



*Educational Development
in Australasia:
2008 Benchmarking
Survey*

ADAPE Australasia Inc.
and the
Australian Centre for Philanthropy
and Nonprofit Studies at QUT

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Queensland University of Technology

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Executive Summary

Benchmarking of ADAPE members was undertaken in 2005 and again in 2008 to:

- profile and compare Australasian educational development offices in quantitative terms;
- pinpoint emerging issues; and
- track any changes over time.

Respondents

While response numbers were similar in both years (216 in 2005 compared 210 in 2008) the rise in ADAPE membership means this year's response rate is lower (27% as against 43%). Some 200 of the current year's response came from ADAPE members and the further 10 responses arose from promoting the survey link to non-members via associated organisations including Association of Heads of Independent Schools Australia, State Bursar's Associations and Fundraising Institute Australia. As with any such sample, it is important to caution that it may not represent the whole picture across every question.

Respondent institutions primarily included schools (162) and tertiary institutions (26). Other categories were associated entities (e.g. a foundation, an association) and some respondents did not answer this question. Most respondents' institutions were Australian (94%) with the remainder from New Zealand.

What Was Assessed?

The census again assessed:

- demographic details of the respondents, their institutions, and their development offices;
- fundraising/development activities and results;
- alumni activities and approaches; and
- perceived future challenges.

New questions from suggestions by 2005 participants included information on key performance indicators; trends; frequency of annual giving 'asks'; annual and new donor renewal rates; and uses of electronic fundraising.

Results

The survey showed:

Demographically

- Respondents were again mostly female in a similar proportion to 2005, again aged 31 to 60 in the main, with a similar bias toward primarily education and marketing backgrounds and many reported quite high educational backgrounds (a median of 16 years of education).
- Median time in the sector at six years was a year longer than the original survey. Given the link between experience and outcomes, and the importance of alumni, donor and other relationships nurtured over time, any increase in this median is a positive sign.

- The majority of institutions were located in major cities within Victoria, New South Wales, and to a greater extent this year, Queensland. More institutions from large regional centres also were represented in 2008.
- Again, most institutions were established prior to 1949 and particularly prior to 1905, with school student populations again generally between 500 and 1500, and university student populations between 0 and 20,000.
- The data reconfirmed the relative youth of many development operations with most offices (29.1%) in the 0-5 years category and the next most common group in the 5-10 years slot (24.8%). The four major responsibilities were the same - alumni relations, fundraising, community relations, and special events but the latter ranked most commonly in this year's survey of activities whereas in 2005 the four were relatively equal in predominance.

In fundraising/development terms

- The most important perceived revenue source from a strategic view for schools was unchanged - annual gifts/memberships. Schools respondents clearly valued annual gifts and memberships for this strategic purpose and also capital gifts and special events. In contrast, tertiary institutions gave marginally higher emphasis this year to 'other major gifts' (i.e. non-capital campaign gifts) while also again identifying annual gifts and membership as well as bequests strongly. The tertiary sample was however lesser than in 2005 so caution is needed in analysis.
- In annual and actual terms (rather than the perceived strategic terms above) capital gifts again provided the highest percentage input to gross revenue.
- The ubiquitous special event shone as the most prevalently used fundraising vehicle, followed by Voluntary Building Funds (schools), then Capital Campaigns and Alumni Annual Giving. All of these tools had increased in usage since 2005, suggesting educational development is employing a broader portfolio of fundraising tools over time. This fits with the pattern of many youthful offices still moving toward a full range of fundraising techniques. Electronic fundraising remained uncommon as a direct fundraising vehicle but was moderately used for donor communication and event promotion. Endowment campaigns remained in low to moderate use.
- Institutions reported revenue ranging from less than \$50,000 to more than \$21M over the past 2 years, with the higher parts of this range applying to a small number of schools as well this year. The highest number of schools in the sample were again in the less than \$50K category of revenue and tertiary institutions again in the \$1-\$5M range. Not unexpectedly, older schools and tertiary institutions again reported higher fundraising receipts than their younger counterparts. As emphasised earlier, it is well accepted that fundraising is about relationship building and relationships take time. Such institutions will generally also have a larger supporter pool to draw from given their years of operation. Development office age also had an impact on results again, but some younger operations nonetheless were recording impressive support levels.
- Akin to 2005, just over half of respondents (57%) reported an active annual giving program with current parents and alumni most asked to give. It is worth considering whether this figure of institutions involved in annual giving might ideally have grown since 2005.

- Metrics of annual giving programs were expanded in this year's benchmarking. Most common asking frequencies were once or twice a year, median annual giving renewal rate was 60%, the new donor renewal median was 37% and median upgrading was 18% and downgrade was 6.5%.
- In 2005, nearly two-thirds of respondents had *no* active bequest program. The lack of use of this fundraising medium was highlighted as a major opportunity area in the first benchmarking survey. The 2008 benchmark suggests at least some participants have taken up this avenue. The good news: now, those *without* an active bequest program number just over half (56%) and 58% of these indicate plans to move into such a program. The not so good news: clearly nowhere near the number of institutions indicating in 2005 they planned to establish a bequest program has actually done so. Main vehicles used by those respondents with an active bequest program include a dedicated bequest officer, and bequest mentions in publications. A dedicated bequest publication was less favoured in this year's sample whereas it was a primary tool in the 2005 survey.
- In a striking result of the current survey, the median of funding sought through capital campaigns by schools in 2008 was \$3m, dramatically up from the \$200,000 figure in 2005. Similarly, the tertiary institutions' median campaign target was up from the \$13m of 2005 to \$22m. An ascendant trend in the size of the leadership gift compared with 2005 was noted, with nearly a third of those conducting campaigns targeting a lead gift beyond \$1m. This move was matched by a slight upward allocation in the number of paid and volunteer staff working on capital campaigns.
- Alumni programs are up nearly 10% from 2005, with 89% of institutions reporting an active alumni program and just over half charging alumni fees.
- Key Performance Indicators (KPIs) used, were sought for the first time this year. Most common responses included: total dollars raised (heavily emphasised), event attendance, community feedback, positive media exposure, enrolments/waiting lists and contactable percentage of alumni and alumni participation. Donor satisfaction was mentioned only twice.
- Key challenges facing development offices in 2005 were:
 - developing and conducting capital campaigns;
 - building a giving culture;
 - access to data and records; and
 - dealing with increasing local competition.

In 2008, these concerns remain but respondents this year added more specificity. They forecast three scarce commodities as challenges to educational development across the coming two years.

- Firstly, they report volunteer leaders in fundraising campaigns as scarce.
- They also point toward a trend of fewer major donors, who are as a result, needing to give more.
- The third scarcity is in resources, particularly trained fundraising staff to build the kind of giving culture beyond the paying of fees that respondents see as needed to grow education in this country.

Other issues commonly mentioned were encouraging people to think about a charitable bequest to their former educational institution, capturing the advantages of technology, frustrations from some with their institution's administration and leadership, some donor fatigue in a tighter economy and the perennial difficulty of finding and engaging alumni.

Some Implications

The survey results highlight several areas for further thought and action:

- While age of the development function may clearly impact possibilities, experience and results, some newer operations are kicking some significant goals. Time in the marketplace is not completely a barrier to high return on investment.
- Bequests, while on the agenda of more operations still seem to be an untapped opportunity for many institutions. Despite good intentions regarding a formal focus on this area, institutions are not necessarily acting on this focus. Perhaps the traditional situation with bequest program formation: a case of too much 'fire fighting' on existing activities and too little strategic, long-term investment?
- Capital campaigns and major gifts have gained even more importance, as signalled by the conspicuous jump in median targets being sought. Nonetheless they remain challenging and the spotlight is on finding suitable volunteer 'askers' as well as committed supporters willing and able to support at more significant levels than in 2005. Data in this research suggests Australasia arguably faces something of a leadership gap in educational giving at high levels. The tougher economy is being felt to some degree but a measure of confidence is also clear in the campaign targets and higher lead gifts being sought.
- Perhaps some 'sleepers' items in the list of revenue sources that may look very different in proportional value in, say, a decade's time are endowment funds and electronic fundraising. The uptake of the internet for donor relations and event communication is quite high but still only embryonic for direct fundraising.
- Suggestions in the open-ended questions point to interest in more direct benchmarking that matches like institutions. This section also contains suggestions for other types of data that might be useful if gathered, such as fundraising cost ratios and staff to revenue ratios.

Project Overview

This survey sought again to collect and collate information on facts and issues surrounding educational development offices within Australasian schools and tertiary institutions. However, this year, the survey can build on the baseline data accumulated in 2005. Thanks go to the ADAPE as funder, ADAPE members and other respondents who completed the survey and to those personnel who provided significant design input to the foundation questionnaire.

Survey respondents

In the interests of holding the raw data in an independent and confidential repository, the survey again was conducted online via a secure internet link operated by the Australian Centre for Philanthropy and Nonprofit Studies (CPNS) within the Queensland University of Technology (QUT). Of the 713 ADAPE members invited to take part in the survey, 200 responded over the 4 week survey period. This equates to a similar number to the 2005 figure of 216 responses but a lesser response rate of 27% compared with 43%, because of the increase in membership. A further 10 responses came from non-members. As with most samples of this nature, care should be exercised in generalising the results. No guarantee can be made that the respondents are a fully representative sample of ADAPE members or the wider educational development field. The data thus provides the ability to make informed assumptions, not solid predictions.

Measures

The census assessed the following:

Part One	Demographic information relating to the respondents.
Part Two	Institutional details including type of educational institution, location by state, how long established, and institution student populations.
Part Three	Description of development offices such as years in operation, employee mix, salaries, responsibilities, and perceptions of the office from others.
Part Four	Revenue raising questions about general fundraising, annual giving, capital campaigns, and bequests/ planned giving.
Part Five	Questions about institutional alumni programs including whether they are fee-based, and membership populations.
Part Six	Open-ended questions relating to perceived future challenges, key performance indicators, trends and future information respondents would value.

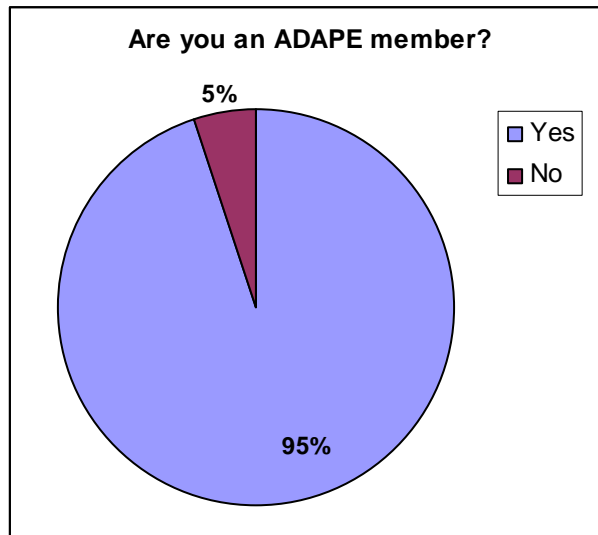
Please note in reading the results that not all percentages add to 100% on some occasions due to some non-responses and some questions where respondents were asked to nominate all categories that applied to them.

Results in Detail

Part One – The Respondents

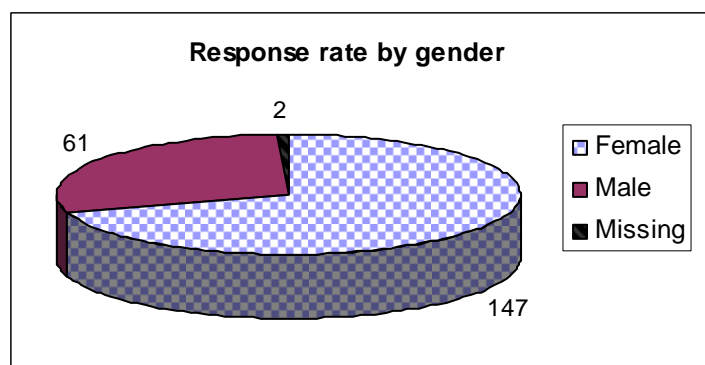
ADAPE membership

Ten non-members took up the opportunity offered for the first time this year to complete the survey, with the remaining 200 respondents drawn from the membership base.



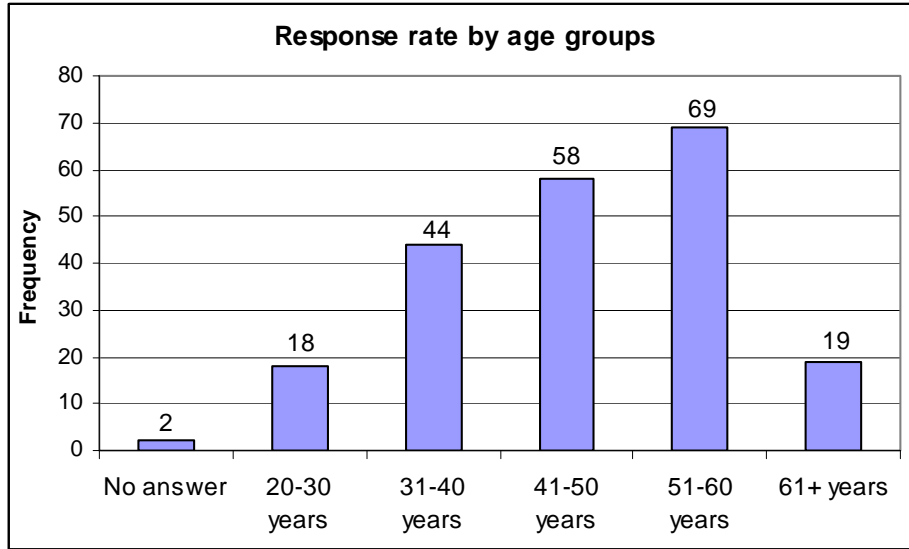
Gender

As can be seen from the figure below, of the 210 respondents to the survey, 147 (70%) were female and 61 (29%) were male, with 2 respondents (1%) not reporting their gender. (The 2005 results reflected a similar spread of 66% female, 30% male and 4% non-response).



Age

As per the table below, the majority of participants were aged between 51 and 60 years old. The next highest representation of age was for respondents between the ages of 41 and 50 years. Pitted against the 2005 figures, a very slight aging trend is evident as some in the 2005 majority in the 41-50 age group have moved into their next decade.



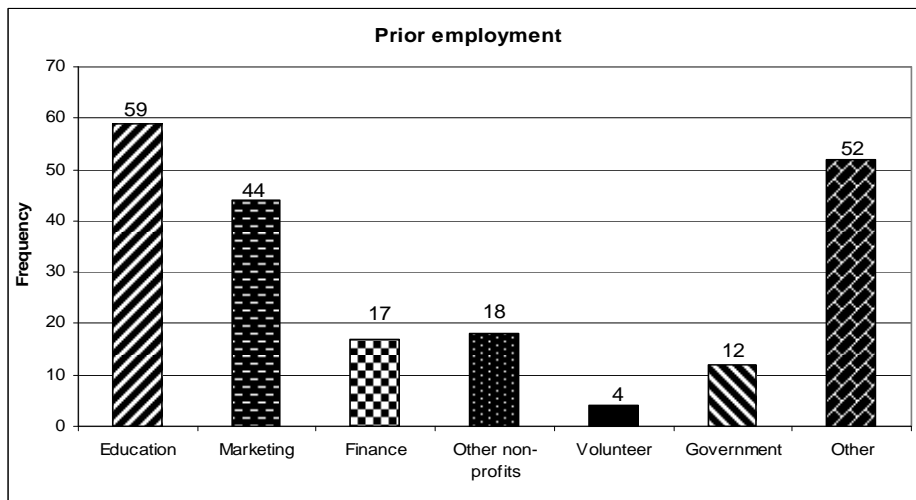
Tenure and Education

The data again suggests most respondents have undertaken further education past full high school completion. The median, which refers to the midpoint between the lowest response and the highest response to the question, for this sample is again 16 years of full-time education. Essentially half of the respondents reported up to 16 years education, and the other half reported having more than 16 years of education. The range was a minimum of 4 years and a maximum of 30 years full-time education.

The median length of time working in the sector was 6 years, one year more than in 2005. The minimum amount of time was zero for a very new practitioner, with the maximum length of time working in this sector being 37 years.

Previous Employment

The table below displays information relating to respondents' previous employment backgrounds. The 2008 profile confirms a similar array of backgrounds that development office staff have brought with perhaps a very minute rise in financial experience being the only difference of note to 2005 data. Again, education and marketing were predominant identifiable feeder streams into the role.

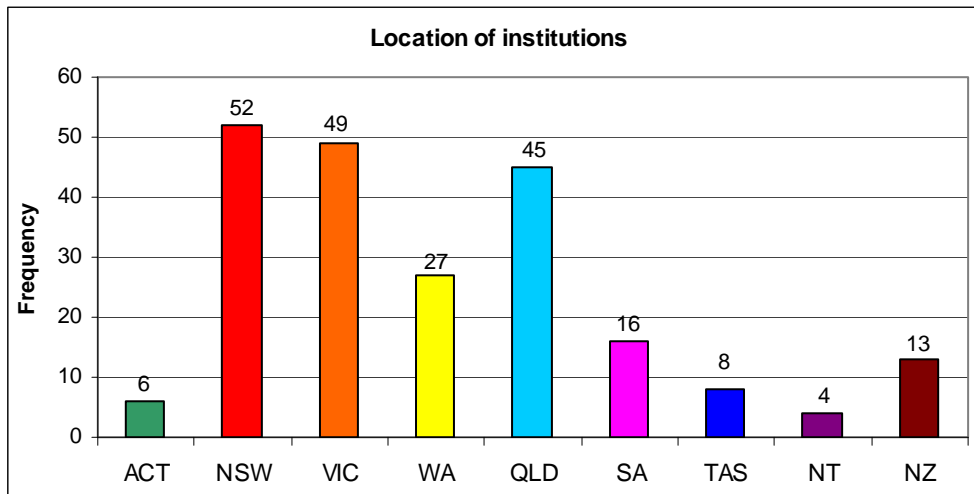


Part Two – Respondent Institutions

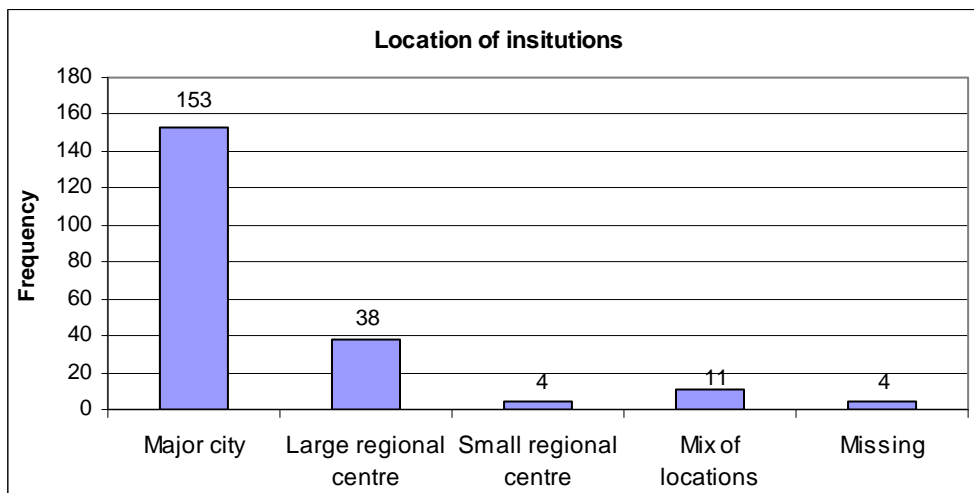
Thirteen questions were asked again regarding the respondent's institution. The results revealed that institutions were primarily schools (162) and tertiary institutions (26). Fewer tertiary institution respondents completed the survey this year, perhaps because of higher benchmarking activity underway in ensuing years in universities. Other categories represented included foundations and associations. Some respondents did not complete this question.

Location of Institutions

Location information relating to states is presented below. Most respondents came from New South Wales and Victoria, followed closely by Queensland. Some 13 respondent institutions were in New Zealand.

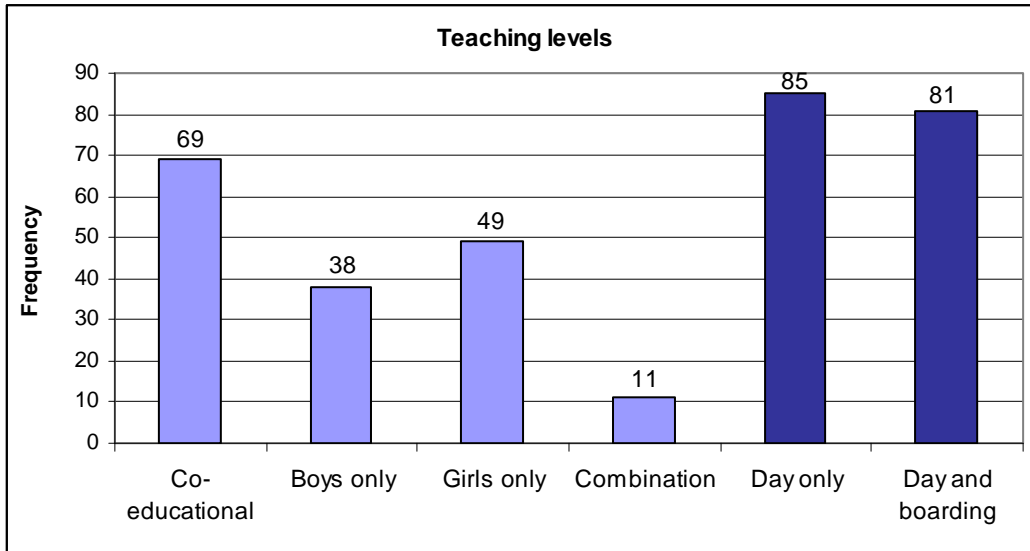


Respondents again were asked about the regional or urban location of their institutions. Predictably, the greatest percentage of institutions was located in a major city. Very few operated in small regional centres. The results followed the 2005 pattern by and large, with a slight lift in the number responding from large regional centres.

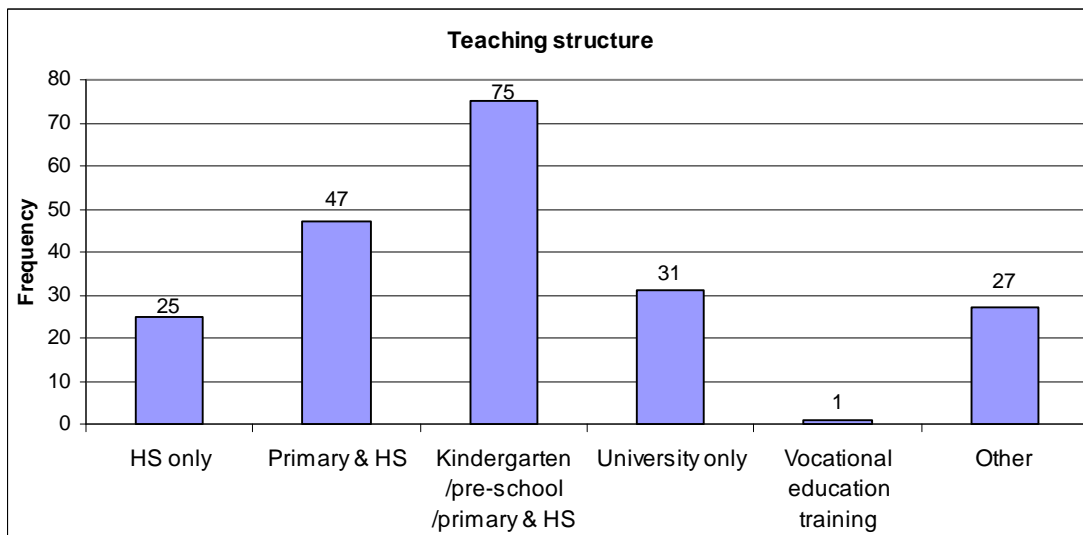


Gender and Teaching Levels

Similar to the 2005 sample, the largest category in the sample was co-educational followed by girls only (see below). Again, the schools included relatively similar levels of 'day only' and 'day and boarding' structures (represented by dark blue in the graph below). No schools in the sample were 'identified as boarding only'.

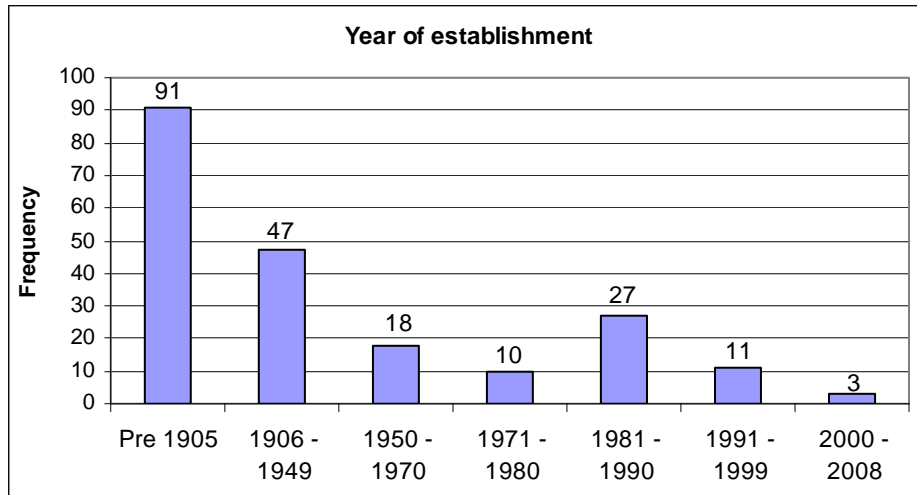


Again, the largest category of institutions participating in the survey taught from kindergarten through to high school levels. The next largest category of institutions taught both primary and high school years only. Only one institution offering vocational educational training was represented. No institutions teaching from pre-school to end of primary and primary only institutions were represented.

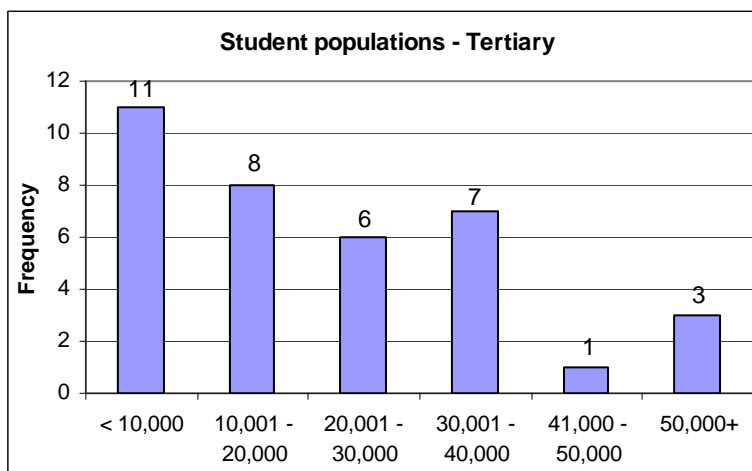
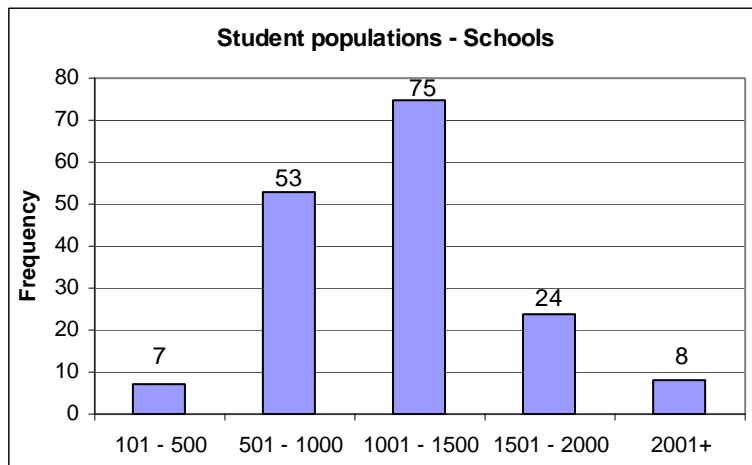


Establishment Dates, Populations, and Religious Affiliations

Again, most institutions were established prior to 1949 and particularly prior to 1905. It is interesting to note the small number in the 2000-2008 period.



As can be seen from the graphs below, schools were primarily characterised by student populations of 501 – 1500. Tertiary institutions primarily reported student populations between 0 and 20,000. No significant changes are evident from the 2005 data.



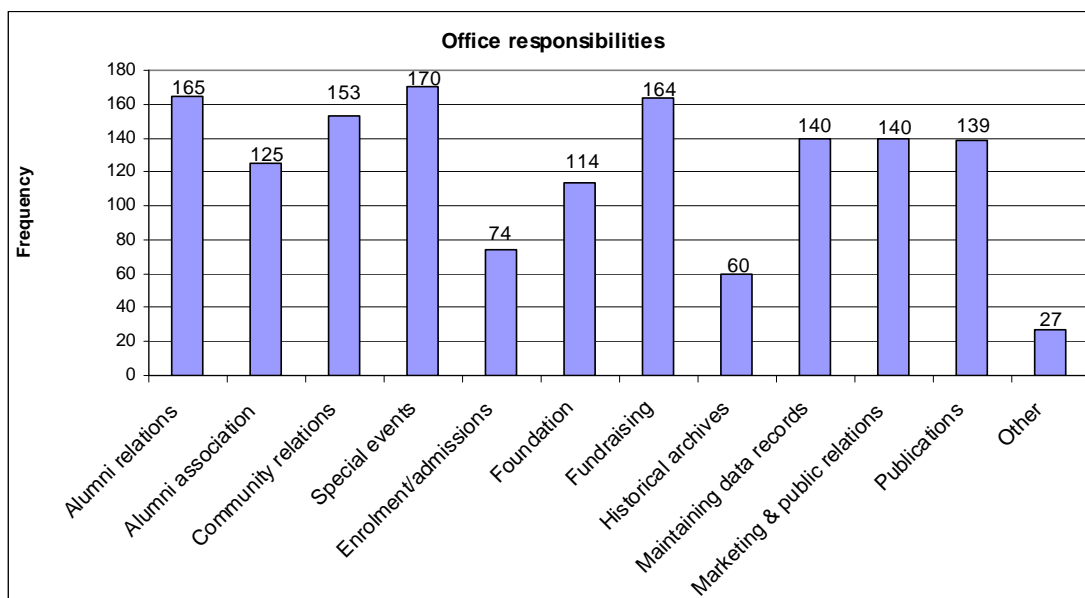
The largest category of institutional religious affiliation was again Anglican, representing 31.5% (64) of the sample. Beyond this, the most represented religious affiliations were again Catholic (18.2%; 37), and Uniting (12.3%; 25). The religious affiliations least represented in the survey were 'Other', Quaker, Baptist and Jewish. No Islamic or Seventh Day Adventist affiliated institutions were represented in this sample. Twelve institutions described their religious affiliation as inter-denominational (5.9%), while 42 institutions reported having no religious affiliation (20.7%), which after Anglican, was the largest category in this sample.

Part Three –Office Characteristics

Ten questions were asked again relating to respondents' office characteristics within each institution.

Office Characteristics

The majority of offices represented in this survey are youthful - in operation for 0-5 years (29.1%) followed by offices in operation for 5-10 years (24.8%). The remaining institution offices have been in operation for 10-15 years (18.4%), 20+ years (15%) and 15-20 years (12.6%) respectively. Furthermore, as shown in the graph below, offices are characterised by many activities and responsibilities; the most prominent of these are special events, alumni relations, fundraising, and community relations. Enrolments and admissions, and maintaining historical archives are the activities undertaken by the least number of offices in this survey.



Office Employees

Details relating to the number of full-time and part-time employees were requested in the survey.

For schools and tertiary institutions combined, the median in 2008 was the same as in 2005: 2 full-time employees and 1 part-time employee with the median for this part-timer slightly reduced from the 2005 figure (down from 0.75 Full Time Equivalent [FTE] to 0.6).

For school offices alone, the median was 2 full-time employees and 1 part-time employee working 0.6 FTE hours, unchanged from 2005. For tertiary institutions, the median had risen from 3.0 to 3.5 full-time employees and 2 part-time employees working .5 FTE hours, instead of one part-timer working .9 FTE hours. As expected, tertiary institutions again were characterised by higher staffing levels in development offices.

Respondents were also asked the key reporting line of the most senior staff member in the development office. At 79% of senior office staff reporting directly to the Head,

Principal, Vice-Chancellor, Pro-Vice Chancellor, or a delegate, the situation is slightly less than 2005's 85%. If this downward trend were to continue, it may be a cause for concern, given the evidence of how much of a role this key institutional leader can have on successful development efforts. The trend is worth monitoring.

Salaries

Information was also asked relating to salary packages received by employees in different roles in the development office.

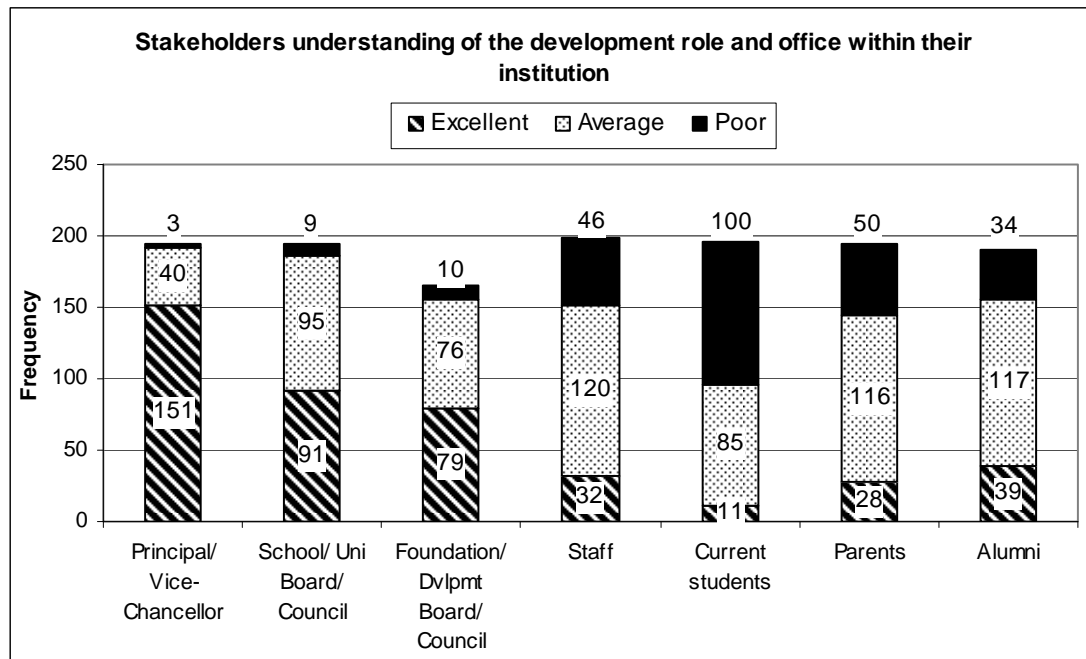
Strong caution must be taken in interpreting this data as many respondents did not complete this question. Many offices also would not have staff in each category. Clearly also, salaries may vary according to the breadth of individual position responsibilities, the size of the 'business' and so on. On the table below the highest frequency in each category is highlighted in bold. As shown in the table, the 'Most Senior Appointee' within development offices most commonly earned between \$101K and \$125K. This compares with a most common package range of \$70-80K in the 2005 sample. Similarly, the number earning \$126K+ has risen from 9 in 2005 to 25 in the current survey. The spread remains wide with numbers in all categories from less than \$40K to \$125K+. Future surveys will need to add specific figures above \$126K to keep the data useful for comparison at the top end.

The most common salary level in all other employment categories (i.e. the figure in bold) was at or below \$60K, though in the case of Alumni Officers there was almost equal representation in the less than \$40K and \$41-\$50K categories as there was in the \$51-\$60K. Examples of 'Other' categories, not otherwise specified include Registrars, Assistants and Archivists.

Package Range	Most Senior Appointee	Admin/ Data Manager	Alumni Officer	Bequests Officer	PR/ Marketing/ Events	Other/s
<i>Missing</i>	35	120	128	180	131	149
< \$40K	5	19	17	6	7	12
\$41-\$50K	5	34	18	4	15	18
\$51-60K	11	20	19	7	24	14
\$61-70K	17	8	12	6	12	8
\$71-80K	24	4	5	5	13	4
\$81-90K	29	3	7	1	5	2
\$91-100K	24	1	2	0	1	1
\$101-125K	35	1	2	1	2	1
> \$126K	25	1	0	0	0	1

Others' Understanding of the Development Office

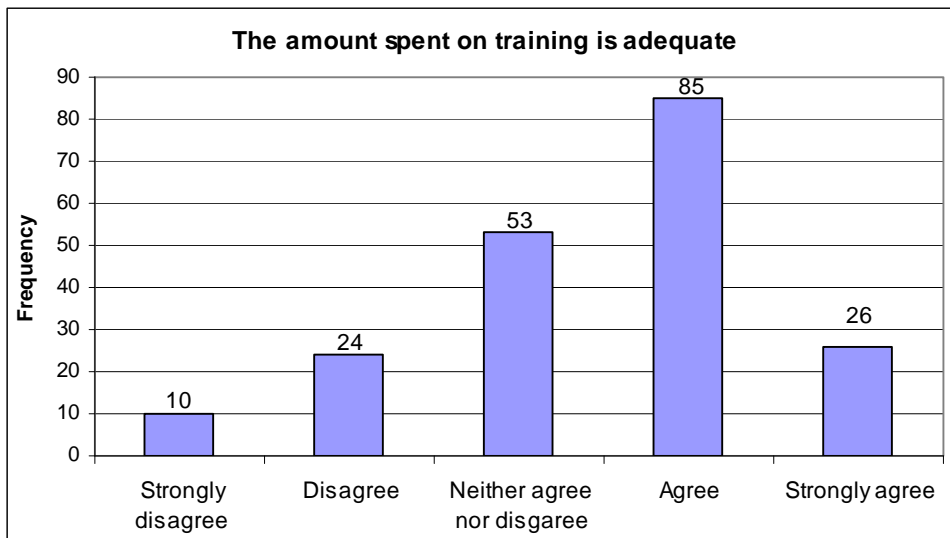
The graph below displays ratings of how well other stakeholders understand the Development role and office within their educational institution.



Again, as can be seen by the striped sections of the bar graph above, Principals/Vice Chancellors were perceived mostly to have an excellent understanding of office activities and purpose. As in 2005, this level of understanding was echoed but to a lesser degree by the School/University Board/Council who were slightly more likely to have an 'average' understanding. Least understanding was noted on the part of students, and the overall picture seems largely unchanged since 2005.

Training Needs and Perceptions

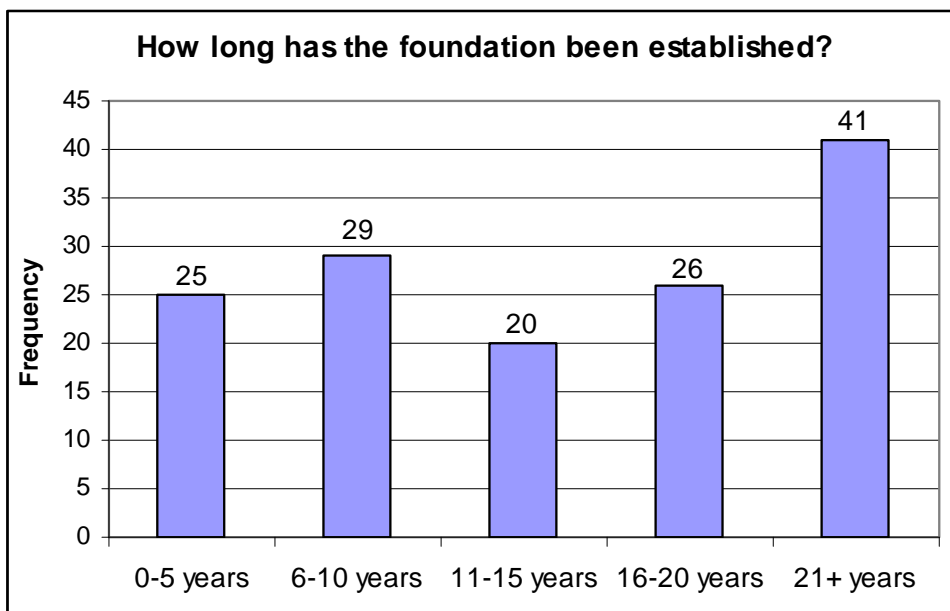
Respondent institutions were viewed as showing an increased organisational commitment to training with 70% indicating provision of regular funds for this purpose, up from 64% in 2005. Was this adequate in the eyes of respondents? As shown in the graph below, the majority of respondents (43%) indicated that they agreed with the statement that an adequate amount of money was spent on training. Caution is required in interpreting this result however, as 27%, the second largest response rate indicated that they neither agree nor disagree with this statement.



Foundations for Fundraising

Numbers of Foundations had moved slightly upward from the 2005 sample. Overall, 49% of respondents indicated that their institutions had active Foundations for fundraising, up from 40% in 2005. Some 20% cited *inactive* Foundations, down from 25% in 2005. So similarly to the previous survey, about one-third of institutions do not have a Foundation for fundraising.

The graph below displays the variety of periods institution foundations have been established. Like the 2005 data, foundation age varies widely but in this sample most were in the 21+ years category.

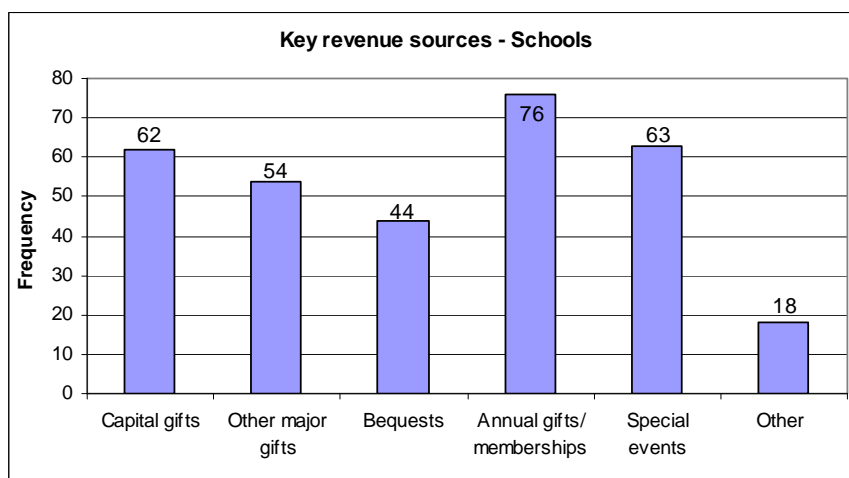
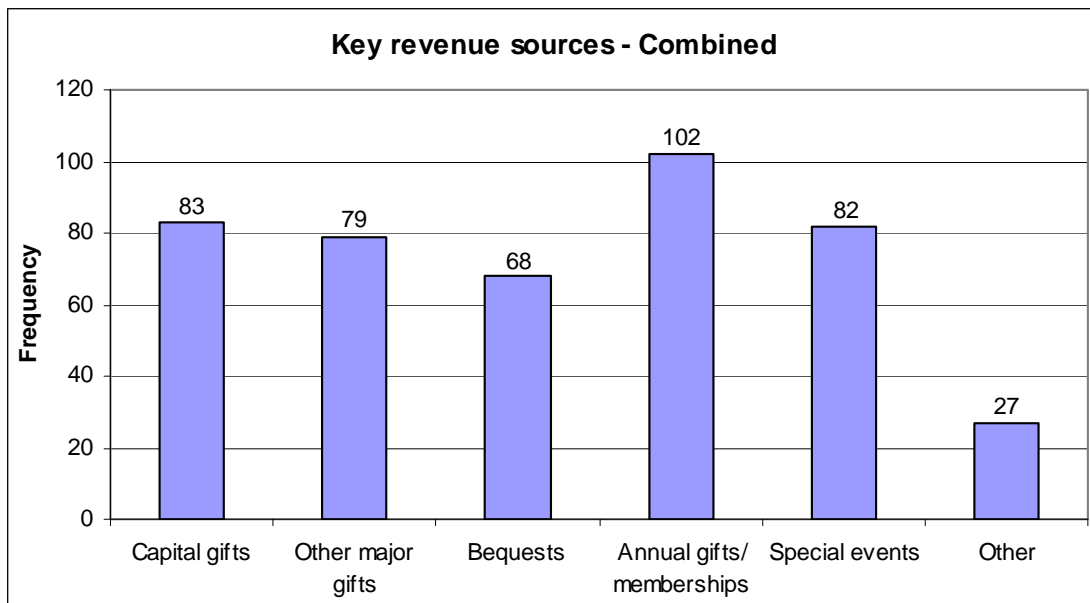


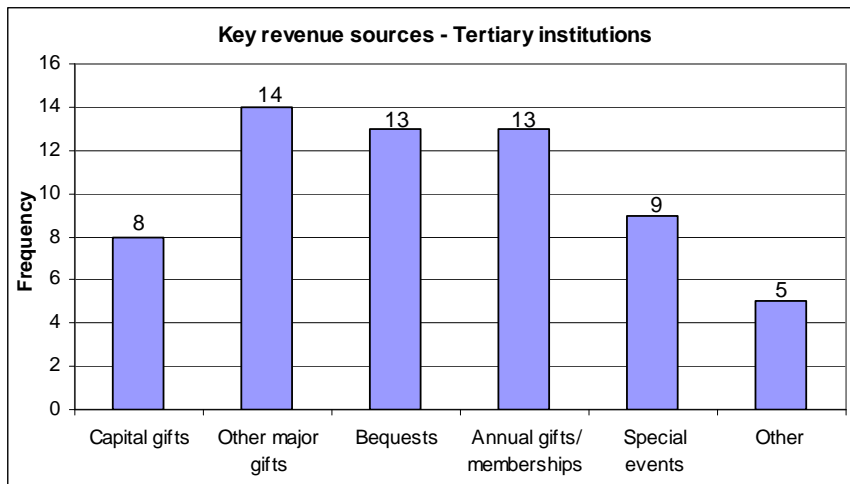
Part Four - Fundraising

Part Four of the benchmarking survey explored questions regarding general fundraising, annual giving, bequests/planned giving, and capital campaigns.

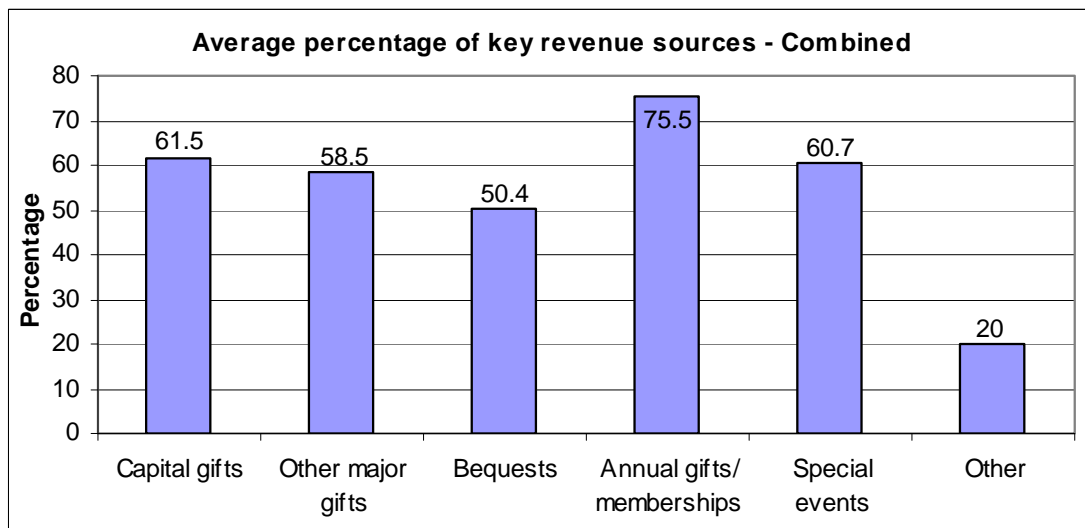
General Fundraising

Respondents were asked to consider key revenue sources in not only dollar terms but also perceived long term strategic input. Schools respondents clearly valued annual gifts and memberships for this strategic purpose and also capital gifts and special events. In contrast, tertiary institutions gave marginally higher emphasis to other major gifts while also identifying annual gifts and membership as well as bequests strongly. Examples of 'Other' revenue sources include scholarships and building funds. Relatively low response to this question by tertiary institution respondents demands that results for tertiary institutions should be interpreted with caution, however.

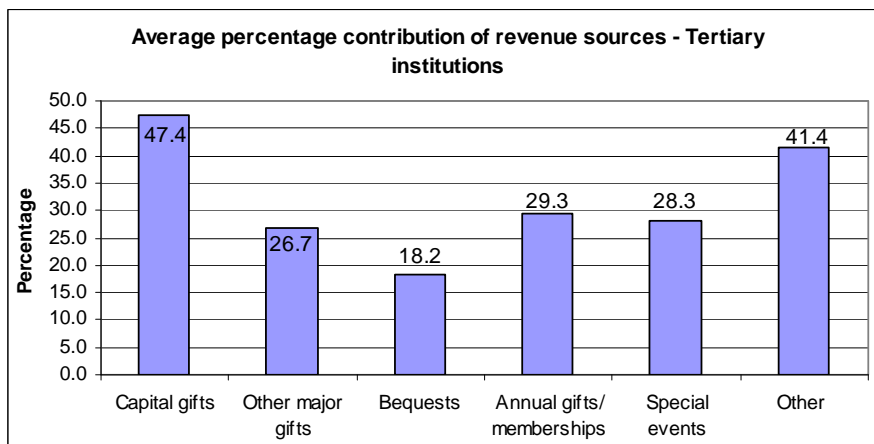
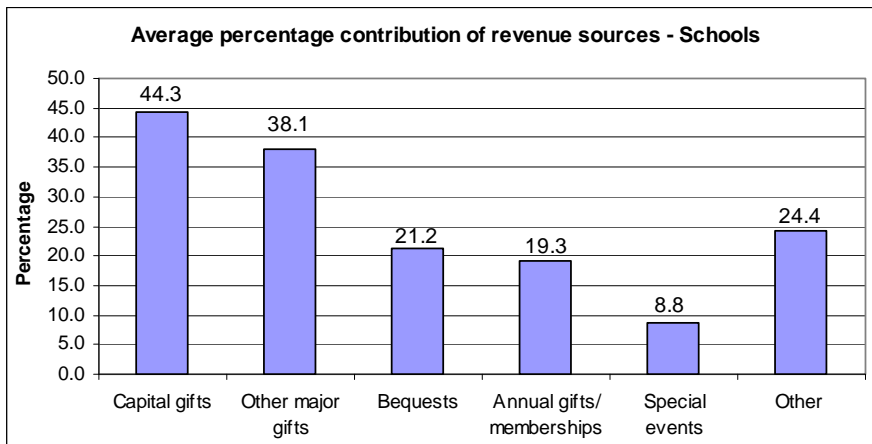




The graph below portrays the average percentage contribution of each revenue source to gross revenue. As can be seen, taking schools and tertiary institutions combined, Annual gifts/memberships this year comprise the greatest percentage of gross revenue with 75.5% of revenue derived from this category of giving. This picture differs from 2005 when capital gifts held sway.



This information was also broken down to represent schools and tertiary institutions. The results are very similar and show that capital gifts comprise the greatest percentage of gross revenue for both schools (44%) and tertiary institutions (47%) independently. Interestingly, other major gifts represented a greater percentage of gross revenue for schools compared to tertiary institutions.



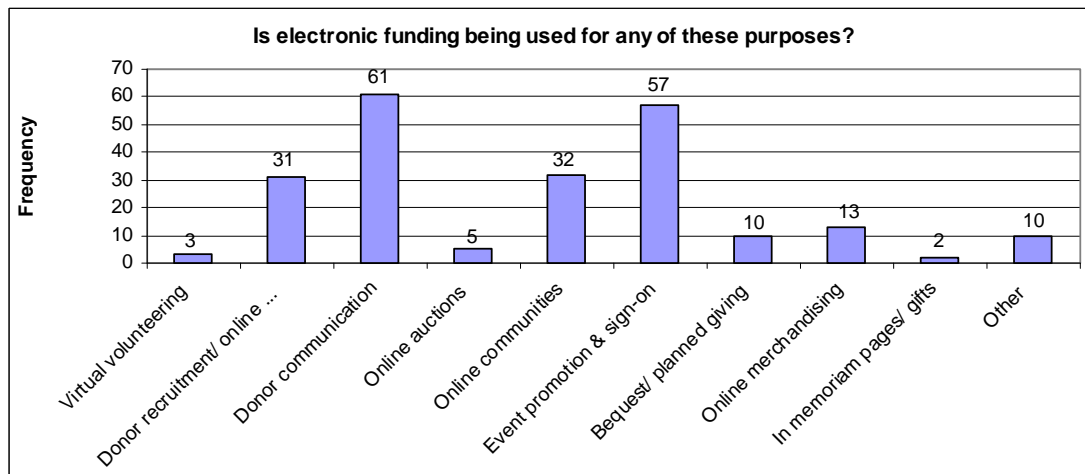
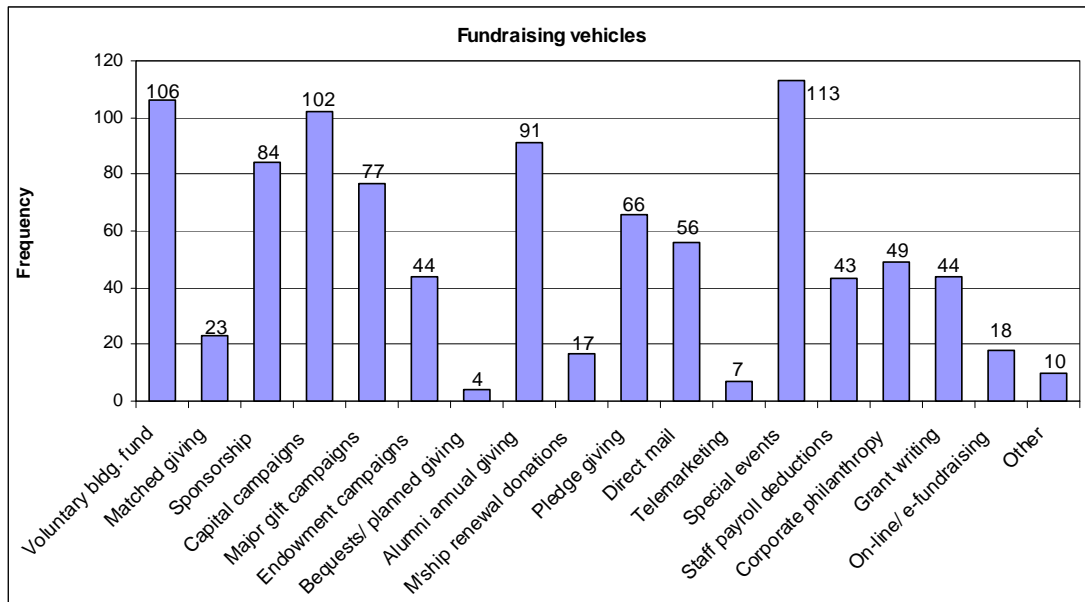
Commonly Used Fundraising Vehicles

What types of fundraising vehicles most commonly used by staff within education-based development offices. As per the graph below major fundraising vehicles identified as used by over 45% of respondents included:

- Special Events (113; 61 % - up from 44% in 2005);
- Voluntary Building Fund (106; 57% - up from 45% in 2005);
- Capital Campaigns (102; 55 % - up from 44% in 2005);
- Alumni Annual Giving (91; 49% - also up from 44% in 2005);
- Sponsorships (84; 45 % - up from 41% in 2005); and
- Bequests (104; 56 % - up from 43% in 2005).

Zero participants reported using mobile phones for any fundraising purposes but electronic fundraising avenues are being used for donor communication and event promotion as the second graph shows. This is the first time this aspect has been specifically measured so no direct comparison is available although online fundraising did rank as one of the lesser used fundraising vehicles in the 2005 survey.

It is interesting to look at commonly used fundraising vehicles and mesh them with revenue sources. Is the time spent in the right way? This evaluation has to feed in the benefits beyond dollars that flow from activities (e.g. special events).

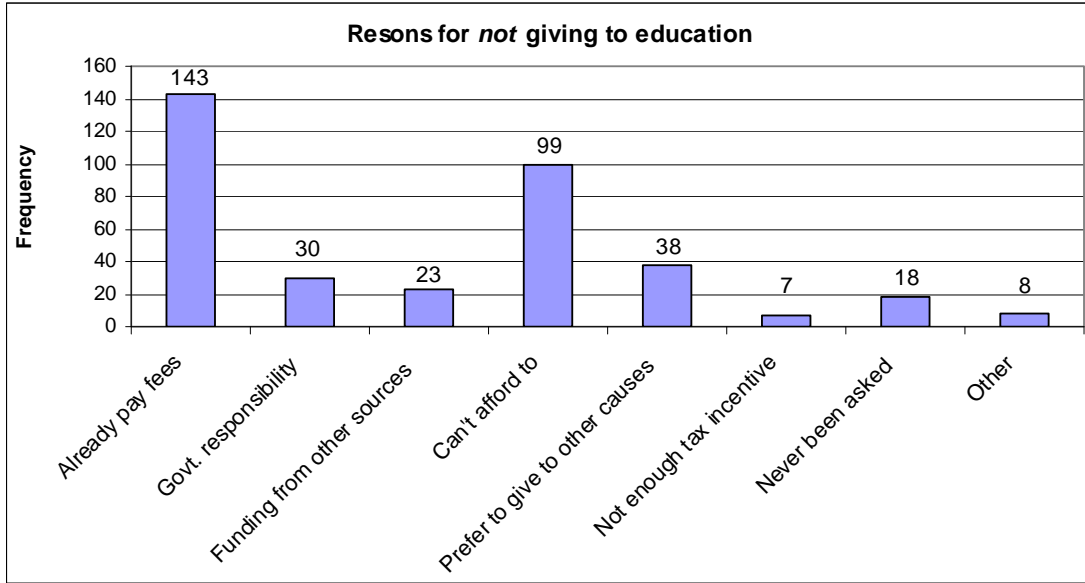


Most Important Fundraising Vehicles

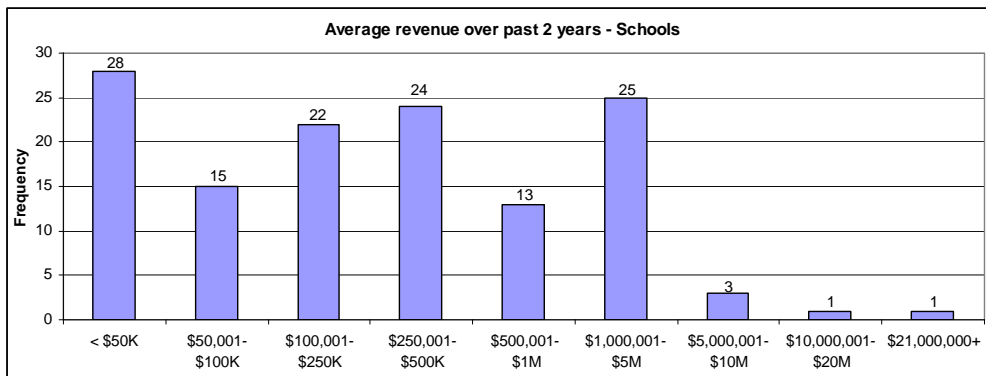
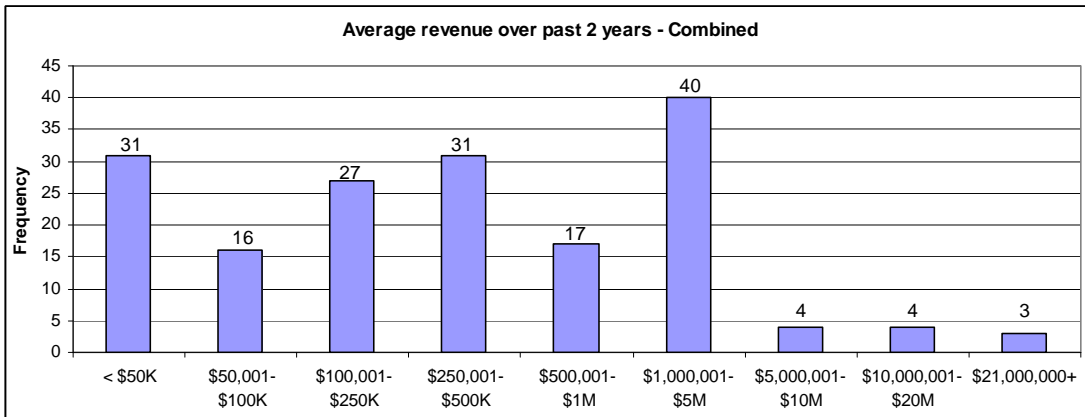
Amongst the many fundraising options, the survey also sought to determine respondents’ thoughts on the top three most important fundraising vehicles. The results revealed that the top three fundraising vehicles were seen to be major gift campaigns, capital campaigns, and alumni annual giving. Yet special events would appear to be the most widely used activity and major gifts is not being as broadly used as this question might suggest could be desirable.

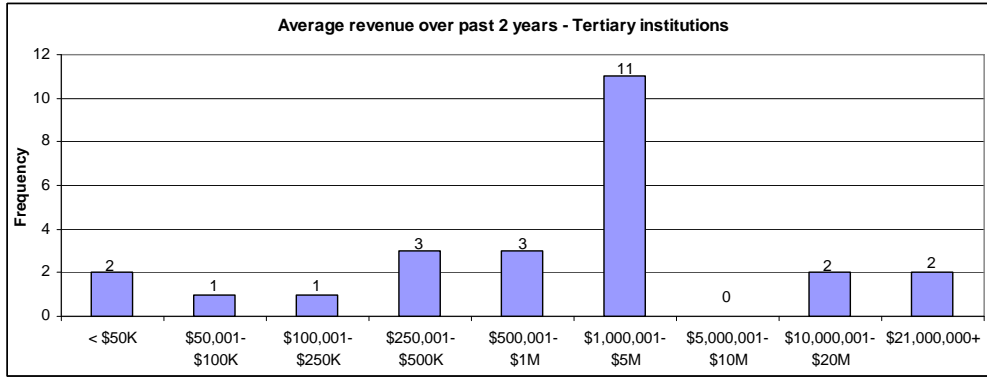
Reasons for *not* giving to education

The survey also sought the top two reasons they receive for not giving to education (displayed below). As can be seen, the two most prominent reasons for not giving to education are unchanged from 2005 and were ‘already pay fees’ (143; 81%), and ‘cannot afford to’ (99; 56%). Please note, the percentages add up to more than 100% because participants were encouraged to nominate more than one reason for not giving.



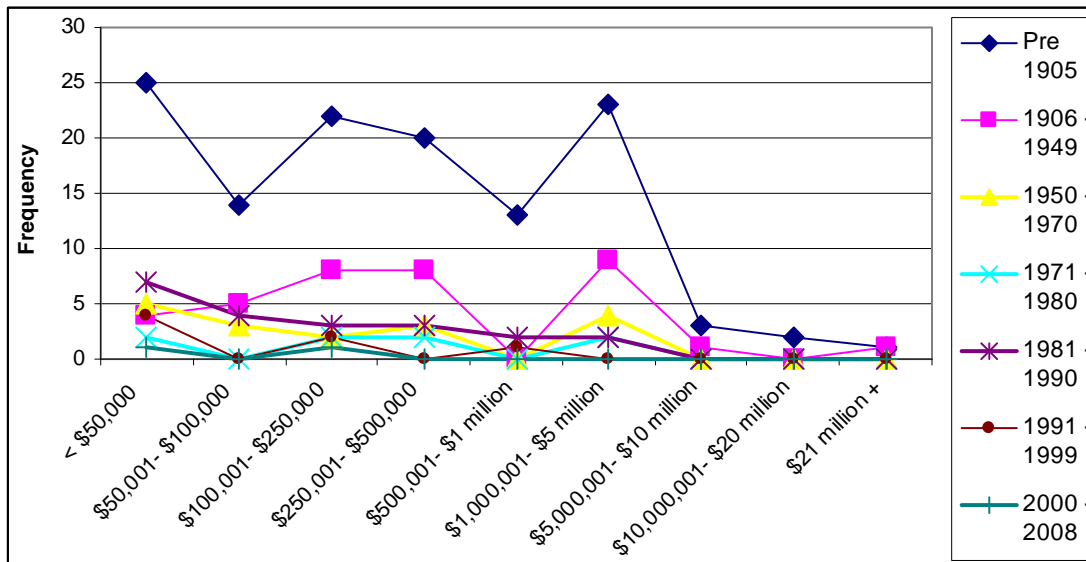
In total, 162 institutions (79%) were actively engaged in fundraising, up from 72% in 2005. As the graphs below show, gross revenue across the past 2 years was quite well distributed amongst the responses up to \$5M. The largest category of receipts overall was within the \$1M to \$5M category (40; 23%). Individually, schools were most likely to have gross funding revenue of less than \$50,000, unchanged from 2005 but followed more closely this year by numbers in the \$1M to \$5M category. In contrast, tertiary institutions were overwhelmingly likely to have gross fundraising revenue of \$1M to \$5M far more so than in the 2005 sample.





Revenue by Institution Establishment

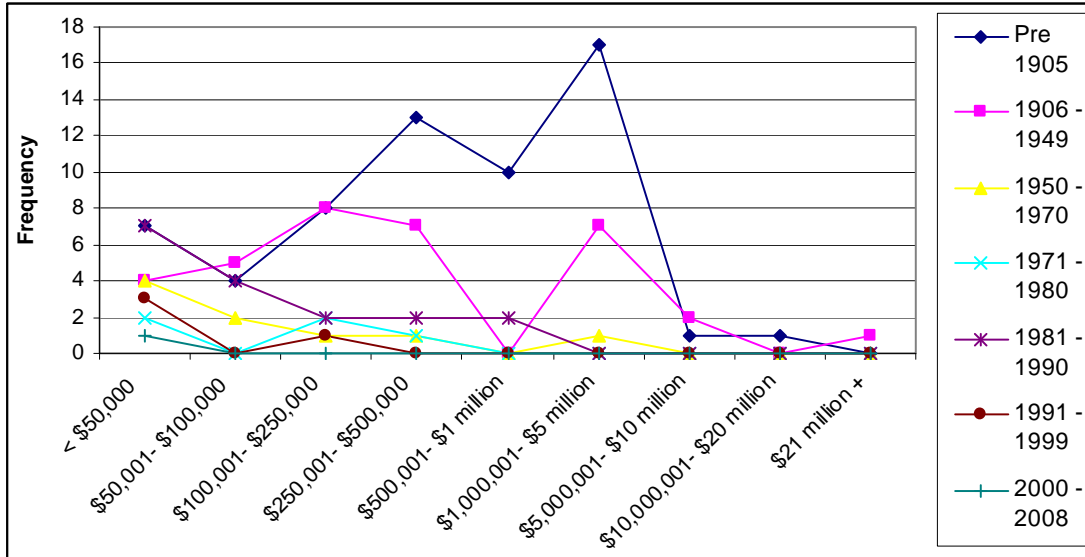
A number of additional analyses were undertaken, firstly to consider fundraising receipts based on the age of the institution. As occurred in 2005 and as can be seen from the graph below, more established institutions reported higher revenue receipts (especially if established prior to 1905).



The following two graphs break down the results as a function of school and tertiary institutions.

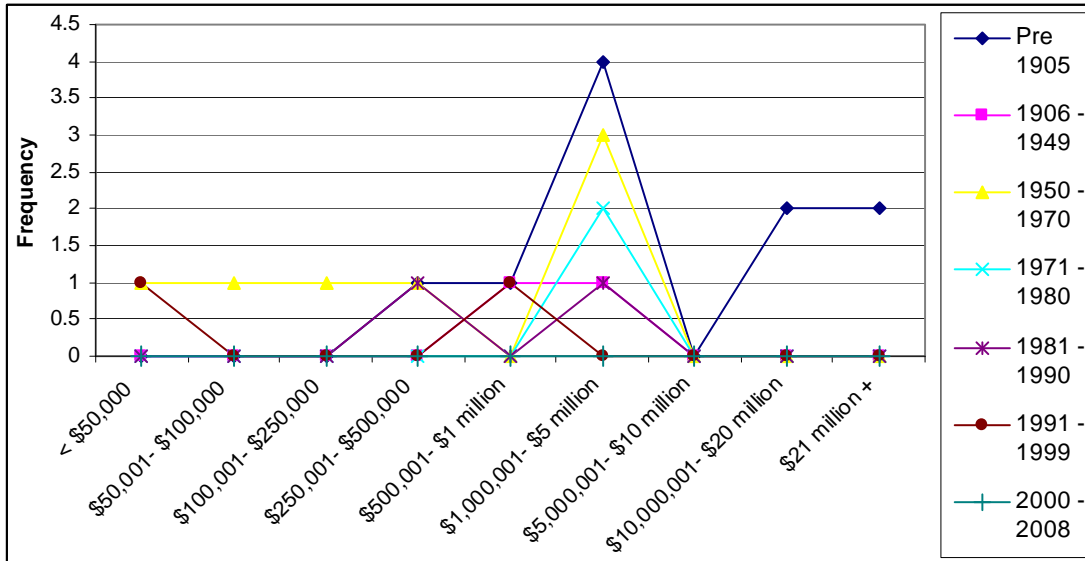
Revenue by Institution Establishment – Schools Only

This graph maps the picture for schools, showing again and not unexpectedly that more established schools generally reported higher frequency revenue receipts (especially if established prior to 1905). However, a handful of much younger schools are achieving the higher echelon of income.



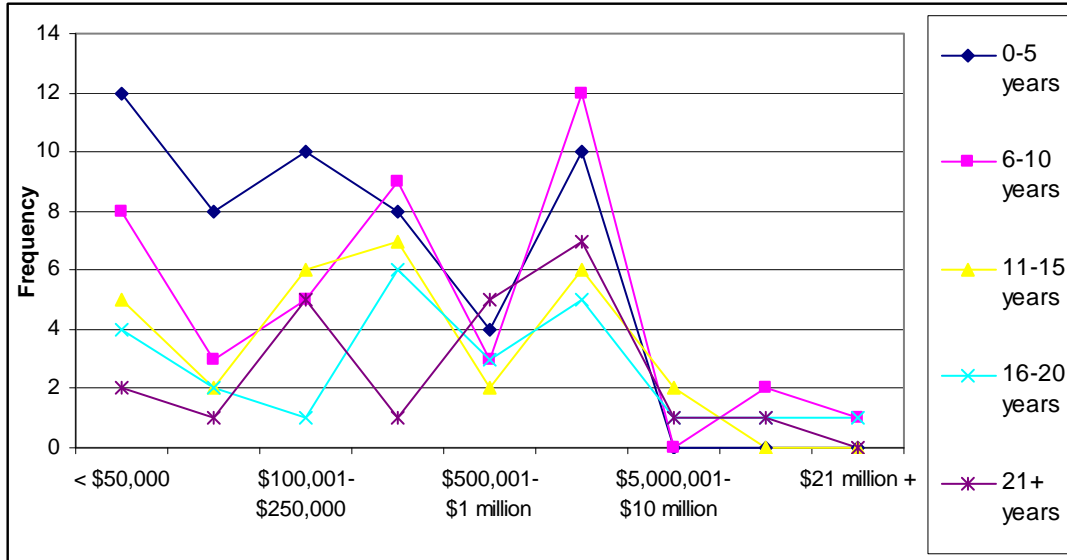
Revenue by Institution Establishment – Tertiary Only

For this question, the respondent sample relating to tertiary institutions again was low, which needs to be considered when interpreting the graph showing fundraising receipts based on the age of the tertiary institution. Again, as can be seen, more established institutions tended to report higher revenue receipts and the pattern is not unlike that of the preceding survey.



Revenue by Development Office Age

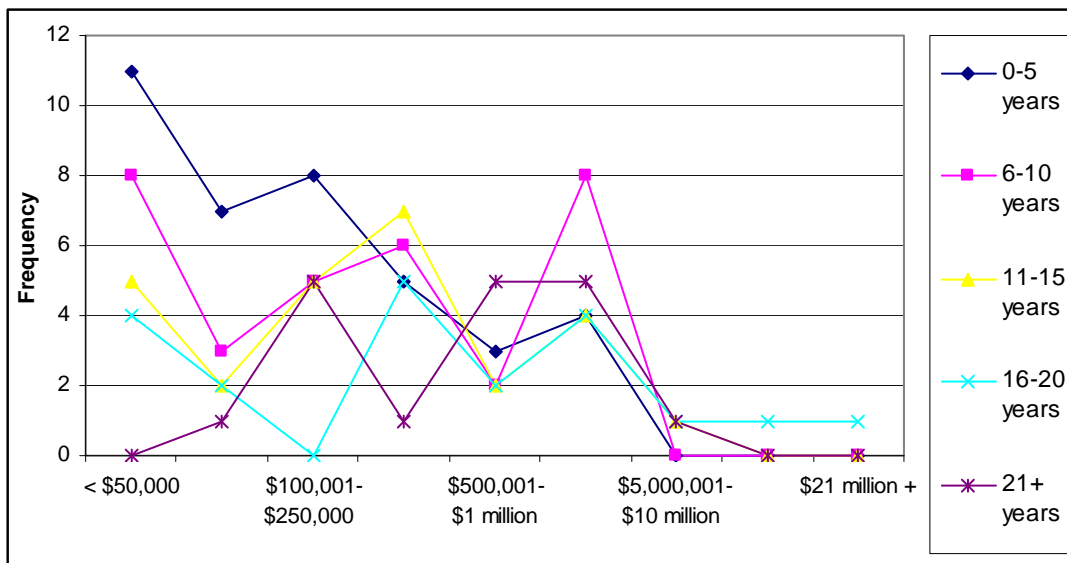
An examination was made again of the link between revenue receipts over the past 2 years and the length of time the development office has been in operation.



Generally – and intuitively - younger development offices tended to report lower revenue - although some offices operating for less than a decade were achieving high dollar results. These younger offices were predominantly tertiary institutions, characterised by small student populations (less than 10,000) where the most important fundraising vehicles were major gift campaigns, bequests, and annual gifts and memberships. Conversely, older development offices reported more consistent, if not higher, revenue across all monetary categories. This result should be interpreted with some caution however, as institutions established for more than 21 years represented the largest group in the sample.

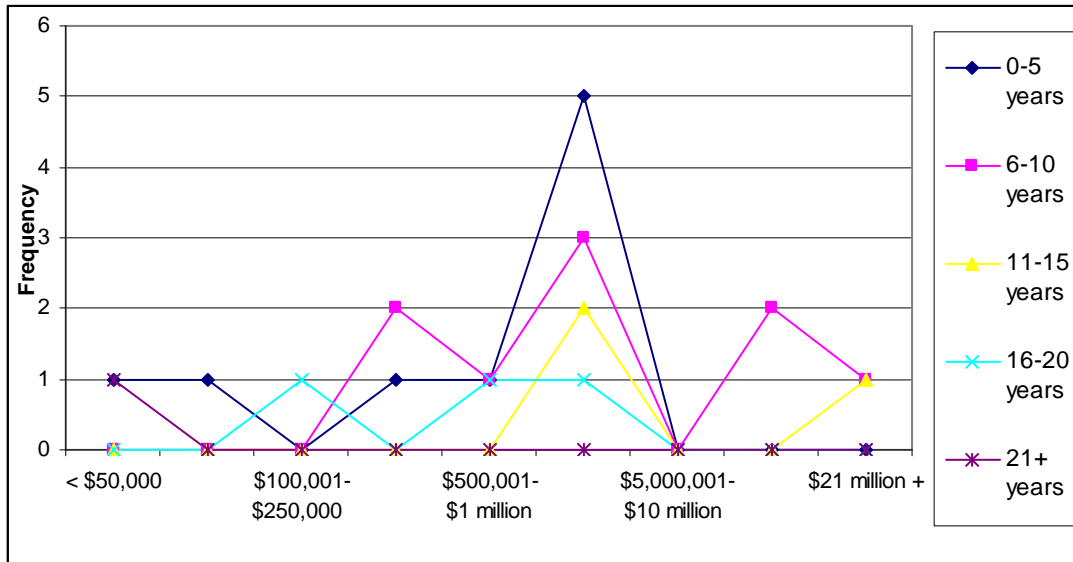
Revenue by Development Office Age - Schools

Looking particularly at schools, the overall pattern reported above holds (see below graph). Generally, younger development offices tended to report lower revenue - although there are also some quite wealthy young offices also. Overall, older development offices reported higher general revenue.



Revenue by Development Office Age – Tertiary Institutions

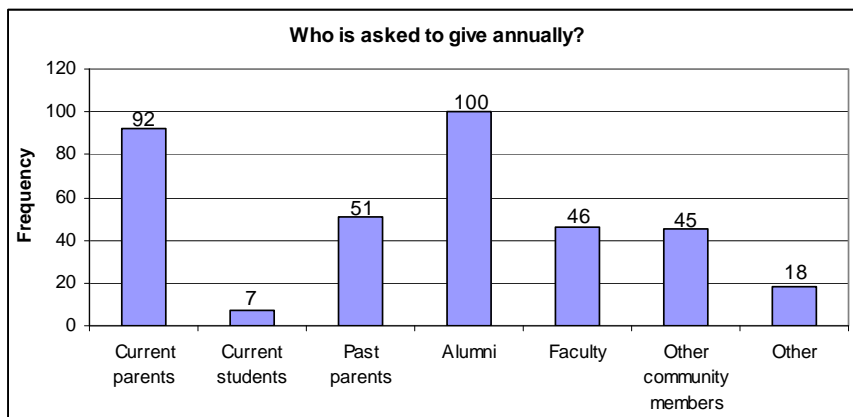
When looking specifically at tertiary institutions, the graph below displays revenue as a function of development office age. The results are varied, with fluctuations in all monetary categories, across most age groups, (apart from institutions with offices over 21 years of age which were not represented in this sample). The graph shows that, overall, the youngest office received the most receipts from fundraising; however the older offices received larger amounts from fundraising.



Annual Giving

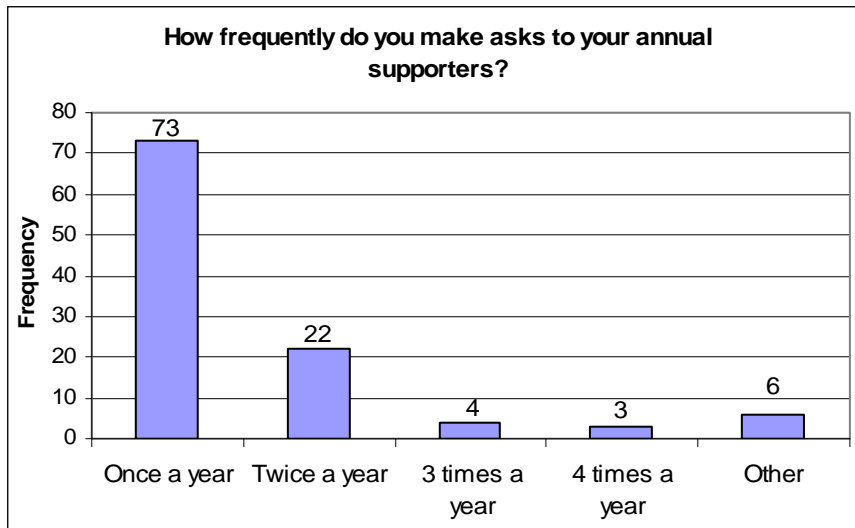
In total, 57% of respondents reported presence of an Annual Giving Program within their institution – the same figure as 2005. Again as per 2005, 49% of these were in institutions that had been established between 0 and 5 years. Some 22% were in institutions established for between 6 and 10 years (compared with 33% in 2005).

As detailed in the below graph, respondents from these institutions also indicated who was asked to give annually. Overall, alumni, current and past parents were again most asked to support but with higher numbers in the sample seeking input from these groups. Some 87% of the 2008 sample were seeking alumni support (against 46% in 2005), 81% seeking input from current parents (against 45% in 2005), and 45% involving past parents in annual giving (against 26% in 2005). Examples of ‘others’ asked to give include grandparents and former staff.



Frequency of asks and other metrics of annual giving

Respondents were asked this year how frequently they contact their annual supporters for contributions. Nearly 68% of the sample respondents to this question make such asks once a year, with the next most common response being twice a year by just over 20% of the respondents answering this question. The chart below sets out the numbers of respondents in each category.



The 2008 survey sought metrics on annual giving renewals and upgrades with results as follows:

Annual Giving Metrics

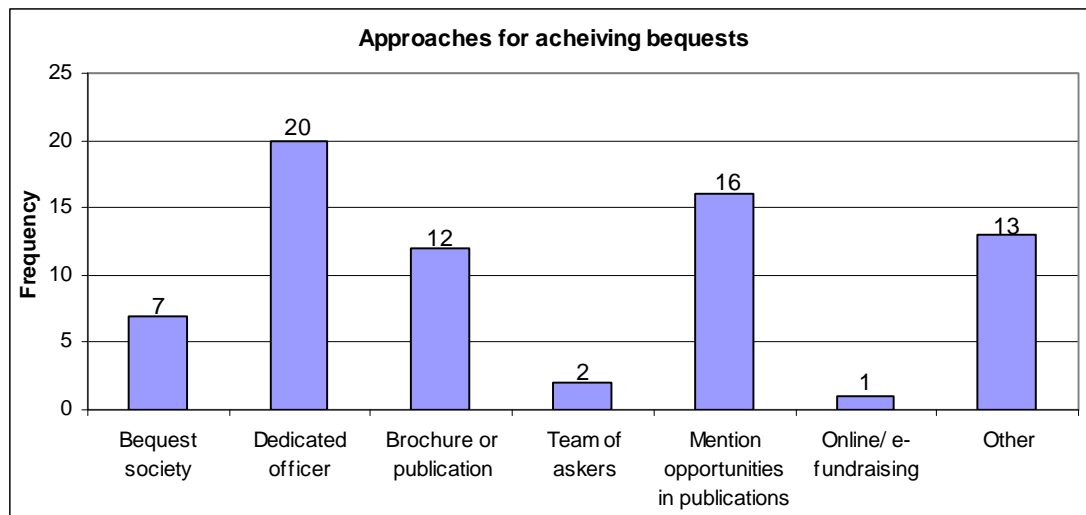
	Annual giving renewal rate	New donor renewal rate	Percentage upgrading this year compared with last year	Percentage downgrading this year compared with last year
<i>Average</i>	60%	40%	25%	9.0%
<i>Median</i>	60%	37%	18%	6.5%
<i>Minimum</i>	5%	0%	0%	0%
<i>Maximum</i>	98%	100%	98%	40%
<i>Other comments</i>	85 respondents (Some respondents were unsure, information was unavailable or not applicable and no comparative data was available for some.)	71 respondents (Comments as per preceding column)	70 respondents (Comments as per preceding columns)	69 respondents (Comments as per preceding columns)

Bequests/Planned Giving

One hundred and seventeen (56%) respondents indicated that their institutions *did not* have an active bequest program, with 68 (58%) of these indicating that they planned to establish such a program. Of the institutions with an active bequest program, the majority had been established for less than 5 years (46; 58%);

although, 24 institutions reported having had an active program in place for 10-20 years (12; 15%) and more than 20 years (12; 15%).

As per the following graph, respondents indicated that the best ways to achieve bequests were through a dedicated bequests officer (20; 28%), which had overtaken using a brochure or publication as the key means. Mention of bequest opportunities in publications (16; 23 %) in this year's survey also outranked the special publication. Use of a bequest society was also less common as an option in this sample than in 2005 (7; 10% compared with 21% of the preceding sample).



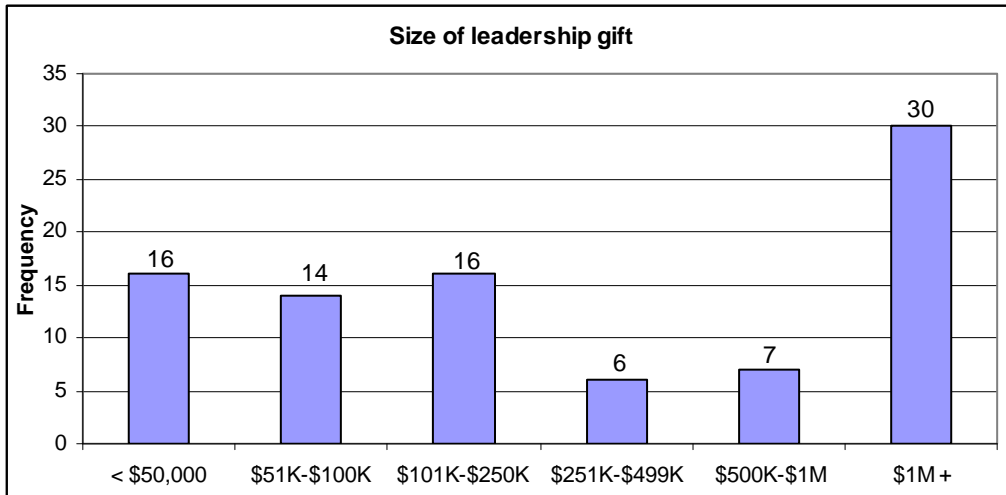
Capital Campaign

Capital campaigning is one area of significant change from the 2005 survey. Just under half of the respondents indicated that they were involved in, or preparing for a capital campaign, similar to the 2005 figure. Of these, 87 respondents indicated the amount of funding sought, including 69 schools and 10 tertiary institutions. It is here that significant movement is evident.

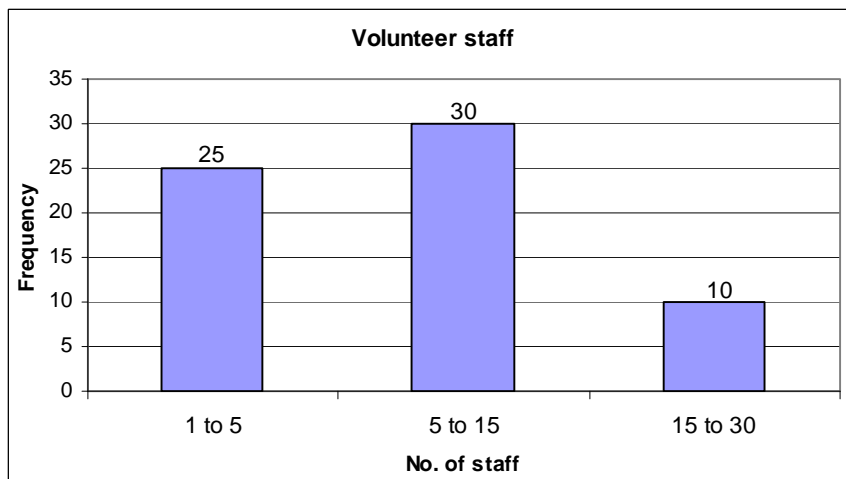
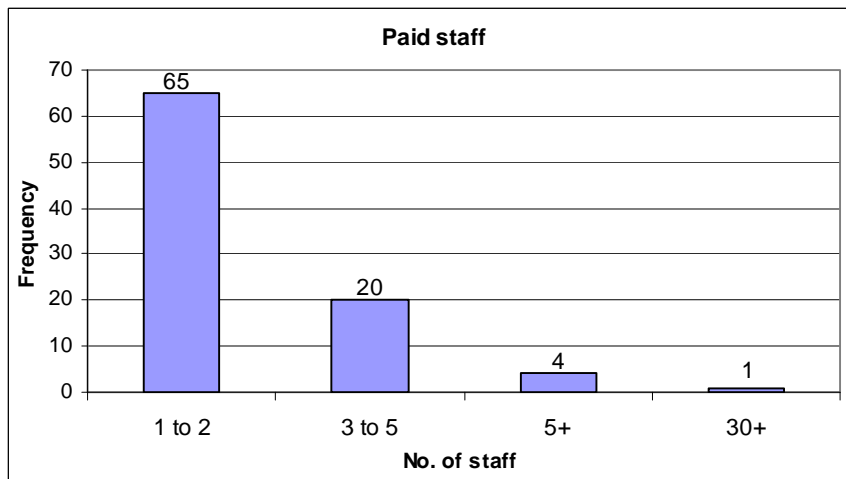
The median of funding sought by schools was \$3,000,000 (up from a median of \$200,000 in 2005) with a range from \$100,000 to \$37,000,000. The median of funding sought by tertiary institutions was also higher, up to \$22,000,000 from \$13,000,000 in 2005, with a range from \$3,000,000 to \$300,000,000.

Of these campaigns, the majority (84; 89%) were focussed on buildings, as in 2005. Campaigns focussing on property acquisition were again the least prominent (3; 3%).

As evident in the graph below, and consistent with the higher targets sought in 2008, the size of the leadership gift sought was primarily in the one million dollar plus category (30; 34%). While this was the most common category in 2005 as well, it has risen from 20% of the sample to the 34%. Beyond this, leadership gift requests were fairly even across the less than \$50K category (16; 18%), the \$51 - \$100K category (14; 16%), and the \$101 - \$250K category (16; 18%). When the data was divided according to school or tertiary institution, it was found that tertiary institutions tended to report more leadership gifts in excess of \$1M. Schools also reported a large number of leadership gifts (relatively speaking) in excess of \$1M; however, leadership gifts were also spread evenly over the \$50K to \$250K dollar categories.

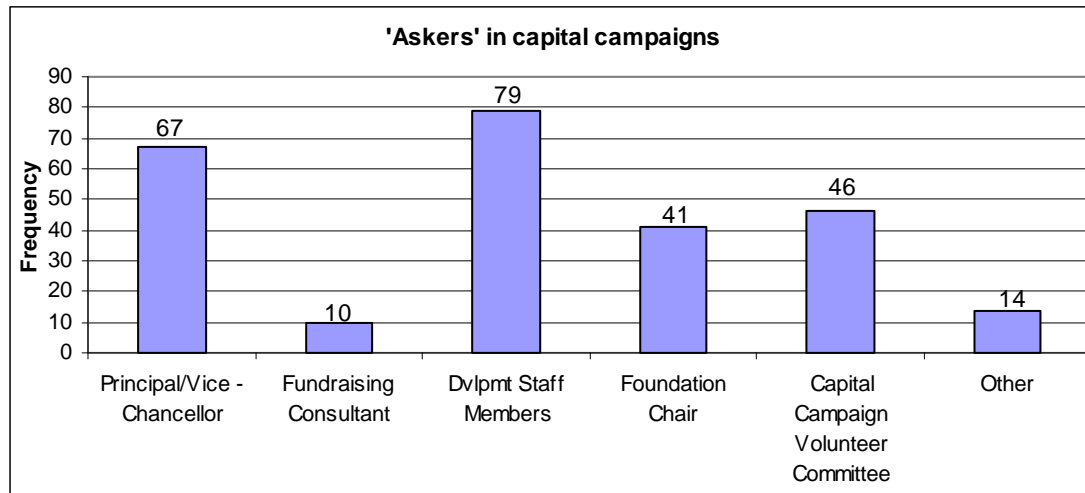


Staffing levels (volunteer and paid) were also assessed in the survey (as shown in the two graphs below). In terms of staffing the capital campaign programs, 72% of respondents reported having 1 to 2 paid employees, compared with 78% in 2005. This downward trend was because slightly more institutions in 2008 moved into using 3 to 5 paid employees for their campaigns. Better resourcing was evident also in the volunteer area as some 46% of respondents reported using between 5 and 15 volunteers, whereas the majority figure in 2005 was 1 to 5 volunteers.



Additionally, of those who responded, 84% reported not employing the assistance of an external fundraising consultancy, with only 16% employing external consultancy. It should be noted however, that only 91 participants responded to this question.

With respect to Capital Campaigns, respondents were further asked to indicate who the major 'askers' were (see the graph below) and the pattern was similar to 2005. The majority of respondents indicated that the primary 'askers' working on the campaigns were Development Staff Members and the Principal/Vice-Chancellor/Pro-Vice Chancellor. Examples of 'Other' askers include council members, Parents and Friends Association, and business managers.

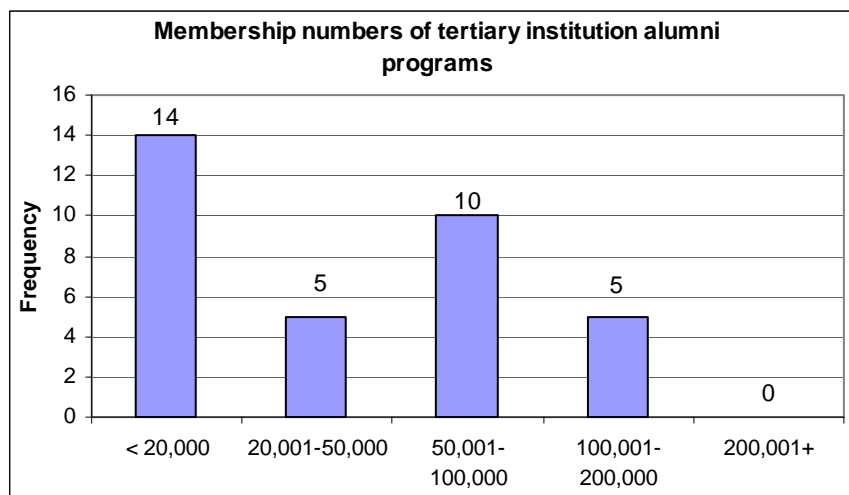
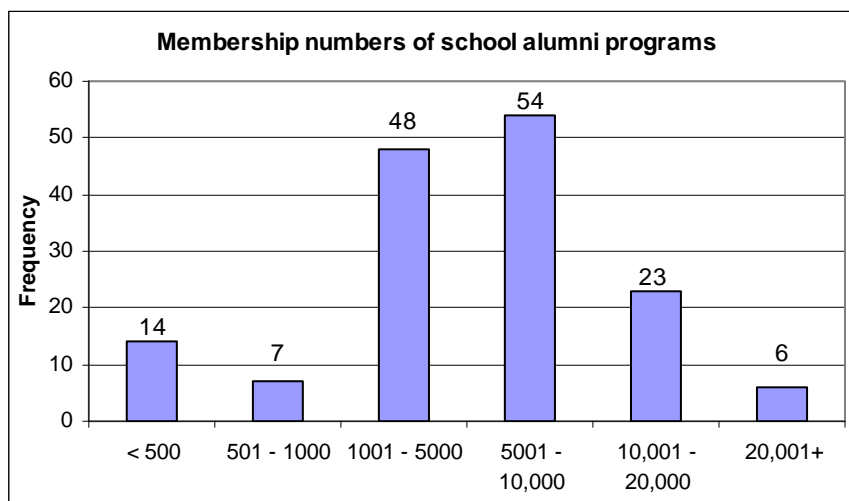


Lastly, with respect to Capital Campaigns, participants were asked to indicate the amount of the campaign target that went towards the costs of running the campaign. Overall, it was a fairly even divide between 1 to 5% (37; 46%), and 6 to 10% (38; 48%) of total funds sought being allocated to the costs of running the campaign. The 2005 equivalent for these two categories combined was 52% against this year's 94%. This change came because fewer (6%) of respondents report campaigns where 11 to 20% of funding is allocated to campaign costs, against 33% in this group in 2005.

Part Five - Alumni

A large majority of respondents (89% against 81% in 2005) indicated that their institution had an alumni program in place with 53% of these institutions charging alumni association fees (compared with 59% in the preceding survey). An institutional breakdown of the results revealed that, of those who responded to these questions, 96% of tertiary institutions, and 89% of schools had an alumni program in place. The 2005 comparison was 100% of tertiary institutions and 81% of schools.

Furthermore, respondents were asked to indicate existence of and the number of members in alumni programs. As can be seen from the graphs below, school alumni memberships are mostly 1,001 to 5,000 and 5,001 to 10,000 members in size, in concert with the 2005 data. The majority of tertiary alumni programs again were less than 20,000 members in terms of size.



Additionally, respondents were asked to indicate information relating to the number of members in alumni programs that have current mail addresses (post and/or email). Again, schools and tertiary institutions with a smaller number of alumni members, in both instances, fared better in terms of having postal or email contact information. Those with higher alumni bases reported fewer current mailable addresses.

Part Six - Open-ended Questions

A range of opinions on various issues were sought via a series of open-ended questions. These questions explored Key Performance Indicators (KPIs), the top two trends noticed in fundraising and alumni relations, largest development challenge/s facing institutions across the next two years and any further comparative information respondents might find useful.

Key Performance Indicators (KPIs)

Key performance indicators (KPIs) used were sought for the first time this year. Most common responses included: total dollars raised (heavily emphasised), event attendance, community feedback, positive media exposure, enrolments/waiting lists and contactable percentage of alumni and alumni participation. Donor satisfaction was mentioned twice and quality of relationships was mentioned once as well.

Largest Development Challenge Facing Institutions Across the Next 2 Years

Respondents were asked to identify, in open-ended format, the largest development challenge/s facing their institution across the next 2 years. Overall, 167 respondents provided comments to this question.

Key challenges facing development offices in 2005 were:

- developing and conducting capital campaigns;
- building a giving culture;
- access to data and records; and
- dealing with increasing local competition.

In 2008, these concerns remain but respondents this year added more specificity. A number of common themes emerged and they are presented in the table below along with examples of comments made by respondents. Other common responses related to specific plans for the institution/development office (e.g. building a gym, launching first capital campaign, engaging young alumni and so on).

Theme	Illustrative comment/s
Scarcity of volunteer leaders in fundraising campaigns	<p><i>Time poor volunteers.</i></p> <p><i>Finding enough quality fundraisers for campaign.</i></p> <p><i>Teaching the new principal about development, extending Council's understanding of it.</i></p> <p><i>...Sourcing the best person/s possible who have an understanding of the College history, culture and requirements to undertake 'the ask'.</i></p> <p><i>Developing volunteer leadership.</i></p>
Fewer major donors	<p><i>The number of major potential donors seems to be dropping – the old 80/20 is becoming 90 or 95...</i></p> <p><i>Donor fatigue.</i></p> <p><i>Securing leading gifts.</i></p>

Building a giving culture beyond the paying of fees	<p><i>Getting the community on board to recognize the need to contribute more than school fees and to get behind capital fundraising.</i></p> <p><i>...overcoming the culture of not giving in some areas of our constituency.</i></p> <p><i>Marketing why parents should give (something) in addition to fees and when fees are very high.</i></p> <p><i>Launching a Capital Appeal programme in the current economic climate and cultural climate at the College.</i></p> <p><i>Promoting higher education as destination for giving.</i></p>
Scarcity of trained fundraising staff	<p><i>Finding trained fundraising staff, lack of experienced fundraising staff.</i></p> <p><i>Availability of qualified staff.</i></p> <p><i>Finding suitable staff to operate programs.</i></p> <p><i>Gaining and keeping quality staff.</i></p>
Technology	<p><i>Keeping up with technology and how we can use it to assist us with functions and keeping in contact with alumni.</i></p> <p><i>Keeping pace with new technology, Facebook etc. and its impact on Marketing.</i></p> <p><i>Providing an Internet based social marketing program.</i></p>
Economic climate	<p><i>The economic climate and its impact on the fundraising campaign.</i></p> <p><i>Maintaining the fundraising momentum and enrolment enquiries in 'the harder times' ahead.</i></p> <p><i>Increasing the percentage of regular donors in the face of private school fee rises which stretch the capacity of salaries parents.</i></p> <p><i>State of the economy.</i></p> <p><i>The downturn in the economy.</i></p> <p><i>Interest rate, stock market climate.</i></p> <p><i>The financial market and sub prime market in the US effecting (sic) our parents</i></p>
Frustrations with institution's administration and leadership	<p><i>Getting started on fundraising campaign - the board is very tentative about it. There seems a lack of trust and anxiety on "getting it right" so lots of planning and not much action.</i></p> <p><i>...Want outcomes but don't fully embrace the up-front investment requirement.</i></p> <p><i>Overcoming discrepancy between the institutional rhetoric used to describe the importance of alumni programming and the reality reflected in the resources allocated for that purpose.</i></p> <p><i>Meeting the financial expectations of the Board with the limited staff and time resources available. One full time staff member does everything!...</i></p>

	<p><i>No direction from Board or Principal. They see my role as administration not as a driving force. No financial recognition or time given for what my role could be and what I could achieve. I am totally kept out of the loop. I spend most of my time organizing reunions.</i></p> <p><i>Ambitious goals have been set...It is hard to get the Council to "own" those goals; resourcing the Development Office adequately is a huge challenge to allow the fundraisers to get on with the fundraising!</i></p> <p><i>Principal not focused on Development.</i></p> <p><i>Motivating the Foundation Board to participate in fundraising activities.</i></p> <p><i>Getting the Board to set priority goals and then supporting them financially.</i></p>
Starting a bequest program	<p><i>Greater awareness of the importance of Bequests.</i></p> <p><i>Bequest program.</i></p>
Finding and engaging alumni	<p><i>Finding and re-engaging alumni</i></p> <p><i>Managing alumni and reconnecting them.</i></p>

Top Two Trends

Crossing over somewhat with the information above was the new question asking respondents to identify trends in fundraising and alumni relations. Future challenges and future trends will inevitably share some space. Particularly, amongst the 132 respondents to this question, the technology aspect was highlighted with much mention of Facebook, relationship building software and online outreach to current students and to alumni. So too the issues of dwindling major donors, a tight economy, apathetic alumni, the need to ramp up bequests, and poor resourcing for higher targets all arose. Fresh angles were the mention of greater integration across fundraising and alumni activities, less support from younger alumni as well as a trend of larger major gifts and smaller annual ones.

Comparative Information

Forty-four respondents provided details of further comparative information that they would find useful. Inspection of the comments from respondents shows the type of information desired relates to:

Possible further information
Salary comparisons and ranges (already in survey but emphasised as useful by respondents in this section in both years) Employment conditions other than salaries (e.g. leave)
More direct/local comparisons (e.g. <i>comparing ourselves to other private schools in the region, would be good to compare genuine enrolment statistics/trends with other schools of similar stature, the distinction between girls' schools and boys schools of a similar age to us, benchmarking specific schools</i>)
Success stories and ideas. (e.g. <i>how other schools ask Alumni for membership</i>)

<i>dollars/bequests)</i>
Any link between fees paid and fundraising success
Effectiveness of online giving vs. direct mailing Website hits per month
Community engagement, viz AUCEA
Percentage of alumni and parents donating to appeals
Bequests and annual appeal targets
Giving rates of Board members, Foundation/Council support of giving.
Position in school for senior person e.g. whether on Senior Admin. Team.
Capital campaigns (e.g. <i>effectiveness in current economic climate; has the % at various levels of a giving pyramid changed over the past ten years?</i>)
Structure of development office – what combined aspects are managed?
Comparisons beyond education sector and beyond Australia
Communication – methods, staff, budgets
Sponsorship and naming rights
Development costs/staff numbers versus funds raised ratios.

Conclusions and Future Directions

Broad conclusions

What are the key results of this year's survey and where do they differ from the 2005 data? The first conclusion must be that many patterns are unchanged, as specified in detail below. This confirms the diverse picture built in the foundation survey of educational development in Australia and New Zealand was an accurate one and a stable benchmark from which to track change.

A second conclusion is that some pockets of change are indeed evident in the three years since the 'pulse' of educational development was last taken. Most notably, capital campaign targets have surged upward for both schools and tertiary institutions. Research caution suggests it would need a further round of benchmarking in the future to indicate this is not an isolated 'spike' or a case of optimistic targets. However, the finding would seem to show increased institutional strength in this area of campaigning as well as donor commitment to larger inputs. More staff and volunteers have been tasked with this purpose and despite the tighter economy donors are coming out of an acknowledged decade of growth, particularly in Australia and particularly amongst our high net worth population.

- Respondents were again mostly female, aged between 31 and 60, primarily coming from education and marketing backgrounds, and reflecting a median of 16 years education. A slight increase in those with a financial background was noted.
- At six years median time in the sector, the trend upward from five years can cautiously be claimed as positive in terms of retention of expertise.
- The majority of institutions were again located in major cities within Victoria, New South Wales, and to a greater extent this year, Queensland. Respondents from New Zealand participated again and hopefully this involvement will continue and grow.
- Most institutions again were established prior to 1949, with school populations generally reflecting between 500 and 1500, and university student populations between 0 and 20,000 students.
- Respondents indicated that most offices (nearly 54% of the sample) have been established for less than 10 years, a sturdy reminder of the relative youth of much educational development in Australia and New Zealand. Major responsibilities again spanned alumni relations, fundraising, community relations, and special events, with the latter ranking most commonly amongst the 2008 sample.
- Only the Principal/Vice-Chancellor and the Foundation/Development Board/Council were perceived to have any sizable excellence of understanding of the development office.
- The most important perceived revenue source was unchanged for schools being annual gifts/memberships but tertiary institutions this year also highlighted other major gifts as strategic. Capital gifts provided the highest percentage input to gross revenue.

- Primary fundraising vehicles were unchanged - Voluntary Building Funds, Sponsorship, Capital Campaigns, Major Gift Campaigns, Bequests, Alumni Annual Giving, and Special Events.
- Institutions reported revenue ranging from less than \$50,000 to \$21+M over the past 2 years with schools also entering these higher echelons of revenue.
- Just over half of respondents again reported an active annual giving program with current parents and alumni most asked to give. Frequency of annual asks was most commonly once or twice a year.
- Just over one-third indicated that they had an active bequest program with achievement of bequests mostly via a dedicated bequest officer, or mention of opportunities in publications.
- The median of funding sought by capital campaigns by schools was up from \$200,000 to \$3 million, and up from \$13 million to \$22 million for tertiary institutions.
- Nearly 90% of institutions reported an active alumni program (an increase of 9%) with just over half charging alumni fees.
- Developmental challenges facing offices again include: conducting and developing capital campaigns, facilitating a culture of giving, access to data and records, and specific scarcities identified included volunteer campaign leaders, major donors and fundraising staff resources needed to build a culture of giving

Other issues commonly mentioned were encouraging people to think about a charitable bequest to their former educational institution as well as some donor fatigue in a tighter economy and the perennial difficulty of finding and engaging alumni.

Some Implications

The survey results highlight several areas for further thought and action:

- While age of the development function may clearly impact possibilities, experience and results, some newer operations are kicking some significant goals. Time in the marketplace is not completely a barrier to high return on investment.
- Bequests, while on the agenda of more operations still seem to be an untapped opportunity for many institutions. Despite good intentions regarding a formal focus on this area, institutions are not necessarily acting on this focus. Perhaps the traditional situation with bequest program formation: a case of too much 'fire fighting' on existing activities and too little strategic, long-term investment?
- Capital campaigns and major gifts have gained even more importance, as signalled by the conspicuous jump in median targets being sought. Nonetheless they remain challenging and the spotlight is on finding suitable volunteer 'askers' as well as committed supporters willing and able to support at more significant levels than in 2005. Australia faces something of a leadership gap in educational giving at high levels. The tougher economy is being felt to some degree.
- Perhaps some 'sleepers' items in the list of revenue sources that may look very different in proportional value in, say, a decade's time are endowment funds and electronic fundraising. The uptake of the internet for donor

relations and event communication is quite high but still only embryonic for direct fundraising.

Future Directions

Ongoing sector wide trend data. The 2005 yardstick has come into play providing a point of comparison for this later survey as outlined in the conclusions. Future studies should continue this data into trend lines and perhaps 'early warning systems' of change and issues.

More direct and tailored benchmarking interest. It is clear from the open-ended questions that at least some ADAPE members are keen to benchmark more often, more openly and with more direct comparator institutions or with international partner institutions. Perhaps ADAPE may wish to investigate facilitating this pathway or piloting it with keen members. This approach would enable institutions of particular types, ages or locales to exchange real data rather than aggregates alone, as this survey offers, moving the learning a step further. (Such benchmarking is now being done in other Australian cause areas and between some universities e.g. the Survey of Fundraising and Alumni Relations and potentially through the Group of 8 proposed benchmarking).

More indepth financial data. Consideration might be given to adding more financial ratio data to future surveys, as per the suggestions by some respondents who evinced interest in knowing fundraising cost and other financial ratios such as number of staff employed compared with revenue raised. Given the many factors that impinge on such ratios and their potential to be a punishing statistic when used by someone with limited understanding of factors affecting fundraising, such a move would need to be carefully crafted.

Issues raised. Many of the issues raised hopefully will provide input to industry professional development and other initiatives. It would seem that the case for giving to education particularly in times of high fees needs strengthening for instance, and the demand for more exchange on successful programs from both within and beyond education is evident in the open-ended responses. Other matters such as broadening strong understanding of the development and alumni function beyond Principals/Vice-Chancellors also presents communication campaign opportunities perhaps.

Additional questions. The process of gathering respondent requests for further comparator information has strengthened the usefulness of data in this 2008 survey and the captured list of requested future information provides fodder to improve any future survey instruments.