

SEA Communities of Practice: Exploring Funding Opportunities for Charter Schools

Slides 1, 2, 3

PEGGIE: Hi, this is Peggie Garcia from the National Charter School Resource Center. I want to check in quickly with our presenters and make sure we have everyone online Danny Corwin, can you hear me?

DANNY: I'm here.

PEGGIE: Okay. Rhonda, can you hear me?

RHONDA: I can.

PEGGIE: Okay, perfect. Erin, can you hear me? [pause]. So, Erin might be muted. So we're going to work on unmuting you while we get started. So, this is Peggie Garcia from the National Charter School Resource Center. We'd like to welcome you to the webinar. We've had a phenomenal response to this webinar, and we have over 300 people registered. So, in order to preserve the quality of the audio recording, we're going to ask as many people as possible to listen through their computers. So everyone should have the capability to listen through their computers. If you cannot listen through your computer, in the bottom of the webinar screen there is a note that provides a phone number, and you can go ahead and dial in through the phone number, but we would ask you to mute your phone to prevent any kind of background noise.

During the webinar, you can enter chat on the left-hand side and it looks like people are chatting away already, so that's good to see. But please enter any questions that you have in the chat at any point during the webinar. Let me just give you a quick orientation to the webinar platform and then we will go ahead and start with our presentation. So, on the left we have the online chat, which many of you have already discovered. In the bottom lower hand corner we have a file-share window, and there are four documents right there that you can download and open up at any time during the webinar.

The first one, the NCSRC Funding is a quick guide to the funding opportunities on the resource center, the National Charter School Resource Center website, how you can access funding opportunities through our website; the Credit Enhancement Grantees file is something people from the federal department will talk about more in a moment, and those are grantees that you might connect with for help with facilities in



your state. The IFF document is something Rhonda will talk about during her presentation, and the July slides PDF is a PDF of the presentation. So, if you did not receive my reminder e-mail this morning with the presentation attached, you can go ahead and click on the PDF and then “save to my computer” to open it up, and then download it or print it out so that you can take notes during the presentation.

On the bottom, underneath the PowerPoint slide, this is a note, a phone number to call in if you can’t access it through your computer. You can hit the full-screen option on the top right-hand side in case the screen is too small for you. And then, as I indicated, you can also download files from that file-share window on the lower left-hand corner. The webinar is being recorded, and an archive will be available on our website, www.charterschoolcenter.org, within three business days after our presentation. So, I have muted everybody in order to preserve the quality, so if you have any issues, please go ahead and enter them in the chat and we’ll try to get to you as soon as we can.

Poll Screen

I’m going to do a quick poll right now to get a sense of who is in the audience. So, if you could go ahead and respond, are you a charter school leader, teacher, staff or board member, an authorizer, do you work for the federal government, a state education agency, a CMO or EMO, a state or city charter support organization, a nonprofit that works in some way with charter schools, a parent or community member, or other. We’ll give it a couple seconds to tabulate. It looks like the vast majority are people from charter schools. It looks like about sixty percent of you are members of charter schools, either leaders, teachers, staff, or board members. So welcome, everyone. We also have representation from most of the fifty states, and we’re excited to have you with us.

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Our presenters today: we’re going to start out with Erin Pfeltz and Ann Margaret from the U.S. Department of Education. They are federal officials from the charter schools program, and they will be sharing with us some information about federal funding that’s available for charter schools. Danny Corwin is the vice president of development at the California Charter Schools Association. He joined that organization in September 2004 and, as a member of the association’s executive team, he is responsible for securing financial support in the form of grants from private foundations, corporations, and government agencies in order to sustain the programs and operations of the association. He has significant experience in the education field working to transform schools, increase innovation, redesign high schools, and increase college and career

opportunities for low-income minority students in California. Welcome, Danny. And then another presenter who we're also very lucky to have with us, Rhonda Kochlefl, is the chief development officer at Noble Network of Charter Schools in Chicago. She oversees all public and private funding initiatives at Noble Street, where her work includes major gift solicitation and management, Noble marketing and promotion, as well as board relations. She brings to Noble Street a wealth of experience in the private sector. So, we're really lucky to have a variety of perspectives featured on our webinar today. Erin, can you hear me?

Slide 5

ERIN: Yes, I can.

PEGGIE: Okay, good. So, Erin, I'm going to go ahead and transition to you.

ERIN: Great, thank you, Peggie, and welcome, everybody, to the webinar. I'm Erin Pfeltz with the charter schools program at the U.S. Department of Education, and the overall purpose of the charter schools program is to increase the national understanding of the charter schools model and to expand the number of high-quality charter schools. To assist charter schools around the country with start-up costs, the CSP offers three grants. First, we offer a competitive grant to state education agencies who use those funds to subgrant to charter developers within their states. If a state chooses not to apply to the CSP, or applies but isn't successful, charter developers can apply directly for start-up funds to the federal government. This is through the non-SEA grant and it's the second one listed on the slide. Finally, the CSP has replication and expansion grants that are designed to replicate and expand high-quality charter schools. This competition is actually currently open. Right now applications are due by August 11th and applicants must currently operate or manage two or more high-quality charter schools in order to be eligible. You can find out more about any of these grant programs at the charter schools page at ed.gov or by contacting me. On the next slide after Ann Margaret talks, there will be a link to the CSP page.

PEGGIE: Ann Margaret, can you hear us?

ERIN: I think, Peggie, she might be muted still.

PEGGIE: Okay. Oh, it looks like she's working through her computer, so I don't think we can get the microphone rights to her up.

ERIN: She's going to actually come over here, hold on one second.

PEGGIE: Okay, great.

ANN

MARGARET: Good afternoon, everyone. I apologize for the delay and the complications with the technical issues here. Luckily, I sit close enough to Erin that I can walk over. Just some background information on the charter school facility programs that I monitor. We have two programs here at the Department that help charter schools with their facilities. The first program is the Credit Enhancement for charter school facilities. This program is designed for financial entities to apply for, so it's not for charter schools to apply for, but they can benefit by contacting the grantees under this program. On the bottom left-hand corner of your screen there is a Credit Enhancement grantee list, which lists all the grantees under the program. The majority of them have funding available that can assist charter schools, not with direct grants, but they can help them access loans or bond financing. If you have specific questions, I'm more than happy to talk with you. My phone number is 202-205-9765. The second grant program here at the Department for charter school facilities is the state charter school facility incentive grants program. Currently, that program is only active in two states, California and Indiana. So if you are in one of those two states you may contact either the California School Finance Authority or the Indiana Department of Education, and they are distributing funds on a per-pupil basis for facility funding. Again, those are the only two programs that I work on in regard to facilities, but if you do have questions, please feel free to contact me. And, Peggie, I'm going to turn it back over to you.

Slides 6, 7

PEGGIE: Great, thank you so much. So, for questions or additional information about federal funding you can explore the charter schools program website, which is listed on the slide, and you can also download the slides if you're not able to write it down quickly, or you should have received them this morning. So, we're going to go ahead and move on to Danny's presentation. So, Danny, can we still hear you?

DANNY: I'm here.

PEGGIE: Okay, great. You have control of the slides, and welcome.

Slide 8

DANNY: Great, thank you, everybody. I was glad to hear that the U.S. DOE was participating this morning, the California Charter Schools Association [SILENCE] 2005 we've been able to [SILENCE] great programs that the DOE is running and [SILENCE] programs. So the California Charter Schools Association has been existence for about eight years and we service the membership and professional organization [SILENCE] our

work is really focused on advancing the charter movement [SILENCE] state and local advocacy [SILENCE] Some of those resources include helping schools raise money, which we all know is critical [SILENCE] growth.

Slide 9

So, today's slides really cover best practices to help charter schools raise money and [SILENCE] divided into four main areas. [SILENCE] top ten list of fundraising strategies to provide some additional context for today's broader [SILENCE]. This list is really focused on raising money during challenging economic [SILENCE]. [SILENCE] Second, we'll be talking about individual donors, which we often [SILENCE], third, strategies for private foundations. I'll be quickly going through some basics in writing grant proposals and keys to success. Lastly, it's just one [SILENCE], which we all know is a common school [SILENCE].

Slide 10

Let's move to the top-ten list to get us started. Number ten, a gut reality check, and I think it's just a good place to start. Most of our public schools are struggling having enough revenue to provide the programs that our kids deserve, and this really gets to schools doing proper budget management. To be honest, not relying too much on fundraising to cover your core [SILENCE] just being very realistic in terms of when we [SILENCE] Nine is, Collaborate to raise money. We're fortunate to be a part of a growing charter school movement, and as the number of schools increase, so does the competition for dollars. So we have found that being able to collaborate [SILENCE] charter schools with other nonprofit organizations is quite helpful in increasing awareness [SILENCE].

Number eight is, Avoid emergency solicitations. This also gets back to good planning and communication. [SILENCE] Unfortunately, schools sometimes find themselves in a position where they need to raise a certain amount of money in order to keep the lights on and keep the doors open. So again, good budget planning, emergency solicitations really do not build trust with donors and make it very challenging to go back for more funding in future years.

Number seven is, Seek alternatives to soliciting private donations. This, I think, is a common practice among our schools, really trying to generate in-kind contributions. I recommend going through your budget, looking at facilities, technology, staffing, trying to be extremely creative with ways that you can leverage people in your community, potentially parents, to really help out at the school site, whether it's serving lunch or providing library assistance or potentially getting computer donations from

corporations, we need to be extremely creative in today's day and age.

Number six is, Continue to strengthen your case. This gets to your thirty-second elevator pitch when you're in Seattle at Microsoft and Bill Gates enters the elevator. I cannot emphasize enough, just being able to clearly, concisely communicate your message and what makes your school unique, and that should go for your entire school community—board members, school leaders, teachers, your students—should be able to do this. And we all need to continue to talk about our work and the good things that we're doing, which hopefully will lead to money down the line.

Slide 11

Moving to the next slide, the final five, number five, Leverage existing fundraising events. When times are tight, it's not necessarily the best time to create something new. So, look at what you've been successful doing in terms of raising money and try to enhance and do it better.

Number four does get to change and thinking about new ideas, so changing with the times means having an effective website, getting on Facebook, understanding how people are accessing information and making sure that you are part of that world, otherwise, if people don't know about your school, they won't have interest in contributing to your school. There are also great new organizations, one is Donors Choose, where teachers can actually list needs that they have for their classroom and solicit donations from people across the country. So it's really being creative with what you have access to, and it's also a great opportunity to engage your students in fundraising and, in many ways, they're more adept at new technology than others.

Number three is to develop a pipeline of individual donors. We're going to be talking about this in a couple of slides, but again, this is, I think, important to cultivate from the very beginning of your school, from the very initial idea of creating a charter school, is finding people that believe in your mission, believe in you and you can rely on when you start and over the years.

Number two, Seek counsel from donors. This really gets to viewing prospects and donors as partners to your school. This one was included on the list, thinking about when times are tough and you're trying to meet that bottom line, not being worried about communicating your need to your donors, but to be able to say we want to expand our network, we want to expand our donors, do you have ideas, do you have networks that we can connect to and just really openly communicating the important work that you're doing to broaden your support.

And the last one, which I know will be repeated throughout the conversations today, it's just your board of directors. They are the individuals who are fiduciary, have that responsibility for your organization. They need to have clear expectations before they join the board to be role models and to give to your school and to reach out to their networks to do the same.

Slide 12

Let's continue to the individual giving portion. Here are just a couple of statistics in terms of individual giving, which really make up more than three quarters of charitable gifts in the United States. Religious institutions, colleges, universities are typically at the top of the list, and our job as charter school leaders is to make our schools as exciting as possible to kind of garner the return on investment from donors and put yourself number three on that list. We all know we're in a day and age where most agree that there are not many issues in our country that are more important than our kids' future and having quality public schools. So it's our job to make that case on behalf of public education, on behalf of the charter school movement, and very specifically on behalf of the school that you represent.

Slide 13

So, in terms of some specifics on how to raise money from individuals, I recommend having an annual giving campaign. An annual giving campaign is a board-driven effort, having your volunteer leadership really lead the way. It takes place over a defined period of time. I know schools that do this at the beginning of the year. For instance, they have October and November that are the periods where they are soliciting funds from community members and parents, et cetera. That defined period of time is important in terms of creating the urgency around the campaign and also having the funds early in the school year that you can use for the remaining months.

Next is unrestricted funds, which we all understand are critical, just to be able to be nimble and flexible in terms of how we use the revenue that we generate, and typically individual contributions from an annual campaign are unrestricted. The emphasis on individual giving, I've mentioned. A little more on this: Many of us provide education options for families that are low-income and it's challenging to raise money from parents. I think it's important nonetheless to share our school story and the financial situation we're in, and if schools serving low-income populations can generate small amounts of revenue from parents that show their commitment to the education their kids are receiving, even if it's a dollar or five dollars or ten dollars, I think that's a really important message to go out to your

community more broadly around raising money, to be able to say that one hundred percent of your board and as close to 100 percent of the people most connected to your school are contributing out of their own pockets conveys a very strong message.

And, lastly, the individual giving from a campaign really lays the foundation for larger, major gifts that could come down the line.

Slide 14

A few more strategies in terms of individual giving, personal face-to-face solicitations, 100 percent board participation as I mentioned, the case for support must be presented clearly and concisely. It's all about return on investment. So to be able to go to a prospect and clearly communicate what the return on their dollars will get you from a state association perspective, the messages that we use here at the California Charter Schools Association is we are ensuring that our schools have increased access to facilities. We are preventing increased regulation on our charter schools and overall our efforts are increasing academic performance of charter schools and we're very intentional about that work by trying to replicate high-quality schools in our state and trying to raise the bar and increase accountability for the low performers in our state, so just having a concise message that you can share when you're going out to raise money. Donor recognition and stewardship are absolutely critical in maintaining these positive relationships over time. And again, always marketing your school and getting the message out about the good work that you're doing.

Slide 15

On the private foundation side, the charter movement has been fortunate for the past decade or two to have a number of private foundations that have been investing in our work. As the movement has grown, these dollars have become more competitive and more challenging to secure. So, the following information I know most of this group is probably familiar with, but in terms of just making sure that you're prepared to engage in these conversations, these are some basics: securing 501(c)(3) nonprofit status, getting your charter approved, having a credible, diverse board of directors, having the capacity to take on building relationships with foundations and writing grant proposals, this is probably one of the biggest challenges that our charter school leaders face, is having the time to do an effective job. But this work is so important, so it really has to be prioritized and doing internal needs assessments and templates, a lot can be leveraged by taking time to develop one master proposal of your program that can be used in multiple ways, so really, investing your time appropriately is critical to this work. Donor research: There's just a

multitude of information that's available online these days, so there's really no excuse in terms of being able to identify sources that have consistent missions as to your school. We're able to review guidelines and giving patterns. I always recommend talking to your peers. It seems somewhat funny in terms of that we're competitively seeking funds, but you'll really be surprised. People want to talk about their successes and I think there's a lot to learn from one another and that's one of the benefits of a call like this.

And lastly, it's just being very targeted and focused, so limiting your focus to four to six foundations to try to build those relationships and match the foundations that have a similar focus as you and your school.

Slide 16

In terms of grant proposal writing, I've listed some basics here. This is a savvy audience, so I don't need to go into too much detail, but these are just the core components that all high-quality proposals should have.

Slide 17

So, let's keep moving. These three things in terms of success from private foundations actually comes from one of our foundation partners, a focus on outcomes is absolutely critical: How are you making a difference? Do you have the systems in place to use data effectively and be able to demonstrate from a student-achievement perspective, from a retention perspective, from the number of ways that you track your school's or organization's success? This is how you're going to get your most important message across. Ongoing communications, that's absolutely critical. And becoming a go-to organization has a lot to do with kind of communications and PR, so being able to really demonstrate those positive outcomes in effective ways. And what makes you unique? You know, innovation is a big part of the charter movement, so what are things your school is doing differently that's leading to success that traditional public schools are not, so really leveraging your communication efforts to the best of your ability.

Slide 18

Lastly, is around the events that I spoke about. I think many schools and organizations are involved in special events. I just put this in here to make sure that we are as strategic as possible in terms of the time and resources that we have. So number one, have very clear objectives for the events that you're putting on. What are you trying to accomplish? You know, it doesn't always have to be money; it can be a part of a signature

project that a class at your school is involved with, but from the very outset knowing why you're doing the event that you're doing. We have to be careful about not oversaturating our donors, so I recommend at the beginning of the year kind of laying out a plan, a fundraising plan and a communications plan. Are you going to share information with donor prospects on a monthly basis, on a quarterly basis? I really wouldn't recommend anything more frequent than once a month. And that goes for events as well. So, be strategic.

We do want to get donor prospects onto campus and interacting with kids. As I led with, it's really involvement and relationships that leads to donations. So, that's something important to think about.

Cost-benefit ratio is critical. And the objectives can be—don't always have to be money, as I mentioned. So, we need to build that awareness, engage our communities in the work that we're doing. Maintain those relationships and hopefully down the line the money will follow.

Slide 19

That takes us through a lot of information in a short period of time and I'm happy now to either take a couple questions or the CCSA, at the California Charter School Association—we've got a very comprehensive website with resources, www.calcharters.org—for additional info.

PEGGIE: Great, well, thank you, that was incredibly helpful. In a short period of time you really laid out a significant number of strategies that will be incredibly helpful for the practitioners on the line. So, in the interest of time, I'm just going to shoot one question to you right now. So, I want to apologize to everyone who's been putting in questions. We won't be able to read and get to all of them, but we will try to get to as many as possible. So Mark is asking about whether or not charter schools should be fundraising for something tangible, a specific need like SMART boards, or should charter schools be fundraising for the overall health of the school? What would be your recommendation on that question?

DANNY: Yeah, it's a good question. I mean, I think fundraising really depends on the audience. So our strategy at the association level—and I think this goes across many nonprofits—is you want to have as much flexibility with your dollars as possible. So number one, you want to prioritize unrestricted funds, because as we evolve as schools, so much changes throughout the year. So having those dollars that can be used in multiple ways I think should be the top priority; however, if there's a technology company or someone that specializes in something specific, that makes sense to make a specific ask. But overall I would say definitely shoot for giving yourself as much flexibility as possible.

PEGGIE: Well, thank you so much. We're going to go ahead to transition to Rhonda and then we'll come back the last ten or fifteen minutes of the webinar for questions for both Danny and Rhonda. So, Rhonda, I'm going to go ahead and do the poll. Would you like me to do the student one first?

Slide 20

Poll screen

RHONDA: Sure, that will give me a sense of the size of the organizations online.

PEGGIE: Okay, so you're going to see a poll coming up pretty soon, about how many students you serve at your charter schools, is it less than 500 or some range up to more than 10,000? Oh, wow, so we've got a couple in the more than 10,000 range, that's interesting, but it looks like the vast majority are in the first two categories, either less than 500 or 500 to 2,500, but we do have a couple that are way up there at 10,000. That's interesting. Those might be our state education agency folks, or large district authorizers. Okay. So, I'm going to go ahead and close that poll. And, Rhonda, do you want to do the second one right away?

RHONDA: I'm trying to remember what the second one was.

PEGGIE: About the source of philanthropic funding.

RHONDA: Sure.

Poll screen

PEGGIE: All right, so you'll see a second poll coming up on your screen. So, what is your primary source of philanthropic funding, events, individual donors, foundations, corporations, or government grants? So, it looks like a pretty mixed bag, foundations taking the lead at the moment. Oh, there goes the government grants. So, it looks like about a third for government grants and about a third for foundations. But we'll give it another few seconds. But it looks like a pretty diverse portfolio there, which is something we always like to see. Okay, so, Rhonda, you should be able to flip the slides.

Slide 21

RHONDA: Great, thank you so much. Many of my comments are likely to echo what Danny just covered. Hopefully, I can give you some specific examples to think about. Quickly, Noble's history, we're one school, but we have ten campuses in the City of Chicago and will serve over 6,000 students come August, close to 90 percent low-income, 97 percent minority.

We are the highest performing open-enrollment high school in the city. We have an average ACT score as you can see of 20.3. That compares, apples to apples, to the City of Chicago to about 15.8. Since we are high school only, our alumni population is growing exponentially and it's giving us some interesting insight as to college persistence. My particular area of responsibility covers all competitive grants as well as advocacy, marketing—as mentioned earlier by Peggie.

Slide 22

In Chicago, we get 7,300 per student in funding from the district. We have some other dollars that flow, as all of you do, from state and federal sources. We need to make up about 15 percent in philanthropy. That is largely devoted to our facilities cost, which is an issue that I know is near and dear to all of you.

Slide 23

Specifically, foundations, I think, we're probably all talking to many of the same national organizations that support charters. We have some very strong corporate relationships in Chicago that we're fortunate to have and we also, and I don't know how much this exists in other cities, but we have an organization called Renaissance Schools Fund—it's just been renamed New Schools for Chicago, and that was in alignment with the civic committee. And they really provided much of the seed money on a lot of our expansion here in the city. And then we were extremely excited to be one of 12 organizations to receive a charter school program grant from the Department of Education. But we have also received grants from the Department of Agriculture, Health and Human Services, our local in the state of Illinois, the DCEO. So, I'll talk a little bit about thinking outside of the box when you look at grants, because there are opportunities outside of education.

Slide 24

Lessons learned: this is fairly obvious, you need to obviously find those opportunities, build relationships, provide quality, and hopefully you will be successful.

Slide 25

In terms of researching opportunities: I would again echo Danny's comments about the World Wide Web. So, Google is our friend. We also use our board members. They like to joke that they've never worked so hard as they do now since I've arrived. We also talk to our vendors. Some of our most interesting grant opportunities have come through a food

service vendor and an architect. Our employees, we ask that they keep their eyes open. They're in this business because they care about kids and they do often find themselves at other fundraising programs and we're always looking for good ideas. And then our partner relationships, it sounds like Danny is an excellent partner for those charters in California. We have, here in Chicago, Illinois Network of Charter Schools and Andrew Broy who has been a great partner for us and has also been a source for some charter grant opportunities that we might not have known about.

We keep an eye on naming donations. Naming is not a new idea by any means, but perhaps used well by Noble in Chicago. Each one of our ten high schools is named by one of the civic leaders in the city and that naming occurred through a fairly substantial gift and so our next round is to double in size and as we look to expand to 15 or 20 high schools in the city, my first prospect in this is all those people who have names on different buildings in the city that don't have a name on a Noble High School, because I would like every single one of them to have a name on a Noble High School. Also, observe other institutions outside of education, who's giving to the hospital, who's giving to the arts organizations. If they're interested in having their name on those buildings and you're a high-quality school, they're certainly worth talking to.

Review annual reports, et cetera, track press releases, all of this is fairly obvious. We do also leverage our advocacy resources. Eighty percent of our funding comes from public funds. So, we have strong relationships with the aldermen, the state legislators, the federal elected officials. We want them to be thinking of Noble when they're looking at an education bill, when they're looking at funding DOE, we want to give them a tangible example, so charter is not just some generic term out there, but they can think of a specific organization in their city that's hopefully doing good work on behalf of kids.

Slide 26

Expanding grant opportunities: As I said earlier, I think outside of the box. I reference a grant we received from the Illinois Clean Energy Community Foundation. and that grant was for solar panels, lighting systems. It was a new building that we were building, and to get, you know, a fairly substantial six-figure grant, to help us on lighting and other things we would have done anyway in the building, was great. So, I ask you to think about your facilities outside of what's happening in that classroom. You're feeding the students, there's physical education programs, one of our schools has a rooftop garden. There is energy, just a lot of opportunities within the building structure to look at other departments that might be funding in low-income communities. I know many of you probably are similar to Noble. Nine of our ten schools are in low-income census tracts

and six of the nine are in deeply distressed low-income census tracts. So, there's motivation among a number of different departments to invest in those communities. and so we've looked beyond education grants at other areas to receive some funding.

We recently built a gym and received some state support for that and of course worked with different community organizations in that neighborhood. We also are fairly good, we could improve, but good about working with the local arts institutions, Chicago Symphony, Art Institute here in Chicago, Lyric Opera, many of them have some small amount of educational support, but we're in inner-city schools, and often those are the areas that are stressed from a budget perspective, and so it's great when we can get help from other institutions.

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Leverage Relationships: Again, Danny covered this. I would reiterate it. Many of our board members serve on other foundations as well, so we certainly want to take advantage of any suggestions or recommendations they have. We do also talk to many of our current vendors. Charter School Growth Fund has been a supporter, New Schools Venture Fund, Gates, Walton, they know what's happening in the philanthropic community and to the extent they have suggestions we certainly want to hear them.

The service providers, I mentioned: so, the Illinois Energy Commission grant was something we didn't even know existed except for a recommendation from our architect.

Slide 28

I think it goes without saying that you do a quality application, right? very succinct. Use diagrams. We use the one on the right pretty frequently because we're showing that we've grown by a factor of ten and our academic performance has outpaced that growth. We do talk about return on investment, so to go back to something Danny said, in Chicago, Noble runs about ten five per pupil. The district high schools run about fourteen five. So not only are you saving substantially on a per-pupil basis, but the results: our 20.3 compares to about a 15.8 in the open enrollment high schools in the district. So better outcomes, more efficient use of dollars is a message that we're very clear about in our applications.

I'm a big fan of not using the maximum page count. You know, if a grant says you can go up to 50 pages, by all means do not go up to 50 pages. If you can get your story done in 30, and I don't know who can't get their story done in 30, that is what you should do, and package programs. We are very, very clear that it needs to be budgeted and we're, as Danny

suggested, always looking for those dollars to be contributed on an unrestricted basis. But if someone is focused on college persistence, we are likely to combine the college trips that we take the kids on, the scholarship funding we provide, a college writing course that we require of all our seniors, and package that so we have a more substantial ask and a donor can see a comprehensive program effect.

Slide 29

I think this has been largely said, we debrief what did we do well, what didn't we do well, and let's try not to do that again. We try to be creative in considering all sorts of grant opportunities even outside of the education box. We do not waste time on low-probability grants. If there's five million to give and a thousand applicants, obviously that's not a good use of our time. We do communicate well with those board members who are involved with different foundations and celebrate. We're all—particularly in this economy—everybody is working double time to try to keep the funding levels where they need to be on behalf of the kids, but it is because of the work done by our schools that we have such a strong story to tell. So we're sure to communicate to them about our success.

Slide 30

This is a little off topic, but many of you who registered asked about facilities, so I'm going to very quickly cover a transaction that we closed on in May. I happened to have handled it just because of my private sector experience, but this would probably more appropriate for your CFOs, but new market tax credits.

Slide 31

So, new market tax credits, it's a federal program. It's a program designed to incent investment in low-income census tracts—again, I'm guessing, where most of you exist. It is administered by the Treasury Department. I would refer you to that website that I've noted here far more than anything I would tell you. But essentially private corporations buy tax credits, which they can then redeem over a seven-year period and in return make an equity investment in your project.

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In our case, we qualified as a business. Now, new market tax credits are often seen for a specific real-estate project, if you're building a school in a low-income census tract, for example. Noble, as I explained earlier, exists—nine of our schools are in low-income census tracts, so we were

able to consolidate capital investment across nine high schools and treat that as one transaction. So we qualified as a business. You can't qualify as a business—and I don't think there's anybody on this call that would be in this area—but if you're a bank, you don't qualify, if you're an antique dealer, you don't qualify, and we all hope to be around for seven years. So I anticipate that everyone on the call would qualify.

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Our particular project—well, let me back up. So, you need about 8 to 12 million, that's a range, because new market tax credits are like every other debt transaction. There are a lot of lawyers, there's a lot of accountants, there's a lot of bankers, and they all charge fees. So you do have to have a certain scale for this to be a worthwhile effort for you. In Noble's case, at the end of May, we closed on a 13 million transaction, and that covered furniture, capital investment at the different schools. We received an equity return on that of 4.5 million, so that was cash in hand in May, which was very helpful. And then we have fees we pay over a period of seven years. So if we were to do it on our net present value it would be about 3 million in gain to the organization. So for us, we were able to leverage up dollars, get a cash infusion just before we invest in capital improvements at the schools this summer, and net/net certainly was a good decision. People know a lot more about this than I do. Illinois Facilities Fund acted as our advisor. I've attached their presentation. The allocation came from Chicago Neighborhood Initiative, and US Bank was our investor. But again I would recommend that you go to that website I referred to earlier because that's the source at the Treasury Department and work down from there. They include CDs, and they list a lot of information there that I would expect would be useful to you. And that's it.

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PEGGIE: Great, thank you, Rhonda. That's really incredibly helpful. I'm just going to shoot you one quick question. So, one of the questions that came in from Alyssa was talking about tracking and communicating with vendors or with people who are potential funders. Could you talk a little bit about your tracking and communication system?

RHONDA: Well, we do a lot. You're talking about our stewardship efforts. I guess from a day-to-day standpoint we use Razor's Edge. That's the database we use to track that links directly to Financial Edge, which we use in our accounting department, so that simplifies matters a lot. We do log in every call, every meeting, every request, of course, in Razor's Edge. But we have a lot of personal relationships and again, Danny gave a very good presentation. Another thing I would echo would be to narrow the scope of what you're trying to accomplish and do a handful of donors exceptionally

well. So, our board members I talk with every week. Our chairman I meet with probably twice a week. We each have, I have five members in this department that cover all of our government advocacy, our marketing, our public relations, our foundations, our government grants, and our board stewardship. And everyone has a list—it varies in scale—that they are responsible for building relationships with. And we ask, you know, “Have you not touched base with this person?”—phone call, e-mail, personal interaction—and they might have given a year ago or two years ago, but Noble, for example, is in the midst of a campaign to double in size, so everybody ought to be seeing and hearing from us, everybody ought to know about our recent results. We also do a newsletter, and we do stream-send when there’s a big announcement. We were crazy excited to get the Department of Education grant. There was a stream-send to everyone who’s ever been touched by Noble and vice versa, announcing that grant. So those are a few of things we use. We have a website, Facebook, Twitter, et cetera.

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PEGGIE: Well, thank you. So, I’m going to just talk quickly about the National Charter School Resource Center. So, we are just in the midst of launching a funding opportunities database on our website, which is www.charterschoolcenter.org. So, this is a screenshot of our home page and you can see the big orange button on our Get Started menu: “Discover funding opportunities for your charter school.” So you can click on that button and there’s a database of opportunities that you can explore.

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So, we’re still building this and putting it together, but we do have a number of opportunities from the federal government, from foundations, from private organizations, that charter schools can explore. And one thing we’re trying to do with this is to encourage charter schools to think not just about grants that are specific to charter schools, but to think a little bit bigger as Rhonda and Danny were encouraging you to do. So, charter schools can apply for any grant that a nonprofit organization is eligible for, as long as you’re a nonprofit, many charter schools are also LEAs, so they can apply as an LEA. So we encourage you to take advantage of that resource and we will be continuing to develop it.

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So, I’m going to go ahead and ask a few questions. So, we’ve had quite a few questions coming in about small and rural schools. So I think I’ll do this one to Danny first, because California is a really diverse state. So,

Danny, what would you recommend for funding opportunities for small and rural charter schools?

DANNY: Yeah, that's a good question. I've been following the dialogue on the chat, which has been good, because there's been some resources shared already. So, I mean, for me, it comes back to the section on individual giving and really building those relationships. Obviously, we hear a lot about the charter management organizations and the scale and their reach; however, for instance, in California, there are large corporations that have been successful in different kind of farming industries and that have thousands of farm workers that they employ that want to ensure that these individuals and their kids have high-quality educations. So, it's building relationships with the companies and with the individuals that really have a presence in your neighborhood. And it's somehow getting them into your building and wowing them once they're there, so being creative in terms of how to get folks to your school. I've seen schools celebrate Dr. Seuss's birthday and have adults come read to kids and ideas like that, that really connect adults and children, is what really ties the heartstrings of individuals and wants to make them participate and contribute.

PEGGIE: Great, thank you. Rhonda, did you have anything to add to that?

RHONDA: Honestly, I don't, because we're very focused in the city. I do think the Department of Agriculture grant was interesting and that was for a rooftop garden, but, you know, I would think in a rural area there may be some opportunities beyond that.

PEGGIE: No, that's great. And then, I would also encourage small and rural charter schools to apply for federal grants, so as Erin talked about at the beginning, there are federal programs for startups for charter schools and many of you also asked about that in our opening questions about funding for startup charter schools. Those startup grants that come from either the federal government or from your state charter school program are great ways for charter schools to get started. So, we had another question come in about catching the big fish. Donors who have the ability to write the larger checks, for \$25,000 or above, how can charter schools get these types of funders interested in their school, and more importantly, how can they get them to give to support the charter school? What would you recommend, Rhonda?

RHONDA: Well, you know, how do you get those big fish?—that's a great question, because they certainly have many, many, many opportunities to invest their finite dollars, because everybody has finite dollars at some level—John A. Pritzker has finite dollars at some level—but we work our network to get the first introduction and that introduction might be 20 or 30 minutes.

Hopefully, it's not in an elevator: if we're in a 30-second elevator speech then I've failed at my job. But if I've got 20 or 30 minutes I do an extremely tight deck. I always do a deck by the way, always do a deck, it might be five pages, might be ten pages, but it's a deck, it's clean, it's succinct, where I quickly demonstrate our performance or our focus. If you are new or just opening and you don't have a record of performance yet, but certainly demonstrate the demographic you're serving. I also educate people. I start with national statistics, then I go to Chicago statistics, then I go to Noble statistics. So don't assume. Everybody says, Oh, we all know what the education problems are out there. I would say they don't really know. When you show them this stat, followed by a city stat or in your case followed by perhaps it's national/state and then your local county, you bring it home what the need is for your program. And then get them to your school. To again echo Danny's comment, my absolute top closing tool is to introduce our students.

PEGGIE: Danny, would you like to take that question?

DANNY: Yeah. I just think back to, I was so impressed hearing Rhonda mention that she meets as much as twice a week with her board chair. I mean, that's really where those connections come from. So in terms of the big fish, it's having your board members that have access to, you know, high-net-worth networks and being very clear with them how they can contribute to your organization, is not only giving their own dollars but opening up their Rolodex and having those conversations and being strategic with them about the best way to approach those higher-profile donors.

RHONDA: Peggie, can I add one thing?

PEGGIE: Please.

RHONDA: Just to reiterate what Danny said, we're very clear, hopefully not blunt, hopefully tactfully clear, but we're clear about give and get. So we have expectations about what you'll give and we also have an expectation that your commitment to this organization will extend to helping us get additional funding beyond you, but within your network.

PEGGIE: Great. Erin, did you have anything else to add about either the rural and small schools or getting larger donors?

ERIN: Well, nothing really for the larger donors piece, but for rural and small schools, when looking at federal grants, take a look at both who the eligible applicants are and what the priorities might be on the competition. Sometimes there are particular rural priorities. We also at the U.S. Department of Education have an office that works with rural schools. I

don't work in that office, and so I'm not particularly clear on their information, but if you look at the U.S. Department of Education's website, you should be able to find that information and find a person to contact and talk a little more about what options are available for you, what grants might be out there that you would be eligible for, and that kind of thing.

PEGGIE: Great. And then we also have a number of questions about replication and expansion. Could you give people a quick reminder about the CMO competition and the dates that they should be considering?

ERIN: Sure, so the applications for the replication and expansion grants are due August 11th at 4:30 p.m. And this is a grant where the eligible applicant is a nonprofit charter management organization or other not-for-profit organization that currently operates or manages two or more high-quality charter schools. So there is an absolute priority, we only review applications from applicants who operate more than one school. The application is currently available at grants.gov. It is a mandatory electronic application and we're holding a preapplication meeting on Monday, if anybody is interested and wants to learn more.

PEGGIE: Great. Well, thank you, Erin, and it looks like we're just about at the end of our time, so I'd like to thank Erin Pfeltz, Ann Margaret, Danny Corwin, and Rhonda Kochlefl for joining us and for all of the wonderful, helpful strategies that you provided for us. We have recorded this webinar and we will be archiving it on our website, www.charterschoolcenter.org. It should be up and available by Monday, July 25th, at the latest. And we would encourage you to share your feedback about this webinar with us through an evaluation that I'm about to send you to. So again, thank you on behalf of the National Charter School Resource Center. And we look forward to your participation in future webinars. Thank you.

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