



CCEF LINK

California Consortium of Education Foundations

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We hope that members of the LEF community will contribute to this newsletter. If you have written, or would like to write, an article that would be of interest please contact CCEF.



COLLABORATION

by *Caroline Boitano, President, CCEF Board of Directors*

How often have you heard the call for greater collaboration? For those who have written grants to foundations and corporations, you may find this magic word in the guidelines or it may surface in conversations with people from the district or other organizations. It can be a word that brings terror into the hearts of those who hear it especially when the collaboration means “My Ideas” and “Your Money.”

Collaboration is worth the effort, but to be effective there must be cooperation and work put forth by all parties involved. It is a necessary component to achieve mutual goals, particularly within the complex web of relationships in the public school support system. To be successful, efficient collaboration usually begins with two or more partners who recognize their goals can be accomplished by the efforts of working together rather than separately. In order to be successful, a clear understanding of each partners’ needs must be established at the beginning of any collaborative effort. Clear “ground rules,” which are specific, become the operating principles for the organization’s efforts to cooperate and work together.

For example: The PTA has identified the need for enhanced landscaping and lighting in a single school district as a primary goal for the year. In talking about this problem, from the standpoint of safety and a better environment, they discover that the Education Foundation has an interest in environmental projects that will enhance the curriculum. The PTA knows that the Foundation has great success in funding grants, and wonders if they can build a collaborative effort with the Foundation. As discussions progress, the Foundation and the PTA decide to use this project as a way to involve students and teachers in the planning and implementation of the landscaping and lighting within the school area. Here are some of the ground rules they could develop.

1. Keep the goal in mind. Post it somewhere easily viewed by all involved. “Learning by doing gives us a safer school and educational opportunities for students.”
2. Establish a working committee from each organization. Identify your strengths and weaknesses together. Develop a mutual understanding of

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what each partner could potentially bring to the table.

3. Cooperate to develop a work plan together and then, together, decide on what this plan will cost.
4. Be clear and specific in discussions involving funding and money. Who will be the “banker”? Are there checks and balances in place to ensure everyone involved is kept informed?
5. Understand each partner’s limitations. There may be limits on what each organization can accomplish, e.g., the Foundation must have a curriculum for the project to be considered an educational grant. The PTA, on the other hand, may be reluctant to ask for large donations from parents. The PTA can bring volunteers into the project, and the foundation offers tax deductibility and public accountability for the project.
6. Establish the chain of command. In order for any project to be efficient, all involved should know their own personal assignments as well as who is responsible and who is in charge.
7. Identify someone from each group to handle any complaints, should they arise. In this way, all the issues are aired in an appropriate forum.
8. Respect each other, and avoid criticism, especially if there has been a history of competition between the organizations.

Simply thinking through the process beforehand and keeping things in perspective makes working collaboratively a positive experience. You don't have to give up your identity to make a collaboration work. But you do have to make the effort to keep your partners informed, to know what you can do alone, and what needs mutual decision making. You will find that it is true that sometimes two heads, or in this case, two organizations, are better than one.



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MEETING THE BUDGET CRISIS: WHAT CAN LOCAL EDUCATION FOUNDATIONS DO [\(TOP\)](#)

by Sally Outis, CCEF Board of Directors

School districts across California are anxiously looking to Sacramento for indications of how dramatically the current budget crunch will impact them. The double whammy of the State’s budget shortfalls (current and expected) and the faltering economy have combined to wreak havoc on 2003-04 budget planning in the State’s more than 1,000 school districts. Many questions about State legislative action have yet to be answered

The role of local education foundations (LEFs) in stepping into the breach caused by cutbacks in the current year and the draconian cuts in state education support expected for next year undoubtedly vary as much as the LEFs themselves vary. Examples from around the state include the Hermosa Beach Education Foundation, a coalition of parents and community members that are seeking donations in hopes of raising \$300,000 to cover the district’s projected shortfall. Special fund raising events of all sizes and levels of sophistication are being held. In some districts LEFs are asking parents to donate a per student amount of \$350, and up, to help address budget shortfalls for next year. Check the CCEF discussion web as to what other LEFs are doing. <http://www.ccefink.org/discweb>

LEFs also have a strong voice that resonates in Sacramento. On Feb. 8 Assemblywomen Wilma Chan and Loni Hancock met with representatives of school districts, including LEF leaders, in Alameda and Contra Costa counties to provide the latest information about legislative activities on the budget front AND to hear from education leaders about their ideas for

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meeting the State budget crisis. According to Assemblywoman Chan, the information gleaned was “incredibly useful” in her legislative work on the budget. LEFs can actively seek such meetings with their state legislators and invite participation by others in the education community.

Most importantly, LEFs can share their ideas with colleagues around the state. CCEF invites California LEFs to log onto <http://www.cceflink.org/discweb> and share their ideas for meeting this education emergency. This site is available to members and non-members alike.

If you would like to communicate with your legislators personally the following links provide contact information. For a directory of members and committee assignments, go to

<http://www.assembly.ca.gov/acs/acsframeset7text.htm>

<http://www.senate.ca.gov/~newsen/senators/senators.htm>

Or visit the official websites for the Senate and Assembly at:

<http://www.senate.ca.gov>

<http://www.assembly.ca.gov>



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FOUNDATIONS MEETING REGIONALLY [\(TOP\)](#)

by Morgan Odell, DPA, CCEF Board of Directors and Susan Sweeney, CCEF Executive Director

Local Education Foundations in Orange and Marin Counties meet together on a regular basis to share information and plan cooperative activities. Additionally, CCEF has teamed with local education foundations in other areas of California to bring together local LEF leaders for training and networking. Call CCEF if you are interested in being a local host for a regional meeting and be sure to look at the calendar section for upcoming meetings in San Gabriel and San Diego.

ORANGE COUNTY COALITION OF PUBLIC SCHOOLS FOUNDATION
The CCEF Conference in the early nineties was the birthplace of an idea that has evolved into what is now the Orange County Coalition of Public School Foundations (OCCPSF). That meeting brought together representatives of five Orange County foundations who decided to meet quarterly to exchange operating strategies and techniques and to invite others to join them.

One of the founders, Elizabeth Thomas of Irvine, wrote an article for a local newspaper about LEFs and how they aided students and schools. An interested reader was Joe McPherson, owner of several Orange County automobile agencies, who then initiated a program where a donation for each car sold was made to a school or LEF designated by the purchaser. When no designation was made the money went to the Orange County Community Foundation (OCCF) who used it to fund grant requests from schools or LEFs. In 1998, CCEF worked with the Community Foundation to bring together LEFs in Orange County to share successes and challenges and to gain a better picture of the local education foundation movement countywide. Following that meeting, OCCF announced that it would award the remainder of the McPherson fund, some \$35,000, to a group qualified to establish a formal organization of County LEFs. The result is OCCPSF, which, though progress came slowly, has now achieved tax exempt status, and is pursuing its goals with a web site <http://www.occpsf.com>, a brochure, office space and soon, a part-time paid executive director.

While OCCPSF will continue to serve as a forum for information exchange, its continuing development now allows it to move ahead on two other fronts by:



Quarterly meeting of LEF leaders in Marin County



Carol Sigelman, CCEF board member, talking with attendees at a San Diego City Schools meeting

1. conducting activities that help to develop new LEFs and to strengthen existing foundations.
2. obtaining funding from sources not available to individual LEFs.

OCCPSF will work with member LEFs and the Orange County Department of Education in identifying, developing and publicizing model programs sponsored by LEFs. Thus OCCPSF will support the work of local foundations and furnish guidance to funding agencies by acting as a liaison between the two. OCCPSF has as advisors County Superintendent of Schools Bill Habermehl as well as CCEF Board members Morgan Odell, Michael Pinto and Frank Quevedo.

MAPS – MARIN ALLIANCE FOR PUBLIC SCHOOLS

The Marin Alliance for Public Schools (MAPS) began ten years ago with the goal of approaching corporations for funding. The fifteen MAPS members primarily serve school districts; however some serve single high schools. After several joint fund-raising efforts including a theater opening, a car raffle, and a home show, the group decided to focus on countywide capacity building. Meeting quarterly, the fifteen foundations in Marin focus on successful projects and strategies. At their last meeting a representative from E-Scrip gave a presentation and the various LEF leaders shared their successes in marketing the program to their school communities. "In addition to sharing good ideas, we feel we have a system in place to reach out to entire county when we need to," explained Tisha Garlock, Executive Director of the Mill Valley Schools Community Foundation (Kiddo!)

SAN DIEGO & SAN GABRIEL LEFs CONTINUE MEETING

Over the last several years local education foundations in both San Diego and the San Gabriel Valley of Los Angeles have met for training and networking activities. Currently these groups are holding brown bag meetings and regional trainings. To learn more about these meetings or to explore how your foundation might work with CCEF to convene LEFs in your region, contact the CCEF office.

There is a real value in local education foundation leaders meeting informally to share successes and challenges and also join together to stimulate countywide, broader support for public schools. Visit the web site or call the CCEF office for more information on regional meetings. Visit the calendar to learn of upcoming meetings.



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ENDOWMENT FUNDS FOR PUBLIC SCHOOLS (PART TWO)

[\(TOP\)](#)

by Michael Pinto, Ph.D. CCEF Board member

When do you start an endowment fund and how is it accomplished? Our experience with The Laguna Beach Education Endowment and Capital fund might prove illustrative. When we established the Laguna Beach Education Endowment fund in 1986, the mother organization, Schoolpower™, had been in operation for six years and had established a solid reputation. We did not have to convince our first endowment contributor of its worthiness or reliability; she only had to be asked for our founding contribution.

Over coffee, we asked her to contribute an unrestricted \$100,000 to our fledgling endowment fund. She blinked (a sure sign she would do it but with a slight modification), so it was suggested the pledge be paid over five years. She agreed and our endowment fund was off to a great start. In making that pledge, however, she did ask that the endowment fund be established as a separate 501(c) (3) corporation with its own set of bylaws, articles of incorporation and separate board. She was new to the organization but not endowment funds. In making that request, she

highlighted an important element in fundraising for endowment funds. Supporters want to know that their contributions are clearly segregated from the annual campaign coffers.

A five-member founding board was then recruited from amongst the Schoolpower™ trustees and we obtained the *pro bono* services of a local law firm to draw up the appropriate corporate documents. The new corporation was called the Laguna Beach Education Endowment Fund, a wholly owned subsidiary of the Laguna Beach Education Foundation.

The new board decided that the endowment fund would only accept gifts of \$10,000 or more in order to distinguish it from, and not to compete with, the annual campaign. Additionally, because the gifts to be solicited were so large, it was agreed that they could be pledged and then paid for over a number of years; again, different from the annual campaign that collected all monies pledged within the same campaign year.

To show the community that Schoolpower™ believed in the endowment fund concept, it was agreed that 10% of the net proceeds from each year's regular campaign would be contributed to the endowment fund. Additionally, as the endowment fund was slow in getting started, there was no overhead burden charged to the fledgling foundation. These two decisions were particularly important to its early success, as needs of the school district were to overshadow our efforts to build the fund during the first six years of its existence.

The school district had sold off excess assets, receiving over \$7 million in net proceeds. This money, by law, could only be used for capital projects. As the high school was in much need of repair and expansion (it was built in the 1930's), and as the projected cost was well over \$10 million, the Board of Education decided to conduct a \$3 million capital campaign, largely with Schoolpower™ volunteers. So as not to conflict with this new campaign, the endowment fundraising was put on temporary hold.

Once the capital campaign was successfully completed, we realized that folding the fundraising committee into the endowment fund board would be an excellent way to reinvigorate the endowment fund and hold onto a very successful and active group of volunteers experienced in large gift solicitations. The new board reviewed and updated the corporation's bylaws, elected new officers, recruited additional members, and renamed the Endowment Fund the Laguna Beach Endowment and Capital Fund.

It was decided that with the exception of one dinner dance/auction a year, the endowment/capital fund would conduct no other fundraising events. This was important for future cooperation between the two organizations. Schoolpower™, a largely event-driven organization, did not want to have to compete with the Endowment/Capital Fund. Income for the Endowment/Capital fund would be generated only through individual large gift solicitations, the dinner/dance/auction event, planned giving, the annual 10% Schoolpower contribution, and good asset management. Overhead would be kept to a minimum by using Schoolpower™ staff on a pay-as-you-go basis.

Since its reinvigoration several years ago, the Endowment/Capital fund has received several corporate stock contributions (through our entrepreneurial fund) and a parcel of land. Our balance sheet shows almost one million dollars in net assets. We have instituted an annual board retreat, inviting leading members of the community as well as school administrators and teachers to envision their dreams for the future of education in Laguna Beach. This event also gives the Board an opportunity to stay in touch with the community and to harvest new fundraising ideas and contacts.

There have been two interesting developments with the endowment fund that we never anticipated. Several years ago, as a result of the Orange County bankruptcy as well as very poor fiscal management at the Laguna Beach school district office, our schools were faced with a one million dollar (8% of the budget) deficit. Drastic measures had to be taken to correct this situation and during the crisis, the endowment fund sought to establish an unsecured line of credit it could borrow against. The proven track record and financial strength of the endowment fund allowed us this opportunity, and was a graphic example of how valuable and unexpectedly important an endowment fund could be.

The second outcome was a more problematic one. With success comes both opportunity and danger. Two Laguna Beach non-profit organizations, one a church, the other a museum, were taken over by outsiders through a strategy of quietly infiltrating the board of these asset rich non-profits. Both events were very traumatic to the community, and as a result of this experience, the Laguna Beach Education Endowment and Capital fund has been investigating ways to protect itself from such a takeover. As of this date, our only answer has been to stay aware, involved, and community based. But as the endowment pot grows, greedy eyes will be watching. Our challenge is far from over.

Finally, there are philosophical questions to be addressed when establishing an endowment fund: Is it better to save for the future in an endowment fund or should immediate needs be addressed through the annual campaign? What takes precedence, the capital fund's bricks and mortar or current needs funded through annual fundraising events? To an extent, the answers come from the contributors as they drive much of how we raise as well as allocate funds. However, our responsibility as professionals and concerned volunteers is not only to sense the needs of the community and contributors, but to lead them in an understanding of the great potential and multiplicity of ways our communities have to support public education. We carry the flame and it is burning brightly.

(The first part of this article appeared in last months CCEFLINK)



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ENDOWMENT FUNDS, AN ALBANY CASE STUDY [\(TOP\)](#)

by Sally Outis, CCEF Board Member

Endowment funds can start big, as in the case of the Laguna Beach Endowment and Capital Fund, or, they can start on a much more modest scale. In either case, the goal is much the same: the accumulation and preservation of funds that over time can provide a dependable and predictable (within the parameters of the economic conditions of the time) income stream for supporting school programs. These funds do not go into the classroom in their entirety every year. Instead they are invested thoughtfully and prudently under the stewardship of the organization's board of directors or other designated stewards.

In 1994 a community group was seeking to organize a local education foundation (LEF) to benefit the public schools of Albany, California. Part of their research involved interviewing representatives of other local education foundations in the area about their structure and practices. One of the questions posed by the Albany group was, 'Do you have an endowment, and if so, how did you go about setting it up?'

Some of the groups contacted had endowment funds in place, others did not. Consistently, however, their advice was, in essence, 'Setting up an endowment fund is a good thing to do; if you do it, do it right from the beginning. It will be much harder to start one after your donors become

accustomed to the idea that 100% of their gifts go directly into the classroom.'

Acting on the good advice of more experienced colleagues, the Albany group decided to announce its endowment plans in conjunction with the organization of its LEF. The plan devised was that for each donation to the Albany Education Foundation (AEF) of \$100-499, ten percent would go into the foundation's endowment fund. Fifteen percent of donations over \$500 would be earmarked. AEF's Finance Committee developed draft policies for board approval; the committee also researched various prospective investment vehicles for endowment funds and presented a recommendation to the board.

The initial donation to the endowment fund, \$894, came from a local school board member who donated excess campaign funds. Since the organization of AEF in 1995, the endowment fund has grown from \$0 to more than \$25,000---not a substantial amount by Laguna Beach standards, but the growth has been steady and significant for an organization whose annual revenues started at \$25,000 and are now at \$60,000. Investment has been prudent, and while the fund has suffered some loss during the economic downturn, it has not been disastrous.

Attempts have been made during the past eight years to interest local individuals with significant assets in making major gifts to the endowment fund but without success. That effort will continue, however, as it is believed that there is appeal for this opportunity. In the meantime, while policy provides for earnings to be available for AEF operations, the board has chosen to increase values by reinvesting earnings in their respective funds. Coupled with the percentage donations mentioned above, the endowment fund has continued to grow. In time, the earnings will support programs for Albany schools and allow AEF board members to invest more energy in developing program and less in raising funds.



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DIRECTORY SURVEY [\(TOP\)](#)

Have you returned your 2003 CCEF Directory form? Paper copies of the survey have been mailed to all identified local education foundations. And for the first time you may complete the survey online at <http://www.cceflink.org/dirsurvey.asp>. Sponsored by the Wells Fargo Foundation the directory project is the most comprehensive to date and focuses on gathering data on all LEFs. Results will be shared in future issues of CCEFLINK. We need you to complete the survey and make sure other LEFs in your area are aware of the survey project. Concurrently, CCEF is surveying school districts around the state as to the status of identified education foundations. While local education foundations are as different as the communities they serve, all are committed to enriching the lives of California's children and their families. Be sure to contact CCEF if you need a paper survey form.



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IN THE NEWS [\(TOP\)](#)

Education Foundations and Lobbying, by Ronald T. Vera, Gutierrez and Vera, is an important resource for local education foundation (LEF) leaders. Funded by California Casualty Group, this project was the result of CCEF's desire to address often asked foundation questions in a coherent and consistent manner. Mailed to all LEFs identified by CCEF, it is now on the list of CCEF Resources. If you didn't receive one, contact CCEF. "This paper was designed to correct mistaken assumptions that local education foundations cannot be involved in advocating for their public schools,"



stated Ron Vera, CCEF advisory board member. Through the distribution of *Education Foundations and Lobbying*, CCEF affirms its role as a capacity building resource for local education foundation leaders. Ron will be one of the speakers at the Education Foundation Fundamentals program in Pomona on May 9. For more information and registration materials, go to: <http://www.cceflink.org/announcements.htm>

Have you seen the new CCEF brochure? An electronic version of the CCEF brochure can be found on the CCEF web site and paper copies have been sent to all local education foundations as well as school districts in California. CCEF greatly appreciates Southern California Edison's sponsorship of this project.

Don Brann, Superintendent of Wiseburn Elementary School District and Susan Sweeney, CCEF Executive Director presented "Raising Friends and Funds," at the Small School Districts Association Annual Conference in Sacramento. Further information at the SSDA web site <http://www.ssda.org/>

Ronald T. Vera, author of *Education Foundations and Lobbying*



Don Brann and Susan Sweeney presenting at the SSDA conference

Did you know that California ranks 46th in the country in per pupil spending when adjusted for regional cost of living differences. Analyzed in terms of priority. California also ranks 43rd in percent of total taxable resources spent on education. This data was gleaned from EdVoice at <http://www.edvoice.org>



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CALENDAR [\(TOP\)](#)

- San Gabriel Brown Bag—April 28, 2003
- Sacramento—May 6, 2003, Education Foundation Fundamentals, intensive 1 day workshop on starting and/or rejuvenating your LEF. [Download the registration form](#)
- Pomona—May 9, 2003, Education Foundation Fundamentals, intensive 1 day workshop on starting and/or rejuvenating your LEF. [Download the registration form](#)
- San Diego County Meeting—May 14, 2003
Dr. Stan Levenson author of *How to Get Grants and Gifts for Public Schools* will be the speaker. Call CCEF for details
- CCEF Annual Training Conference, "Changing Role of Education Foundations in Today's Economy," will take place on Nov 6-7, 2003, in San Jose. Day One will feature twin tracks on "In depth capacity building" and "Education Foundation Fundamentals." Day Two will feature General Sessions, a Panel of LEF leaders, 12 skill building workshops, networking reception and Idea Fair.

A big thank you to Washington Mutual, Inc. for sponsoring this newsletter.

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