

## Fundraising Strategy for SCCS

### **Mission & Vision**

*The Mission of SCCS is to provide quality, Christ-centred education. We accomplish this through our vision, which is to provide transformative education of mind, body and spirit, so that God may be glorified in the Strathroy community.*

### **Background**

Strathroy Community Christian School came into existence in 1954 through the collective efforts of a group of Dutch, Christian Reformed immigrants who believed that part of their covenantal responsibility included Christ-centred education for their children.

The decision to start and then support a Christian school in Ontario required significant financial sacrifice from many of the supporting families. Private schools have never received any public funding from the Ontario government, so all the financial responsibility lay with the community. The supporting community spent significant time and creative resources developing fundraising opportunities to support the school. Crafts were made, bake sales were held, fundraising drives were conducted, and much money was raised in support of the Christian school. These events were planned and supported by the collective school/church community for the benefit of the school community. Individual contributions to the collective results were not considered something to be monitored, as it was the general assumption that everyone contributed as they were able. The idea of working for the good of the greater community is deeply entrenched in SCCS tradition and culture; communities work together for the collective good, not individual results.

Fundraising has been part of SCCS culture from the beginning. It is impossible to quantify its value to SCCS as an organization. It has created community, forged bonds of friendships, strengthened commitments to the cause of Christian education and communicated the message of Christian Education, all while raising significant funds to support the financial needs of the school. It would seem that the financial tradition regarding the budget was to as accurately as possible predict the amount of \$\$\$ that could be raised each year through fundraising, and then base tuition assessments on the amount of revenue still needed to arrive at a balanced budget. Surpluses were saved for future use; shortfalls were made up through surpluses from previous years if possible, or through emergency fundraising drives.

### **Current Situation (as of 2013-2014)**

Fundraising at SCCS is generally a Society activity, and falls under the mandate of the Finance Development & Planning Committee. Fundraising undertaken on the Operations side of the Organizational Chart is not discussed in this report (primarily Student Council events, and milk, hotdogs and pizza), although it should be noted that most families at SCCS would not be able to distinguish between Society fundraising and Operational Fundraising. Fundraising is tasked to the following groups:

### **Standing Committees:**

1. Auxiliary committee is mandated to raise approximately \$20,000 for the budget each year. This group oversees the planning and execution of numerous events throughout the school year, recruiting volunteers to assist as needed. Depending on the year, events may include:
  - a. Wingfield—(note: last play to be presented in Sept 2013)
  - b. Chocolate Bar Sales
  - c. Citrus Sales
  - d. Magazine Sales
  - e. Chicken Sales
  - f. Spring Dinner
  - g. Bikeathon
  - h. Volleyball tournament (cancelled in 2014 due to low participation)
2. Voucher Incentive Program (VIP) Committee is new to SCCS since 2012 to replace the now defunct Tuition Reduction Incentive Plan (TRIP). Various CRA compliance issues required the end of the TRIP program, which was run by outside interests. The current VIP program oversees the sale at face value of retail gift cards which are purchased in bulk at a discount from suppliers. The profit on the cards is shared 50-50 between SCCS and participating families in the form of tuition rebates. In its first year of operation, approximately 40% of SCCS families participated in the program, and \$10,000 was raised for SCCS.
3. Second Chance Construction Store Oversight Board holds the mandate for the retail store that is owned by SCCS. It opened June 9, 2012, and follows the ReStore concept, selling donated items in a 3100ft<sup>2</sup> retail store in Strathroy. It is managed by a paid manager who reports to the Oversight Board on a monthly basis. The success of the store depends on a large number of volunteers, many of whom are past-parents and/or current grandparents in the SCCS community. In its first year of operation, the SCCStore raised over \$80,000 for SCCS.

### **Ad Hoc Committees:**

4. Goods & Services Auction Committee is tasked with running the annual dinner & auction fundraiser each November. This event has consistently raised approximately \$20,000 to \$25,000 for SCCS, until recently, when in 2011 \$37,000 was raised, and in 2012, \$42,000 was raised. Traditionally the auction revenue was not included as budgeted revenue for the school, so funds raised were directed to “extra” SCCS needs. Projected shortfalls in 2008 onward led to the inclusion of auction revenue in the annual budget to help cover operating costs, and keep tuition increases palatable. The Strategic Plan of 2011 has mandated the gradual removal of auction proceeds from the budget; in 2012 and 2013, \$25,000 is budgeted to be included in operating Revenue, and the remainder is to be directed toward “extra” SCCS needs. The committee is made up of 4-8 members who co-ordinate all aspects of the event, including dinner, marketing, canvassing, etc.
5. Golf Committee is tasked to run the annual Spring Golf Tournament. The event raises between \$7000 and \$12000 depending on weather and participation. Until 2009 the funds raised were “outside” of budgeted revenue; since 2009 they have been included in budgeted revenue due to

projected shortfalls. The Strategic Plan of 2011 has mandated the removal of golf proceeds from the budget; to date this has not yet been accomplished. The tournament is run by a committee of 3-4 people who canvas for donations and prizes, as well as co-ordinate the logistics of the tournament. In 2014, the event is being run by almost all new committee members, as past long-term organizers have stepped down. There is a high level of excitement within the organizing group.

6. Spring Drive occurs each year during the first three weeks in May, and coincides with Christian Education Week. Historically, it was likely timed in the spring as that would be when Finance Committee could comfortably predict whether the school would be in a surplus or deficit position for the year. Once the event became entrenched in SCCS tradition, the timing alongside Christian Education Week was fortuitous and a logical fit. Spring Drive raises between \$25,000 and \$38,000 for SCCS each year. An intentional update of marketing materials in 2012 yielded positive financial results for the Drive. The Drive is spear-headed by one individual who co-ordinates numerous "Captains" for the four core churches as well as general community members.
7. Bazaar Committee is mandated to organize the annual Fall Bazaar. It really is near impossible to calculate the number of volunteer hours that this event requires. Volunteers of all ages and various church groups come together to cook, bake, plan and organize this event, beginning weeks in advance. There are invaluable community benefits associated with this event, as it brings hundreds of people into our school building for a time of fellowship and common purpose each year. Attendance and profits have been in a steady decline over the past 8-10 years—in 2012 profit was approximately \$9000, slightly higher than in previous years.
8. The pop can fundraiser has been run for many years by Henry Wiersema and Theo Schelhaas. (?). The SCCS community is encouraged to save their pop cans and deliver them to the school when able. They are stored in the SCCS shed and periodically moved to the shed on the property of Henry Wiersema. When the shed gets full, a group of volunteers is recruited to load the cans onto pickup trucks, and they are then brought to Zubicks and sold. The money raised from this fundraiser goes to the general operating fund. It is important to note that Henry Wiersema has sold his property; preliminary discussions with the new owners (Darryl & Johanna Bos) have indicated that the Bos family may be willing to continue this fundraiser.
9. Ink Toner cartridges are collected and stored at the front office. The administrative assistant is responsible for ensuring that the items get sent in to the recycling company on a periodic basis. Money raised goes to the student fund. As of October 2013, this fundraiser was discontinued.

Fundraising raises significant dollars for SCCS each year. It relies heavily on the contribution of volunteer time, and it is becoming increasingly difficult to attract the number of volunteers required to support the number of events that SCCS is accustomed to running.

Table 1 outlines the various fundraising activities at SCCS and the revenue generated in the 2012/13 school year.

Table 1

Event	Gross Revenue	Approx Hours	Cost	Net Profit Raised	Profit per Hour	Profit %
Chocolate Bars	7000	330 <sup>1</sup>	3800	\$3200	\$9.69	41%
Magazine Sales		10 + family sales		\$1200	\$12.00 less family hours	37%
Citrus Sales	\$7500	25 + family sales	\$5000	\$2500	\$100 less family hours	35%
Chicken Sales		5 + family sales		\$900	\$18 less family hours	NA
Wingfield	\$12000	20	\$7500	\$4500	\$225	38%
Spring Dinner	\$4000	75	\$1500	\$2500	\$33	62%
Bazaar	\$12000	500	\$3000	\$9000	\$18	75%
Golf Tournament	\$15000	75	\$6000	\$9000	\$120	60%
Bike a Thon	\$2000	20 + bikers assume 35 x 5 hrs (incl finding sponsors)	0	\$2000	\$10	Almost 100%
Pop Cans	\$1200	16	0	1200	\$75	100%
Spring Drive	35500	35	\$500	\$35000	\$1000	100%
Ink Toner	\$500	5	0	\$500	\$100	100%
G&S Auction	\$42000	300	\$2000	\$40000	\$133	Almost 100%
Volleyball Tournament	\$1400	25	\$100	\$1500	\$46	Almost 100%
SCCStore	\$140000	100/week	\$55000	\$85,000	\$17	60%
VIP	\$315000	25/month	\$305000	\$10,000	\$40	5%

<sup>1</sup>Assume 30 families participate, spending 10 hours each on sales + administration hours

### Overall SCCS Revenue

SCCS receives revenue from a number of different sources. Table 2 lists the various sources as a percentage of total revenue.

Table 2—SCCS Revenue as a Percentage of Total Revenue in 2012-13

Revenue Source	Amount	% of Total Revenue
Tuition	890,000	69%
Auxiliary	\$20000	1.5%

Spring Drive	38000	3%
Golf Tournament	9000	.6%
G&S Auction	42000	3.3%
SCCStore	80000	6%
VIP	10000	.7%
<b>Total</b>	<b>1,089,000</b>	<b>84%</b>

## SWOT Analysis

### Strengths

- SCCS has strong history in Strathroy—55 years
- Strong community support; core group of community supporters committed to the cause of Christian education
- Current building is debt-free, built in 1999
- SCCS has strong reputation in town of Strathroy
- Excellent educational programming
- Active, energetic core group of dedicated volunteers
- Strong Board leadership
- Enrollment is growing—from a low of 78 families in 2004 to 98 families in 2013-14
- Attractive building, with gym and kitchen, often in demand for rentals
- SCCS Board and DSO strong supporters of collaboration between SCCS and community
- Adoption of Strategic Plan in 2011 has led to focussed decision-making
- Strong framework of policy & procedure in place

### Weaknesses

- Burnout experienced by volunteers who are over-involved
- High degree of apathy/disinterest among school families to either volunteer or support events through participation; difficulty to recruit volunteers
- Current fundraising activities lack strategic oversight, planning guidelines
- No established standards to measure success of individual events
- Fundraising = sales for some people; lack of understanding of fundraising theory, philosophy, perspective
- Some “traditions” cause angst; are not understood by incoming families (e.g., \$50 raisin bread at auction)
- Certain events require extensive volunteer time commitment, with low financial returns.

### Opportunities

- Number of families increasing, largely due to dissatisfaction with alternative education options
- Streamlining fundraising efforts at SCCS could result in efficiencies
- There may be support for SCCS outside of the immediate Strathroy area....Canada wide?

- Recent hire of Grant writer
- Recent hire of Marketing director
- Non-school community needs education on why SCCS requires fundraising
- Connection with alumni?
- No online options for supporters who wish to donate
- Little emphasis on planned giving

### **Threats**

- General shift in culture today away from community perspective; supporting a common cause no longer a motivating factor among large proportion of families
- Decreasing membership numbers
- Fundraiser fatigue
- Trend toward buying education, rather than join and support a greater community
- Innumerable fundraising opportunities available in community from other groups—sports, music, other schools, Scouts, churches, etc
- Some community perception that private schools are for rich people
- CRA increasing rules and regulations on fundraising for Not For Profits/Charities
- Increasing operational costs each year combined with frozen tuition increase the need for/reliance on operational fundraising revenue
- Certain fundraising activities distort/misrepresent the SCCS Brand

### **CRA Guidelines**

CRA has very specific rules to govern fundraising by not-for profit groups. Most of current SCCS fundraising is CRA compliant because, with the exception of the SCCStore, most fundraising is co-ordinated by volunteers. Areas of risk include any fundraising activities that are co-ordinated by administration and therefore run by paid staff (e.g., Toner cartridge Recycling, Student Council Fundraisers), and any other fundraiser that is run by individuals not aware of CRA guidelines.

One guideline suggested by CRA is that organizations should strive to attain a 35% net profit on individual fundraising events (Canada Revenue Agency, 2012) to avoid being flagged by CRA for potentially having a high fundraising expense ratio. It is important to note that a fundraiser might be considered acceptable by CRA even if it has an unusually high expense to revenue ratio, and there are fundraisers that would be considered unacceptable under CRA scrutiny despite a low expense to revenue ratio.

There are currently no fundraisers undertaken at SCCS that would be considered unacceptable according to the CG-013 Policy document issued by CRA.

## **SCCS Fundraising Survey Results:**

A survey of the SCCS community was conducted in January 2014, to gather information about the communities thought about, and opinions of fundraising at SCCS. The entire parent and membership community was surveyed; 35 people responded (29 parents, 6 members). Highlights of the results are as follows:

- 26 of the 35 respondents participate in 1-5 fundraising events per year
- 5 respondents participated in 6 or more fundraisers per year
- Most respondents indicated that they would prefer to have fewer fundraisers
- 12 of 35 respondents would prefer higher tuition to fundraising
- 27 respondents preferred event-based fundraisers, 8 preferred selling items
- 30 respondents indicated that 2-20 hours per year spent on fundraising would be optimal
- The 3 least appreciated fundraisers were chicken sales, citrus sales, and magazine sales
- The 3 most appreciated fundraisers were G&S Auction, SCCStore and Golf Tournament

There were many comments and suggestions submitted with the survey. Some indicated a misinformed understanding of SCCS and the role of fundraising (e.g., one comment indicated that SCCS is a for profit company). In general, the comments indicated a desire that SCCS do fewer fundraisers, but do them well.

## **Developing the SCCS Fundraising Strategy (United)**

1. Effective fundraising relies on relationships for success.
  - a. Why do people donate? People give money and time to support a cause they believe in.
  - b. Are we reaching all the people who support Christian education in general and in Strathroy?
2. Fundraising events are not the only way to raise money.
  - a. Have we maximized our relationships with churches and community groups?
  - b. Have we explored foundation or business support?
  - c. Are there opportunities with alumni?
  - d. One on one conversations with community members with means?
3. There is a spectrum of donors to be engaged.
  - a. Do we desire a large number of small donations or a small number of large donations?
  - b. 80/20...Assume:
    - i. 80% of the support will come from 20% of the donations we receive,
    - ii. 80% of our total volunteer hours comes from 20% of our volunteers,
    - iii. 20% of tasks will cause 80% of the problems
    - iv. 80% of our results comes from 20% of our efforts

The last 80% of effort for 20% of results needs to be made more effective and efficient

4. Use special events wisely
  - a. These can be costly, time and labour intensive. Industry standards are that \$1.50 is raised for every \$1 in cost. (Foundation, 2003)
  - b. They are an excellent way to cultivate relationships
  - c. Educate prospective donors
  - d. Reach a large number of small donors
5. Donor Engagement
  - a. Prospective donors need to be properly cultivated in order to become lifelong benefactors.
6. Diversification is important
  - a. Putting all fundraising efforts into one type of fundraising will reduce success and stability.
  - b. Be wary of sales campaigns sell overpriced items of little real value to the end consumer. They can dilute the organization's brand, and distract the community from the true mission of the organization. Avoid sales campaigns that contribute less than 35-40% of the sales as profit.
7. Respect volunteer time
  - a. Time should be valued at market value when calculating the true profit of a product, service or event
8. Recognize participation fatigue
  - a. Too many events happening will cause the supporting community to disengage as they lose track of all the different events and activities happening at the school. Committees (Society and Operational) need to be aware of what other events are being advertised to the community to avoid inundating supporters with SCCS activity.

The following documents were helpful in the preparation of this document:

Canada Revenue Agency. (2012, April 20). *Fundraising by Registered Charities, CG-013*. Retrieved 2013, from Canada Revenue Agency: [www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/fndrsng-eng.html](http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/fndrsng-eng.html)

Foundation, T. N. (2003, July). *A Fundraising Resource Kit for Developing a Fundraising Plan*. Retrieved April 10, 2013, from The Neil Squire Foundation: [www.neilsquire.ca](http://www.neilsquire.ca)

United, Y. (n.d.). Retrieved April 10, 2013

### **Moving Forward:**

Fundraising at SCCS will proceed with the following "Pillars" for moving forward:

**Relationships:** all fundraising at SCCS will build new or strengthen existing relationships with each other, the Church community and the greater Strathroy Community



1. All events will include an opportunity to share the vision and mission of SCCS and encourage people to join us in that vision or mission

**Respect:** all fundraising at SCCS will respect the resources of our families and supporters.

2. We will not engage in any fundraising where we sell product on behalf of another business.
3. Any sales campaigns (assuming they pass the criteria above) will offer value for money spent.
4. All fundraising events must respect the value of our volunteers' time, and must produce a return of at least \$30 per volunteer hour.
5. All fundraising results will be reported in the Connection within 2 weeks of the completion of the event. SCCStore and VIP results will be communicated quarterly.

**Recognition:** all fundraising will recognise the support of our participants and our volunteers.

Specific Action Steps.

1. Discontinue all sales campaigns effective September 1, 2014—includes chocolate, citrus, magazines, chicken, Mabel's Labels. **Add \$60 per family to tuition to offset lost revenue.**
2. Auxiliary to be disbanded as a standing committee, and changed to ad-hoc, responsible for Spring Dinner only in 2014-15, Spring Dinner + Bike-a-thon replacement in 2015-16
3. Bazaar and bike-a-thon are potentially invaluable as community-building events. However, they cannot continue in their current form—volunteer fatigue, declining participation are damaging relationships and SCCS brand identity. Suggest: take one year off to re-vision what these events should look like. Task to Bazaar committee if they feel they can re-vision this event, Auxiliary for Bike-a-thon replacement.
  - a. Bazaar—move to spring? Leave in fall, but change to high end craft show? (vendors by invitation only?) afternoon and evening (serve supper?) instead of morning?
  - b. Bikeathon—decide whether we want to keep it. Has a lot of history, but is that enough reason to keep it? Change to car rally? Amazing Race? Move to spring, tie in with Drive Your Ride event with Ford?
4. Volleyball tournament—seems to have run its course. Stop for now?
5. Continue to encourage school & community support for VIP.
6. Increase level of church support for SCCS
  - a. Commit to visiting 4 churches per year to build relationships, request donation Sunday
7. Alumni campaign—special drive, or together with Spring Drive? Maybe in December before tax year end?
8. Donate now button on webpage
9. Information campaign about change in approach to fundraising at SCCS. Need to educate families and members.
10. Ask SCCStore to take over pop can recycling. It is a natural fit
11. Foundation Committee to hold one planned giving seminar per year. Bring in Christian Stewardship Services—serve dinner to potential donors (make it a free evening?)

Proposed Fundraising schedule for school year 2014-15, 2015-16

2014-15	2015-16
<p>Ongoing: SCCStore, VIP</p> <p>November—G&amp;S auction  April—Spring Dinner  May—Golf Tournament, Spring Drive</p>	<p>Ongoing: SCCStore, VIP</p> <p><b><i>September/October—replacement for Bazaar or bikeathon</i></b>  November—G&amp;S Auction  <b><i>December—Alumni Drive?</i></b>  <b><i>February/March—replacement for Bazaar or bikeathon?</i></b>  April—Spring Dinner  May—Golf Tournament, Spring Drive</p>

**To Do List**

VIP—need a flyer comparing credit card and store discounts to VIP discounts.

Spring Drive, Alumni Drive—need flyer outlining tax credits for donations

Foundation Committee – start planning