

DAY SCHOOL PHILANTHROPY RESEARCH EXECUTIVE SUMMARY

January 2003

BACKGROUND

One of PEJE's objectives is to increase philanthropy to Jewish day school education in North America. At the Third Donor Assembly in Los Angeles, PEJE is bringing together major supporters of day school education. In preparation for the event, PEJE engaged TDC, a non-profit consulting firm, to research day school philanthropy and answer a series of questions:

- ***Why do major donors give to day schools?***
- ***What do potential donors think about giving to day schools?***
- ***How best to solicit potential donors to day schools?***

A summary of the research findings follows. This information has helped to frame marketing communications and inform solicitor training and toolkit materials for the Donor Assembly.

METHODOLOGY

TDC conducted the research through individual interviews with a total of 65 day school experts, major donors and potential donors. They shared their perspective on trends, opportunities and challenges in day school philanthropy in North America. To validate some of the qualitative findings, a statistically significant mail survey was completed by 177 major donors.

KEY FINDINGS

INFORMANTS

Institutional funders, Federation executives, school directors and development professionals provided perspectives on day schools and fundraising. While all informants believe that Jewish education is critical to ensure Jewish survival, many informants believe that there is a need for a variety of formal and informal educational options in every community. To support the day school enterprise, informants cited the need for an organized day school movement to provide momentum and needed support to all schools and their supporters.

On the financial side, Federation executives predict that flat or modest growth in the annual allocations forecast will require schools to be creative fundraisers, now more than ever. Federation leadership feels the majority of the responsibility for funding is within the school community.

DONORS

A profile of a current day school major donor emerged from the research. According to responses from 29 states and Canada, a major donor has the following attributes:

- Day school parents and grandparents.
- Actively involved in day school governance and holds leadership positions on Board and committees.

- Passionate about the day school enterprise.
- Extremely satisfied with the education of their child/ren.

In fact, day school major donors share many traits of an active social philanthropist. The majority of donors reported that the day school was the number one beneficiary of their household giving.

In terms of overall philanthropy, donors are a very generous group supporting many institutions - in addition to the day school.

- 97% support their synagogue
- 92% support the Federation
- 73% support an Israeli-focused organization
- 59% support their JCC

Demographically donors are a mix of denominations, ages and geography, while virtually all were members of a synagogue.

- 56% of respondents are Conservative. Modern Orthodox make up 19% and Reform compose 16% of total respondents.
- 58% of respondents are between the ages of 40 and 59. 25% are between ages 60 and 79. None were in their 20's.
- The largest states represented in the survey population are: California (13%), New York (12%), Texas (9%), Massachusetts (8%), Ohio (6%), and Minnesota (6%).
- 98% of respondents belong to a synagogue.

To further understand the path that major donors took to becoming a major donor, most recounted the following odyssey:

1. Learned about the school when applying
2. Enrolled child
3. Made an unsolicited contribution to the school
4. Asked to join leadership position
5. Gave major gifts

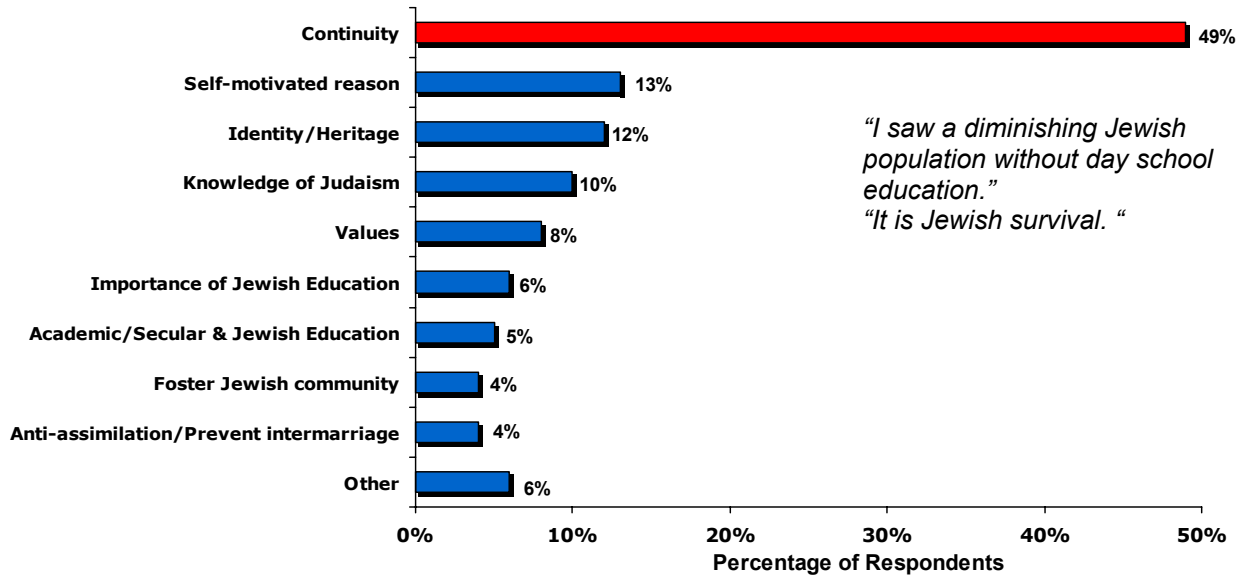
This path is helpful to know when soliciting new families and reaching out to potential donors not affiliated with the school. The fact that so few were solicited is remarkable. Furthermore, with outside donors, a different type of connection needs to be made.

When asked why they give, the number one response among major donors is because day schools will ensure **continuity of the Jewish community**. There was remarkable agreement on the continuity theme in both the individual interviews and quantitative survey. In response to several statements,

- 81% strongly agreed that they supported day schools because “they will ensure Jewish continuity”.
- 78% strongly agreed that they supported day schools because of “our collective future”.
- 75% strongly agreed that they supported day schools because [day schools] “foster communities of committed Jews”.

In an open-ended question, major donors reported continuity was the overwhelming factor.

Major donors' most important reason for supporting day schools



Source: Major Donor Survey, N=172 responses. Open ended question.
Note: Percentages sum to greater than 100 because multiple answers were allowed.

Major donors described continuity in several ways:

- Continuity of Jewish identity in the **community as a whole**
 - Building a group of Jews with a strong identity and a healthy community.
 - Preserving our collective future, our culture and survival.
 - Ensuring the next generation of Jewishly literate leaders, our lifeline.
- Continuity by **instilling this identity in my child**
 - Surrounding kids in a "Jewish reality" to support that goal.
 - Some "returning" Jews want kids to have a stronger Judaic education and Jewish identity than their own personal experience.
 - Critical gift to my child for his/her Jewish future and a meaningful life.

The second most common reason that major donors gave to day schools was for **self-motivated reasons**. Many donors admitted that the reason they started giving was because their children were at the school. They loved the school, valued the teachers or administration, and felt a personal obligation to give. Donors praised day school's quality and saw a transformational experience in their child/ren. Donors felt compelled by personal obligation to keep the school vital and strong for future generations. Many also noted that over time they saw that tuition did not cover operating costs. Some said that this was how they started giving, but the reason changed over time.

Other leading reasons for giving to day schools that donors reported were:

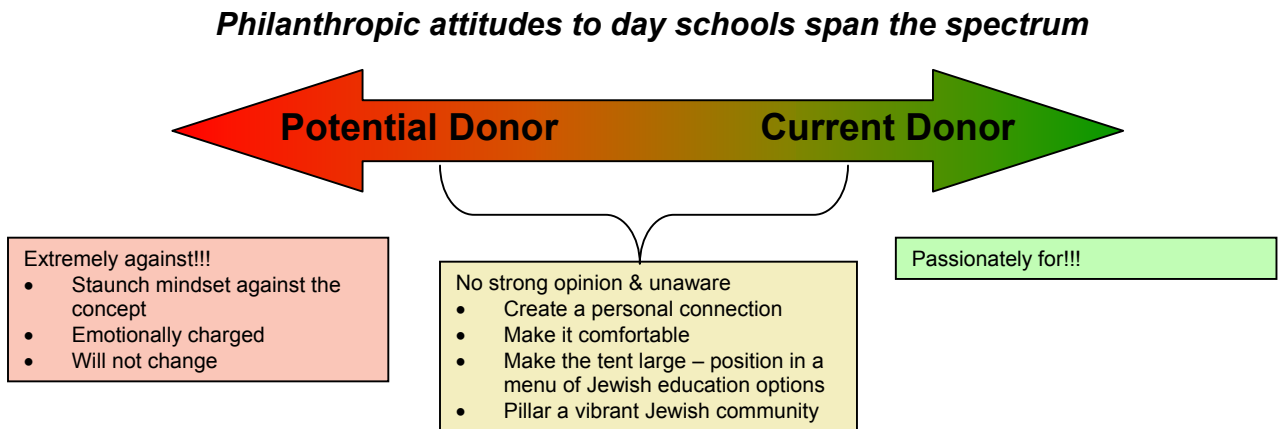
- **Jewish identity and values** – morals and higher sense of ethical behavior. Jewish identity includes religious practice, pride and comfort in heritage, Jewish values, long-term success and Jewish lifestyle.
- **High quality dual curriculum education** – the excellent Jewish and general academics, "best of both worlds". Tools to face the future.

- **Judaic literacy** – demonstrated vehicle to support profound knowledge of Judaism, literate Jews.
- **Institution in the community** – donors saw a bigger role for the school as a keystone institution in the community. A vital infrastructure for every community. Also related to the future community leaders and continuity argument.

POTENTIAL DONORS

To address the second question - **what do potential donors think about giving** - interviews with Jewish philanthropists were conducted.

Interviews with these non-donors revealed interesting insights on the universe of potential givers. Even among philanthropists who support educational and Jewish institutions, awareness of day schools was relatively low. Most had no firsthand contact with day schools and limited familiarity with the day schools operating in their area. There was a wide spectrum of attitudes - ranging from vehemently opposed to the neutral “I have other priorities” segment. Unfortunately, there appears to be a segment of people philosophically opposed to the day school model. These “strong rejecters” do not appear to be a worthy target.



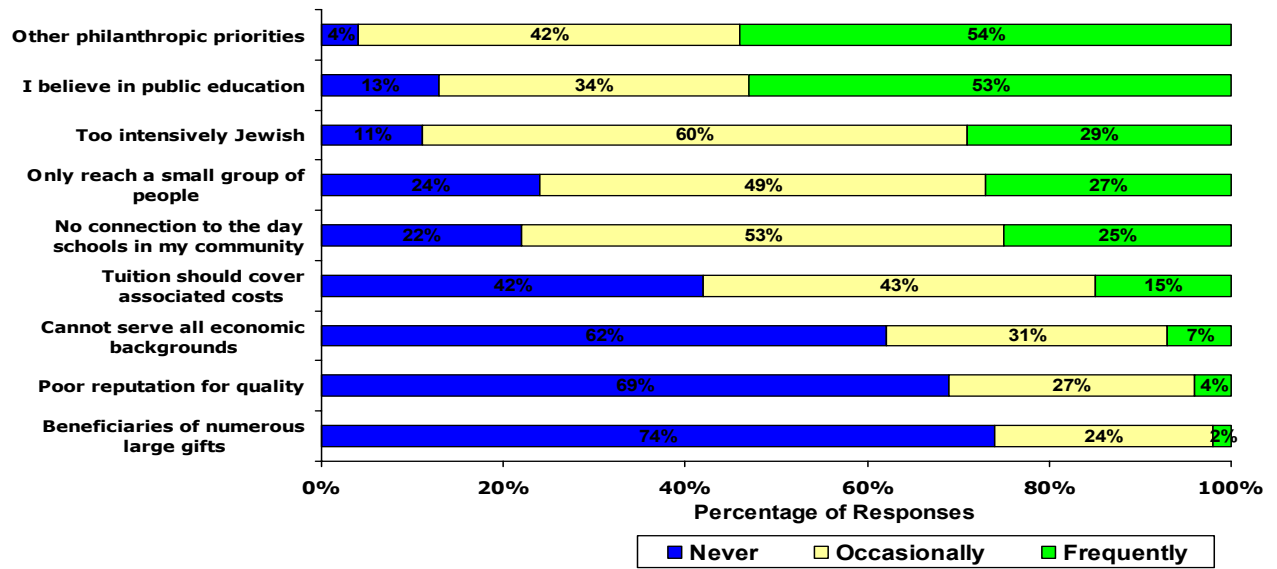
However, the neutral middle segment may be a good target for cultivation. When asked **how to solicit new donors**, solicitors suggest that the first and most critical step in cultivating the non-school potential donor is to create a connection with the school. Donor solicitors recounted success in reaching out to potential donors beyond the school – with community events, invitations to the Board and leadership committees, social justice programs and events that honor community leaders.

Since the parental tie does not exist, a variety of approaches to create a bond with a potential donor must be made. With a personal connection made, donor solicitors should focus on the potential donors’ interests as a starting point for the conversation. There is a universal agreement that visiting the school – “seeing the product” - is critical to see how contemporary day schools operate and to dispel stereotypes.

With potential donors who care about Jewish continuity and education, day schools may be able to craft messages that appeal to the potential donor’s passion. It is possible to offer messages that position day schools within a menu of educational options and the schools’ role in a vibrant Jewish community. Be prepared for a longer cultivation period, as all agree that fundraising beyond the school community is long, arduous process.

Donor solicitors also shared their experience in soliciting for day schools in and beyond the school community. The most popular rebuttals given for not giving to day schools were “other priorities” and “belief in public education. “Too Jewish”, “scale of impact” and “lack of connection” were heard occasionally.

Reasons heard for not supporting day schools



Source: Major Donor Survey, N varies = 160 to 172 responses.

DONOR SOLICITOR ADVICE

Interviewees were very eager to share their experiences and suggestions as donor solicitors. While some find fundraising to be a difficult task, other respondents approached fundraising with remarkable enthusiasm and confidence. Donor solicitors gladly shared the internal barriers and solutions that they have developed. Listed below are common fears that donor solicitor’s face and how they deal with them.

Barriers	Some solutions
Fear of looking selfish: Awkwardness if soliciting someone outside the school when the solicitor’s own child/ren attend the school; the pitch seems self-interested.	Sometimes it can be helpful to move beyond “value to child” and talk about “value to the community.” Focus on scholarship arguments, desire to make day school experience available to other kids. If the potential donor has no real connection to the school, invite him/her to get involved.
Fear of making the case: Solicitor is already “converted” to day schools and worries about ability to pitch to people who are not giving to or involved with day schools.	See the solicitation as an opportunity to share a success with a friend! If you’d tell your friend about a “great new find”, why not share your share your enthusiasm, joy and excitement in the school?
Fear of losing friends: Unwillingness on the part of the donor-solicitor to risk a friendship or relationship with another person by asking for money for the school.	Same as above -- share your joy and enthusiasm!
Few or no examples of donor role models in the community: Lack of other major day school donors willing to be a visible part of the solicitation process.	Donors often seek anonymity, which makes it hard for a solicitor to find donors to serve as high-profile models of giving. “People who make those gifts don’t understand the energizing capacity of those investments.” Find ways for major givers to be role models in the community.
Small group of potential major donors in the immediate school community: Lack of a donor prospect pool, or access to wider names and numbers of donors.	Take steps to cultivate donors in the outside the school community over the long term. Broaden base by seeking foundation funding. Be clear and realistic about fundraising goals.
Lack of information about potential donor’s interest: The school staff is so pressed for time that no one is taking time to evaluate the needs of different potential donors.	Top independent schools have this – and it really makes a difference to the effectiveness of the solicitation. Work with other donors, school staff, the Federation to strengthen this infrastructure.
Lack of information about how much to ask the potential donor for: Unsure how much money to ask the potential donor for.	Donor-solicitors should be supplied with this info at the school or ask the Federation for help.

All solicitors agreed that to be effective in day school fundraising, understanding your audience, giving a clear message that demonstrates the need and appeals to the donor are essential. Given current fiscal constraints at most schools, solicitors requested a comprehensive, customizable toolkit on fundraising. The most requested items were:

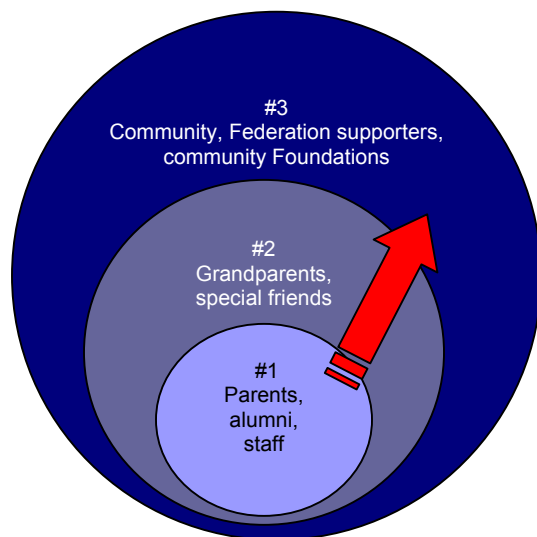
- Research and statistics proving the value of day school education
- Support materials – printed creative for schools to use, FAQ, statistics
- Spokesperson – leadership speakers for local community
- Training on all forms of solicitation
- New network – emails, meetings, internet support, newsletters

Furthermore, 78% of survey participants said that it would be helpful to interact with other day school donors on an ongoing basis.

CONCLUSION

Day school development experts identified the giving bull's eye as an effective way to segment potential donors. All agree that fundraising starts with the inner rings of the bull's-eye. However, many note that the opportunity for future growth lies in the outer ring – the broader community.

Funders suggest targeted giving tactics



Go from the inside out!

1. Bull's-eye – Start at the middle giving center for all fundraising. Get 100% participation.
2. Next ring – Create a grandparents program.
3. Outer ring – Build and cultivate the non-school greater community.

"The most likely donors are the ones closest to the institution".
Federation Executive Director

In summary, the research found that day schools are fortunate to have a tremendously active, involved and dedicated group of core supporters. First priority is to leverage the passion of these individuals to extensively broaden day school giving among parents, alumni, staff and grandparents who are likely to be swayed by arguments on Jewish continuity. On a separate track, the goal is to reach out and involve the community and develop new ways to bring them into the day school enterprise.

NOTE TO READER:

The summary is an abstract of a more comprehensive report completed by TDC for PEJE. The presentations at the Donor Assembly will delve into more detail. For more information on the report, please contact Suzanne Kling at suzanne@peje.org or 617-367-0001.