Ohlone College
Program Review Report

- **Program Description and Scope:**
  - *Program Review Title:* Ohlone College Foundation
  - *Academic year:* 2015/2016
  - *Review Type:* President's Office
  - *Program/Departments:* Foundation (70901)
  - *Authority Code:* 18-Executive Director, Ohlone College Foundation
  - *External Regulations:* Yes <u>X</u> No<u> </u>

    The Ohlone College Foundation (Foundation) works closely with other departments at Ohlone College and other outside entities (including financial institutions, state and federal agencies, consultants and auditors) to ensure compliance with state and federal regulations and reporting. While not directly responsible for the completion of many of these reports, the Foundation is responsible for ensuring their timely and accurate submission. Some specific examples of ensuring compliance include:
    ? Private foundation, federal and state grant reporting and fiscal compliance
    ? Compliance with IRS charitable regulations applicable to a 501(c)(3),Type III supporting organization
    ? Adherence to Accounting principles consistent with non-profit accounting and UPMIFA
    ? Compliance with Section 59250, et seq. of Title 5, California Code of Regulations (Auxiliary Organizations)
    ? California Education Code Sections 72670, et seq. , 89900, et seq. (Auxiliary organizations)
    ? Compliance with Brown Act open meeting laws
    ? Implementation of California AB 1233 Nonprofit Corporation Law
    ? Compliance with Prop 209 nondiscrimination constitutional amendment
    ? Compliance with applicable personnel laws and regulations
    ? Adherence to AFP Donor Bill of Rights
    ? Adherence to CASE Reporting Standards & Management Guidelines

    The Foundation is governed by a volunteer board of directors consisting of administration, community leaders, faculty, students and trustees. It is an auxiliary organization of the Ohlone Community College District subject to the regulations of the District as adopted for auxiliary organizations and to a Master Agreement by and between the District and the Foundation. See Appendix A: Board Policy 3600 Auxiliary Organizations.

  - *Provide a brief narrative that describes the services provided.*

    The Ohlone College Foundation supports Ohlone College in the execution of its

strategic plan and provides assistance to the College, its programs, and students through fundraising and community outreach. The Foundation Director works collaboratively with the College President to design and execute a comprehensive development strategy that supports the College's mission and goals and supplements the College's general fund. To accomplish this, the Foundation creates a connection between College leadership, the external community, and interested philanthropists to provide the fiscal resources to enable the District to carry on educationally-related activities not normally funded by the State.   Areas of funding include, but are not limited to:

- Innovative and life-changing programs to help students succeed
- Scholarships providing educational opportunities for students
- Capital needs/FF&E to enhance Ohlone's learning environment
- Student services and professional development for faculty and staff

- **College Mission**
  - *Mission Statement*

    Ohlone College responds to the educational needs of our diverse community and economy by offering high quality instruction supporting basic skills, career development, university transfer, and personal enrichment and by awarding associate degrees and certificates to eligible students in an innovative, multicultural environment where successful learning and achievement are highly valued, supported, and continually assessed.

  - *Program Relation to College Mission.*
    - Support Services
  - *State your program Mission/Purpose.*

    The mission of Ohlone College is to serve the community by offering instruction for basic skills, career entry, university transfer, economic development, and personal enrichment for all who can benefit from our instruction in an environment where student learning success is highly valued, supported and continually assessed.

  - *Briefly describe program accomplishments.*

    See appendix

- **Student Impact Assessment**
  1. **Student Learning Assessment - The Foundation offers annual student scholarships - directly designed to help students afford the cost of tuition and to ensure that they are able to focus on their education. The Foundation also**

supports college programs through funding for program improvements, as identified annually through the program review process.
- *Enter assessment results for "Student Learning Impacts" and analyze student success:*
- *Future Improvements:*

2. **Student Learning Assessment - Award a minimum 150,000 in student scholarships to assist students in achieving their education goals.**
    - *Enter assessment results for "Student Learning Impacts" and analyze student success:*

    annual scholarship report

    - *Future Improvements:*

- **Program Achievement**
    - *List area-specific outcomes.*

        1. **Establish strategic alignment with Ohlone College**

        2. **Improve fiscal systems and reduce general fund impact on District**

        3. **Increase fundraising revenue**

        4. **Expand scholarships with emphasis on The Ohlone Promise**

        5. **Strengthen Foundation**

    - *Identify internal and/or external benchmarks and regulations.*

        0. **Establish strategic alignment with Ohlone College**

a. Ohlone College Strategic Plan and other planning documents such as Equity Plan.

1. **Improve fiscal systems and reduce general fund impact on District**

    a. Actual Foundation expenditures

    b. Auditor and Business Office recommendations

    c. Private foundation, federal and state grant reporting and fiscal regulations

    d. IRS charitable regulations applicable to a 501(c)(3),Type III supporting organization

    e. Non-profit accounting principles and UPMIFA

    f. Section 59250, et seq. of Title 5, California Code of Regulations (Auxiliary Organizations) and California Education Code Sections 72670, et seq., 89900, et seq. (Auxiliary Organizations).

    g. C.A.S.E. California Community College Foundation benchmarks

2. **Increase fundraising revenue and formalize fundraising activities**

    a. Actual Foundation performance (cash transactions)

    b. C.A.S.E. California Community College fundraising benchmarks

3. **Expand scholarships with an emphasis on The Ohlone Promise**

    a. Actual Foundation Scholarship offerings

    b. C.A.S.E. California Community College scholarship benchmarks

4. **Strengthen Foundation**

    a. C.A.S.E. California Community College Foundation benchmarks

o *Enter assessment results for area-specific outcomes and analyze trends.*
    0. **Establish strategic alignment with Ohlone College**
    1. **GOAL 1:** Through innovative programs and services, improve student learning and achievement.

(Objective 8)

2. **8.** By 2015, increase the number of students taking 12.0 units or more per semester to a rate of 30% compared to headcount enrollment.

Assessment results: The Ohlone Promise Scholarship was specifically designed to attract and support full time students taking 12.0 units or more by paying their tuition, mandatory fees, and book costs for two years. **GOAL 4:** Use human, fiscal, technological, and physical resources responsibly, effectively, and efficiently to maximize student learning and achievement.**(Objectives 3, 8, & 9)**

3. **3.** By 2015, increase non-apportionment income by $2.5M from baseline of $2.5 million in 2011.
4. **8.** By 2015, maximize the use of campus property and develop Mission Boulevard frontage property as an income source.
5. **9.** By 2015, achieve long-term campus maintenance and capital improvements necessary to increase effectiveness of learning and support services for facilities improvement, while promoting sustainability.

Assessment results: Starting in 2013/14, the Foundation began providing general fund (Fund 10) revenue. The Foundation also provides extensive non-apportionment income to various programs and for capital needs throughout Ohlone College. Numerous members of the Foundation Board spoke in support of the frontage property development. The Foundation is also working to leverage Measure G funding with a major capital campaign and provides funding for ongoing capital needs.**Goal 5:** Lead and educate the community in environmental sustainability**(Objective 3)**

6. **3.** By 2012 support innovation in sustainability and environmental friendliness by providing professional developmental and fiscal resources through the Ohlone Foundation Sustainability Endowment.

Assessment results: Provides ongoing support and funding through the Ohlone Foundation?s Sustainability Endowment.*Summary/trends:* In the past 18 months the Foundation has dramatically altered its activities to come into alignment with the Ohlone College strategic plan.**2.**   **Improve fiscal systems and reduce general fund impact on District**

7. Completed internal audit of financial systems and created numerous checks and balances such as independent monthly check register review, dual signatures on all contracts and checks over $1,000 per auditor?s recommendations.
8. Implemented annual budget process to conform to District policy

producing the Foundation?s first ever Board-approved budget and which was submitted to President/Board of Trustees on time.

9. Reviewed Foundation endowments and initiated new distribution policies integrated with District budget process.

10. Starting in 2014, the Foundation began contributing annually to the general fund (Fund 10). $100,000 was given in 2013/14, $200,000 in 2014/15, and the Foundation has budgeted an increase to $250,000 for 2015/16. The effect of this activity has been to dramatically reduce the impact to the general fund freeing up needed resources for other College strategic priorities.

One of the statistically valid correlations found by C.A.S.E. was that *?The more that the foundation spends per capita on both fundraising and total foundation expenses, the better the fundraising results.?* TOTAL BUDGET: A comparison with other California Community College Foundations indicates that the Ohlone College Foundation spends dramatically less than most other Foundations. In 2014/15, the Ohlone College Foundation spent approximately $550,700 while the 2013/14 Mean expenditure of all reporting California Community College Foundations was $1.2M and the Median expenditure was $990,000.

11. BUDGET BY STUDENT FTE: Comparing data nationwide by student FTE, Community College Foundations with between 5,000 to 9,999 FTE spend nearly twice what the Ohlone College Foundation spends, with Mean expenditures of $979,152 and Median spending of $796,708.

12. **3.   Increase fundraising revenue**
    a. TOTAL REVENUE: Total (cash) revenue for 2011/12 was $525,684. In 2012/13 donations fell dramatically to $378,865 and in 2013/14 fell further to $242,364. For 2014/15 revenue grew dramatically to $1,040,927 and is budgeted at $931,500 for 2015/16 with an emphasis on major gifts to offset Fund 10 (restricted and unrestricted).

13. FUNDRAISING COMPARISON: A comparison of the Foundation?s fundraising to other California Community College Foundations shows that, prior to FY 14/15, the Foundation was substantially underperforming. In FY 13/14, the latest comparative data available, the Mean raised by reporting Community Colleges with 5,000 ? 9,999 FTE across the country was $2,011,735 with a Median of $1,085,052 raised.   Of all reporting California Community College Foundations, in FY

2013/14, 29% raised less than $500,000, 14% raised between $500,000 - $999,999, 24% raised between $1-1.9M, and 33% raised $2M or more.

14. GOLF TOURNAMENT: The annual golf tournament has long been a major fundraiser for athletics at Ohlone College. In 2014/15 the event was expanded to include funding other College programs. Net revenue saw a dramatic increase in 2014/15 reaching $80,000, a 44% increase from the prior year and the highest net revenue in the event?s 30 year history.

15. **4.   Expand scholarships with an emphasis on The Ohlone Promise**

16. THE OHLONE PROMISE: In 2012/13 the Foundation introduced its newest scholarship, the Ohlone Promise, with a commitment of 16 scholarships valued at $57,600. This was increased in 2013/14 to 20 Promise scholarships valued at $72,000 and increased again in 2014/15 to 25 Ohlone Promise scholarships valued at $90,000!

17. TOTAL SCHOLARSHIP FUNDING: Over the past four years, the Foundation has increased its total scholarship contribution from $65,000 in 2011/12 to $151,250 in 2014/15.

18. SCHOLARHIP AWARD VOLUMNE: Despite the continued growth in scholarships awarded, Ohlone falls substantially behind other California Community College Foundations. While Ohlone awarded a total of 95 scholarships in 14/15, the Mean number of students receiving scholarships at reporting CCCFs was 344 in 13/14 (Median 277).   Only 10% of reporting CCC Foundations awarded fewer than 100 scholarships with 62% awarding 200 or more.

19. <u>SCHOLARSHIP AWARD DOLLARS</u>: Similarly where Ohlone awarded $151,250 in scholarships, the CA Mean was more than twice this amount at $322,998 (Median $258,343).   Only 20% of CCC Foundation?s awarded less than $100,000 in scholarships while 60% awarded $250,000 or more.

20. **5.   Strengthen Foundation**

Fundraising success at Ohlone College ultimately rests on building the Foundation into a strong, effective, and tightly integrated division of Ohlone College. Establishing a close strategic alignment with Ohlone College and its strategic plan is the first step, but that must be followed by sustained organizational development with the Foundation, it?s Board of Directors, and Ohlone College focused on best practices intended to lead to fundraising success.

21. <u>STAFFING:</u> In California, 25% of CCC Foundations have 3 to 3.9 FTE staff, and 54% have < 3.9 FTE. However, when comparing total Foundation staffing by student enrollment (FTE), Ohlone falls in the bottom 31% of CCC Foundations nationwide. Of all CCC Foundation?s with student enrollment (FTE) of 5,000 to 9,999, 48% of all Foundations have 5 or more FTE employees and 17% have 4 FTE.

		Student enrollment (FTE)			
# of FTE employees	Total sample	**Less than 2,500**	**2,500 to 4,999**	**5,000 to 9,999**	**10,000 or more**
Less than 2	16%	33%	17%	3%	16%
2.0 to 2.9	17%	38%	24%	9%	6%
3.0 to 3.9	16%	19%	17%	19%	13%
4.0 to 4.9	15%	5%	17%	13%	22%
5.0 to 5.9	11%	5%	10%	16%	13%
6.0 to 9.9	13%	0%	14%	22%	13%
10 or more	11%	0%	0%	19%	19%

22. ***b.***   <u>REPORTING STRUCTURE</u>: Aligning Foundation activities with the College is critical for success and having the Ohlone College Foundation Director report directly to the College President/Superintendent is consistent with 71% of other CCC Foundation?s where their Executive Director/CEO reports directly to either the District Chancellor/President

or College President.

District Chancellor/President	33%
College President	38%
College Vice President	0%
Other College Employee	4%
Foundation Board of Directors	17%
Both College President and Foundation Board	4%
Other College Employee	4%

-

23. *c.* ROLE ON LEADERSHIP TEAM: Nationally, 64% of all CCC Foundation respondents have their ED/CEO on their college?s leadership team. In California, the data is somewhat reversed with 54% of Foundation ED/CEOs not on their College?s leadership team as is the case at Ohlone.

Analyze program budget trends and expenditures. Comment on how the program can best use budget resources.

24. BUDGET TRENDS: Over the past four years, the Foundation has maintained its budget expenditures at a nearly constant level. This is due to the fact that over 75% of the budget is personnel and required investment/audit expenses. However, while the budget has been nearly flat, recent fundraising activity has increased dramatically and future increases are both necessary and expected.

25. BUDGET COMPARISION: Comparing the Ohlone College Foundation budget to CASE data, we easily see that the ?issue? is not an excess budget, but rather the need for increased fundraising. Compared to other CCC Foundations, the Ohlone College Foundation?s budget is significantly lower; unfortunately, until 2014/15 the Foundation?s revenue was as well.

Median Revenue in FY13 for CCs 5,000-9,999 FTEMedian Expense in FY13 for CCs 5,000-9,999 FTE

o   *Analyze program budget trends and expenditures. Comment on how the program can best use budget resources.*

BUDGET TRENDS: Over the past four years, the Foundation has maintained its budget expenditures at a nearly constant level. This is due to the fact that over 75% of the budget is personnel and required investment/audit expenses. However, while the budget has been nearly flat, recent fundraising activity has increased dramatically and future increases are both necessary and expected.

0. BUDGET COMPARISION: Comparing the Ohlone College Foundation budget to CASE data, we easily see that the ?issue? is not an excess budget, but rather the need for increased fundraising. Compared to other CCC Foundations, the Ohlone College Foundation?s budget is significantly lower; unfortunately, until 2014/15 the Foundation?s revenue was as well.

Median Revenue in FY13 for CCs 5,000-9,999 FTE

Median Expense in FY13 for CCs 5,000-9,999 FTE

o *Analyze the program's current use of staff, equipment, technology, facilities, and/or other resources. Comment on how the program can best use these resources.*

0. STAFFING: STAFFING: The most recent C.A.S.E. study of Community College Foundations found a direct correlation between ?the more staff, the larger the number of donor records? and, not surprisingly, the number of donor records correlated with the percentage of active donors. Thus total foundation staffing is a critical indicator of Foundation success. In early 2014, the Foundation began work on securing and reallocating staff resources. The position of Foundation Specialist was restored to full-time, a part-time student worker was added, and staff roles and responsibilities were clarified.

BEST USE: As the Foundation?s fundraising activities grow, adding a major gift officer, or other specific fundraising staff position, would greatly increase the Foundation?s effectiveness.

1. SCHOLARHIP ADMINISTRATION: While active fundraising has been prioritized since 2014 and efforts were made to streamline time spent on non-fundraising activities, substantial staff time continues to be required for numerous, non-fundraising activities. The most significant of these is Ohlone?s scholarship program which is 100% administered (application/award process) by the Foundation.   By comparison, in California only 33% of all Community Colleges have a similar structure. 27% are administered fully by College financial aid and 27% by a combination of foundation staff and financial aid. 10% use alternative methods such as outsourcing.

BEST USE: If Ohlone?s financial aid department could take a more active role in administering scholarships it would free up staff time for actual fundraising. Similarly, the Foundation currently oversees the vast majority of scholarship marketing and outreach efforts. In 2014/15 the Foundation began working closely with the marketing and counseling departments to support scholarships. Increasing the level of support by these departments, and/or transferring primary responsibility for scholarship administration and/or marketing, would enable Foundation staff to increase their fundraising activity.

2. CURRENT TECHNOLOGY: The Foundation currently uses Raiser?s Edge, an excellent though somewhat antiquated fundraising database.

<u>BEST USE</u>: While powerful, Raiser?s Edge is overly complex, legacy software that performs best with support from a dedicated Raiser?s Edge database manager. Many less costly and far more user friendly and effective technologies now exist. As a result, the Foundation is currently planning to implement Salesforce NPSP.

3. <u>MARKETING/COMMUNICATIONS</u>: Marketing and communication is a critical building block for effective fundraising. A majority of CC Foundations regularly communicate by mail and/or email via annual reports, newsletters, magazines, as well as various fundraising solicitations. The recent CASE study found a statistical <u>correlation</u> between foundations that: mail solicitations (90% do this), e-mail solicitations (57%), or hold affinity group events (48%), and those with a larger number of valid donor records (a critical factor in fundraising success).

<u>BEST USE</u>: The Foundation needs to coordinate with marketing to develop and launch a comprehensive marketing and communication strategy for the Foundation focused on donor engagement. Ideally this strategy will leverage new email and CRM technology to personalize prospect engagement opportunities while minimizing staff time.

o *Additional Program Table Data*
  ▪ [2014 CASE Survey summary](#)
o *Future Action*
  Current levels of achievement indicators maintained.

Attached Files:

-
- [Ohlone College Investment Review 10-31-20121.pdf](#)
- [Foundation Strategic Plan Nov 28.pdf](#)