



Potter Development Services, Inc.

"A Perfect Storm is Coming for Public Education"

"Public education K - 12 faces enormous challenges. A "perfect storm" of events is leading to financial crises for a large number of school districts. Even the best of scenarios will most likely lead to continued belt-tightening and dropped programs across the board.

State funding patterns are changing, resident support through ever-increasing local taxes can no longer be assumed and expenses will continue to rise. Public school districts not developing new sources of funding now will find it increasingly difficult to offer educational excellence and innovative programming in the future."

Potential

Parochial schools and private schools have long realized that their alumni are a source of tremendous potential support. Nearly all have their own well-developed alumni programs. In recent years public schools, mostly from urban areas and often through a Local Education Foundation, have begun to initiate alumni programs. Most smaller and more rural districts have done little to engage their alumni or to generate significant alumni support. Overall, few public school districts, large or small, urban or rural and with or without an Education Foundation have begun to build the support programs they need and are capable of having.

The Reality

School districts with no experience with alumni programs usually ~~leave~~ this project to busy administrators and well-intentioned volunteers. Programs start and stop with changing administration priorities, and volunteers come and go as time is available, while all realize that "something should be done." Even establishing a Local Education Foundation with a part-time or

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full-time director is no guarantee of progress or success. This lack of commitment and vision inevitably yields only limited benefits back to the school district and its students.

The Model

Colleges and universities understand that involved and motivated alumni are vital to their future. Few colleges are so rich that they would spend time and money on alumni programs unless the returns far exceeded the expenses. Such college programs start with identifying and engaging the alumni and are usually termed "development," as it may take many years to develop the potential and see the results. It is important to note that all colleges employ the same common elements for their alumni programs, the only differences being a question of scale. Public schools can use these same elements, starting with the basics, to build their own alumni support programs.

The Goal

Every school district has its own unique characteristics that can be combined with the best practices of alumni development to bring real benefits back to the district. The goal of all alumni and development programs should be to build stronger and stronger alumni support for the local district, primarily through endowment and bequest giving. Every program and every action undertaken should support this long-term goal.

A Call to Action

Public school districts must make the long-term commitment to create and build true alumni development programs. They should use all resources available and should follow the model of successful programs from parochial schools, private schools, colleges and universities. And, they should start now as there is not a moment to lose!

Contact Potter Development Services to discuss how we can help you build a "culture of support" for your school district.



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New Funding Streams for Public Education

Colleges and universities do it. Prep schools and most Catholic schools do it. Why don't public schools do it? Invest a modest amount of resources in alumni development programs, that is.

Bob Potter, of Potter Development Services, predicts that within just a few years every public school district in the country will be active in alumni development activities, much like colleges and prep schools. And all will regret that they didn't start much, much sooner. Click on www.potterdevelopmentservices.com to see Bob's vision for a new source of funding for public education and for a look at his unique background.

According to Bob, the common elements of successful alumni development programs include building and maintaining a database of graduates, developing a program of communications and solicitations designed to capture and enhance alumni interest, keeping the connection going for the long term and, especially, having the patience to allow alumni interest to grow.

Bob's goal is to help school districts use these elements to build a "culture of support" from their alumni to bring real and long-term benefits back to the district. Most often a program can be organized through a Local Education Foundation (LEF) established just for this purpose. There are other successful arrangements as well.

Bob's work with the Centre County Community Foundation in building a strong relationship with the State College Area School District provides a look at the possibilities. Currently, the community foundation holds nearly \$2 million in endowed assets given by alumni and friends now generating approximately \$80,000 annually to benefit SCASD and its students. Talk about gifts that keep on giving!

Bob's special interest is in seeing school districts and their LEF's encourage these larger endowment gifts from alumni. In particular, school districts can

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and should build a "bequest society" to create a pipeline of future gifts. Endowments and bequests, Bob believes, should be the goal of school district efforts. Future generations will thank you if you make a modest investment now to get these programs launched for your district.

Most of us are familiar with what our college Alma Mater does to build and benefit from alumni loyalty. Bob believes these same elements, scaled down, can provide the basis for bringing new resources to local school districts. He also believes that the sooner you start the better because it can take several years for a district to see the benefits from an alumni development program. But, following the college model, these benefits can be very significant, especially when there is so much concern and uncertainty about the future of funding for public education. As Bob says, "Developing new funding streams for public education is no longer an option and, in most cases, public school alumni represent a vast untapped resource."

You can contact Bob through www.potterdevelopmentservices.com or by calling 814-466-6606.



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To: Local Education Foundation Leaders

Re: Starting and Building an Alumni Development Program – An Investment in Your Future

From: Robert W. Potter, President

The following outline presents our services to assist you in building an alumni development program. Your alumni are a potential source of significant support for your school district and will, when asked, respond positively if presented with a true alumni development program. The time is right to do so.

The Challenge

Public Education K – 12 faces serious challenges, with funding among the most critical. A “perfect storm” of events is leading to financial crises for a large number of school districts. Even the best of scenarios will force continued belt-tightening and elimination of programs.

State funding patterns are changing. School districts can no longer rely on ever-increasing local taxes. Since expenses will continue to rise public school districts not developing new sources of funding now will find it increasingly difficult to offer educational excellence and innovative programming in the future, let alone continue many of the programs we all take for granted.

In response, thousands of school districts across the country have formed Local Education Foundations (LEFs) to develop support beyond what local taxes and state funding can provide. However, few, if any, LEFs have been able to generate the support their local districts are capable of having, need now and will certainly need in the years ahead.

Increasingly LEF leaders realize that without a strong action plan in place, and without the commitment of resources to bring the plan to life, it is unlikely serious support will be generated and sustained over the long-term. Too often LEFs find themselves “busy being busy” with local fund raising events and activities that require volunteer time without producing significant and lasting results.

The concept of an alumni development program so important for colleges, universities, parochial schools and prep schools is simply beyond the thinking and capability of almost all LEFs. This is unfortunate as all school districts and their LEFs will soon realize the importance of alumni development, and all will wish they had started their programs much sooner.

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LEFs understanding the importance of alumni development can proceed in one of three general directions:

- Continue along the current path, expecting the current results, which usually yields little lasting benefit for the school district;
- Commit resources to hire professional staff, provide benefits, arrange office space, etc.;
- Commit resources to hire a consultant and coach to help initiate an alumni development program and build the infrastructure for your future success.



Potter Development Services

Bob Potter has spent over 35 years working in multiple levels of alumni development and community fund-raising. Most recently he served as president of the Centre County Community Foundation, where he helped generate an estimated \$100 million in current and future assets to support Centre County not-for-profit organizations, including local school districts. He formed Potter Development Services (PDS) to focus his energy and experience on working with LEFs to build alumni support programs for public school districts. Bob's goal is to help his LEF clients generate millions of dollars in long-term alumni support. Further information on Bob Potter and Potter Development Services can be found at <http://www.potterdevelopmentservices.com>.

The Alumni Development Model

Universities, colleges, prep schools and parochial schools all follow the same general model in creating programs to generate alumni support. They start by building a dynamic database of all alumni and by launching an annual giving program to establish a base of support. They then build on this platform to secure ever-higher levels of alumni participation and giving. LEFs can do the same to bring real and lasting benefits back to their districts. In all cases the goal is to build a "culture of support" that employs the key elements and the "best practices" of similar successful programs across the country.

Higher levels of alumni support are possible by beginning with the following:

- Focused leadership,
- A plan for success,
- Professional staff or consultant,
- Database of graduates that is complete, accurate, dynamic, current,
- Annual giving program to build a growing base of support,
- Long-term perspective – understanding that alumni development is an ongoing process,
- Telling your story clearly and often to all alumni and friends.



It is important to note that initial alumni development programs should not be considered "fund-raising." Rather, LEFs should concentrate initial efforts to build the infrastructure and support base that can lead to higher levels of alumni support which include giving for special

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projects, creation of endowments, and fostering bequests from alumni and friends to support a district and its students. It takes patience to allow alumni interest to grow. This program should be considered an investment in your future to form the legacy current leaders will leave for those who follow.

Commitment of Resources

The school district or LEF serious about generating alumni support must commit the resources and time necessary to launch its program and give it every chance to succeed. Many elements (hardware and software, database management, printing, postage, legal and accounting services) will cost approximately the same no matter how you proceed or who does the work. Thus, serious consideration should be given to how to provide the leadership the program requires: internal staff vs. outside consultant.

An LEF that anticipates hiring and retaining internal professional staff could easily spend \$50,000-\$100,000 per year for professional leadership above and beyond the fixed costs as mentioned above. The LEF contracting with an outside consultant can secure the leadership to begin and build an alumni development program at a fraction of the cost of full-time staff.



How To Begin

Potter Development Services is prepared to provide the consulting and leadership necessary to help a local education foundation develop a "culture of support" for its district. This will include bringing "best practices" of alumni development to your board. We will:

- Guide you through the alumni development process,
- Assist in developing and implementing a Master Plan,
- Provide access as needed to a team of experts,
- Help foster the continuity that will establish a "culture of support,"
- Help find the professional services the LEF will need.

Expenses

PDS clients will have expenses from two categories as follows:

- PDS consulting and management fee to administer this program and the overall alumni development efforts. This fee can be considered as the alternative to hiring an executive director, paying benefits, and providing office space
- Securing the goods and services necessary to do the job. These expenses will be incurred under any professional program an LEF undertakes in alumni development. These include the necessary technology for data management and mail processing, all expenses for the annual giving appeals including printed materials and postage, legal and accounting services and other miscellaneous expenses.

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Financial Estimates & Expectations

A good faith estimate of expenses and short-term income will be generated upon request but LEFs must understand that alumni development programs take time, effort and resources. While it is possible that alumni support may cover most of the annual expenses, the long-term nature of such programs should be understood as the benefits of this investment will only increase as the program continues. Beginning this process now will advance the time when the real benefits start to accrue. This will be the legacy of LEF leaders who begin true alumni development programs.

Potter Development Services believes public school districts and their Local Education Foundations must make the long-term commitment to create and build true alumni development programs. They should use all resources available and should follow the model of successful programs from parochial schools, private schools, colleges and universities. And, they should start now as there is not a moment to lose!

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Robert W. Potter

For 30 years Bob Potter owned the Stewart Howe Alumni Service, a public relations firm in State College, PA, which specialized in providing alumni relations programs and fund- raising services to college alumni groups. Under Bob's leadership, his firm:

- produced thousands of alumni publications and mailings,
- managed hundreds of thousands of alumni records,
- led asset development programs that brought in millions of dollars in contributions for his clients.

In addition, for 19 years Bob was actively involved with the Centre County Community Foundation, starting as a volunteer Board member in 1988 when the Foundation's assets were under \$500,000. In 2000 he sold his PR firm and accepted the position as the Foundation's first full-time Executive Director. When he stepped down in 2007 the Foundation held more than \$20 million in endowment assets.

Bob built the Centre County Community Foundation's Campbell Society, a "legacy society" with an estimated \$100 million arranged in bequests and other future gifts to support Centre County through the Foundation. In addition, he developed partnerships with the five Centre County school districts to establish endowment programs that are benefiting the districts and their students.

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Wishing to take advantage of his unique background, successful record in alumni relations and endowment creation, and commitment to public education, Bob established **Potter Development Services** to help school districts and their Local Education Foundations (LEF's) create alumni programs and secure stronger alumni support.

Bob has held many community leadership roles in State College and Centre County, including serving as chair of the 1995 Centre County United Way campaign, president of the Central Pennsylvania Festival of the Arts and chair of the Nittany Valley Symphony. He has been recognized for his community service by being named the Non-Profit Entrepreneur of the Year for 2002 and 2007 by Pennsylvania Business Central Magazine, and was honored as Penn State's Renaissance Person of the Year for State College in 2004. He is a graduate of Cornell University.

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