Philanthropic Foundations, School Community Relationship, Two Year
Colleges
Identifiers: ERIC Digests
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