

Buffalo-CASE Survey 2009/10

The Survey of Philanthropic Giving in UK Independent Schools

Overview Report



Fundraising Consultants Ltd



June 2011

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1 Executive Summary

The Buffalo–CASE Survey is a significant analysis of both the current status and the on-going progress of Development in UK schools. The survey cohort of Development Offices is representative of the sector as a whole, including those with large and small budgets, those who have been fundraising for more than ten years and those for closer to ten months.

This report presents the results of the 2009-10 survey and is expected to be of interest to professionals in the Development field, as well as Heads, Bursars and governing bodies. Until now there has been no general sector-wide source for data on philanthropy in schools in the UK.

The Buffalo-CASE Survey will be conducted annually so that trends can be shown and insights gained. This report does not provide an evaluation of Development programmes at an institutional level; rather this report shows an overview of the sector as a whole.

In collating and analysing the data contained within the Buffalo-CASE Survey, several findings struck us as being of particular note – either because they call into question commonly-held beliefs within the sector, or because they support them. Some results gave us pride at being part of such a vibrant, diverse and successful group, while others made us pause to reflect on where we, the sector as a whole, can do better.

We therefore wish to highlight the following observations as being of positive interest:

1. The number of schools starting fundraising programmes and the income being raised from these schools has risen significantly since 2003/4. In fact, 29 new Development Offices have been established (Figure 10.11), with the level of philanthropic income raised by the survey cohort, more than doubling during the period. At the same time, the median return on investment of the survey cohort has swung between 48-192% between 2003/04 and 2009/10. This is an interesting result given that:
 - a. the number of new schools who have started during this period, where returns on the most productive major gift work are widely assumed to accrue 18-24 months on;
 - b. historically some schools in the group undertake major gift fundraising cyclically – forgoing major gift fundraising for a period of time after a capital appeal;
 - c. a similarly wide variation in ROI is found in other sectors, such as Higher Education, where ROI is stronger.
2. Headteachers are investing their time and effort in fundraising. In the main this involves meeting weekly with the Development Director to provide line management. A further 1-2 hours a month is spent with the specific purpose of soliciting funds as well as devoting more than 7 hours a month to development activities not related to governance or management. This figure increases still further for Heads with more established Development Offices.
3. It is perhaps obvious to state, but useful to see in print, that the survey supports two general observations:
 - a. the more time spent asking for gifts, the more money is raised (Figure 10.44)
 - b. the number of dedicated fundraisers appears proportionate to income raised (Figure 10.15)
4. Initially, new Development Offices appear to fundraise from parents – perhaps an easier ‘ask’. However more established Development Offices learn how to successfully seek funds from alumni – a larger potential donor base and historically the source of the largest gifts (Figure 10.54 & 10.55).

5. Schools where face-to-face major donor work is being undertaken are, on average, meeting 31 alumni and 12 parents a year with the specific purpose of 'making the ask'. These meetings result in a success rate of just over 2 in 5.
6. The size of legacy gifts does not vary according to the age of the Development Office, however the number of pledges secured does (established Development Offices gain more).
7. Established Development Offices that have been fundraising for a longer period of time seem to raise more funds (Figure 10.16) which supports the Ross-CASE findings in the HE sector that educational fundraising is a long-term business and sustained investment is key to long-term success.

On the other hand, the following observations are perhaps areas where the sector as a whole can improve:

1. We were surprised at the extent of turnover amongst Development Directors, with nearly a quarter of the sample cohort reporting new leadership within the financial year 2009/10. This should be of some concern across the sector. This is in spite of attractive packages being offered with nearly a quarter of Development Directors being paid in excess of £60,000 per annum in salary.
2. We were also surprised that just 39.5% of Development Offices' time was spent on fundraising activities. This seems to go against point 3a & 3b above.

We have no doubt that others will have plenty of comments and observations to make on the data contained within this survey, and look forward to the dialogue that it will begin as a result of it.

Ed Lang, Marc Whitmore

2 Comment by Elizabeth Cairncross, Head, Wells Cathedral School, CASE Europe trustee

The development of philanthropy in schools is a very specific part of the industry. The Buffalo-CASE independent schools survey of philanthropic income will provide data to challenge and support development work in schools; this will aid clear, tailored planning. It provides an objective standpoint for busy professionals who need to be immersed in their particular specialist works. Above all it provides a foundation of confidence for anyone concerned with specific planning for the causes about which they're passionate - their own schools.

3 Comment by Ed Lang, Managing Director, Buffalo Fundraising Consultants

We are delighted to have had the opportunity to produce the first ever fundraising benchmarking survey for schools. It was great to have so many Development Directors keen to help develop the survey as part of the Working Group and it has been a pleasure working with them all. With fifty schools participating in the survey's second year, it has provided enough information to make this a very interesting and informative report.

The Ross-CASE survey benchmarks fundraising performance for all HE establishments and so we hope to be able to develop the Buffalo-CASE survey so that it too can benchmark fundraising performance, this time for all schools with a Development Office.

We are keen for schools to realise that development is not an unseemly activity that has to be undertaken as a matter of necessity; rather we want the whole school to be engaged with and supporting the Development Office. Ultimately, good development practice leads to stronger schools, which means better education.

4 Comment by Kate Hunter, Executive Director, CASE Europe

I am delighted that CASE Europe is partnering with Buffalo on this important step for educational philanthropy in the UK independent schools sector. The Buffalo-CASE survey of philanthropic giving aims to be the authoritative source of information on this subject, allowing schools to compare themselves with their peers, and their own year on year performance. As participation in the survey grows, the report will provide an estimate of the overall impact of philanthropy (and possible contribution to public benefit) among the UK independent schools sector.

Philanthropy is not an exact science, but key indicators such as numbers of donors, cash income raised, future pledges and the cost of fundraising are useful in helping individual schools understand the progress of their fundraising operation. The data in this report is not, in itself, a mechanism for the evaluation of a development programme, but the results highlight the many factors that affect performance.

The report also has the potential to raise the professional standards of the development community working within schools. Practitioners can study the effectiveness and efficacy of their work, monitoring resource, time and spend. CASE Europe's expertise in educational advancement, and involvement over nine years in the Ross-CASE survey of voluntary giving to UK higher education, sees an increasing professionalisation of development practitioners, driven by reliable data and other factors.

The analysis by longevity of fundraising programme has also been provided throughout the report. It is very clear from these results that educational fundraising is a long-term business and sustained investment is key to long-term success. Established development programmes consistently produce the best results.

5 Participating Schools

50 schools joined the 2009/10 benchmarking study and 48 completed the survey.

Schools with a star are members of the Working Group.

Bedford School

***Blundell's School**

Bradfield College

Brighton College

***Bromsgrove School**

Canford School

Cheltenham College

Downside School

Emanuel School

Epsom College

Erskine Stewart's Melville Schools

Eton College

Felsted School

Forest School

George Heriot's School

***George Watson's College**

Giggleswick School

Gordonstoun

Harrow School

King Edward's School

King's College, Taunton

***Kingston Grammar School**

***Latymer Upper School**

Magdalen College School

Merchant Taylors' School

Merchiston Castle School

Mill Hill School

Millfield School

Milton Abbey School

Oakham School

***Oundle School**

Reading School

Reed's School

Reigate Grammar School

Royal Grammar School, Guilford

Sevenoaks School

***Sherborne School**

St Albans School

St Catherine's School

Stowe School

Taunton School

The Cheltenham Ladies' College

The Glasgow Academy

***The Godolphin and Latymer School**

The John Lyon School

The King's School, Worcester

The Leys School

***University College School**

***Uppingham School**

West Buckland School

Wimbledon High School

***Winchester College**

Withington Girls' School

6 Acknowledgements

Firstly we would like to thank all the schools and Development staff who gave up their time to complete the Buffalo-CASE survey.

Buffalo Fundraising Consultants (Ed Lang, Tom Beckett and Edd Pickering) has been working on this project since 2008 following research confirming that an absence of credible benchmarking data was a key concern of Development Directors. This survey would never have got off the ground without Buffalo's commitment to it. Thanks should also be given to Buffalo's IT team (Jonathan Bird and Wayne Earle) who have done a huge amount of work to ensure that the online survey and Individual Reports were available for this second year of benchmarking.

In 2009 Buffalo formed a Working Group of twelve Development Directors who volunteered their time, energy and commitment to shape the content of the survey and steer the project as a whole. We are very grateful to every single member of the Group for their contribution.

We would also like to thank Iain More, Buffalo's Non-Executive Director, and Marc Whitmore who between them have helped chair Working Group meetings, provided design advice for the online survey, contributed content for this overview report, and given moral support, wisdom and guidance throughout.

Finally, we would also like to thank CASE Europe who have followed this project from an early stage. In 2011 CASE Europe formally agreed to partner with Buffalo and form the Buffalo-CASE Survey and will provide additional support in the coming years.

7 Aims of Benchmarking

Development Directors, Heads, Governors and Bursars know that getting Development right requires sensible investment. Get it right, and the results can be impressive; get it wrong and schools can embark on an expensive project that wastes valuable resources and tests the goodwill of parents, staff and alumni alike.

The ability to see how one school's activities compare with other schools at similar stages can be a critical factor. The Buffalo-CASE Survey has been designed to support schools which would like to assess their performance in this way. The survey aims to:

- provide Development professionals with statistics and key information that assists planning and forecasting;
- provide schools with data to illustrate how successful fundraising operations are structured, operated, and delivered against target; and
- provide Heads, Bursars and Governors with comparative information about investment and return and the factors that impact on this.

We anticipate that over the coming years benchmarks will be established in the fundraising areas so that schools can better evaluate their fundraising performance. Data such as that contained in this report can only ever act as a guide. However, over time we hope that it may shed further light on those factors which schools can alter to improve their fundraising performance, and those more fixed factors which may set the framework within which they must operate.

In addition to assisting individual schools, we also want the survey to capture an accurate picture of philanthropy across the whole school sector. This survey aims to provide an authoritative and trusted source of information on philanthropy within the school sector.

8 Methodology

In 2009 Tom Beckett, Ed Lang, Marc Whitmore and Iain More started to develop key benchmarking questions. At the same time a Working Group of Development Directors was formed and they met on several occasions to discuss and develop the survey so that we could ensure that it would answer the questions that were important to the sector. All Working Group members then engaged in the first year of benchmarking by completing the survey in 2010.

The second year of benchmarking involved 50 participating schools, which were provided with a user name and password between December 2010 and January 2011 with which they could access the online survey. The deadline for completing the survey was 17 March 2011 and by this date 83% of schools had submitted their results. Forty eight schools (96%) completed the survey with all results being submitted by the end of March. All the data submitted to the survey is self-reported data; it is not audited.

Buffalo and CASE Europe worked in collaboration on the overview report (this document) which was disseminated in June 2011. Individual reports were also available to download from June 2011 by participating schools only. These reports allow each school to benchmark their results against other similarly structured schools.

8.1 Data Collection

Data collection was smoother this year than in 2008/09, as the survey was hosted on-line. It was noticeable that existing participants were quicker at completing the survey than new participants. New participants also had to complete an additional two questionnaires to provide a background to the school and its development activities.

Although a few Development Directors found it difficult to retrieve some of the key information required, all acknowledged the information's importance and have been happy to do the necessary research to find the answers. Many Development Directors have said they will be recording their information differently in future years, so that key questions posed in this survey can be answered at the click of a button.

Some schools provided answers that conflicted with one another and so Buffalo had to re-approach them to correct these conflicts. Next year's survey will have these conflict checks built into the system, so that inconsistencies are flagged up and dealt with instantly.

Importantly, during this cross checking process it was noticed that one school gained a very large single gift of £6.24m in the financial year 2009/10. The team conducting the analysis discussed this extensively and concluded that the overall picture for schools would be too skewed by this inclusion (and, indeed, the data can be manually added by anyone so interested). After discussions with the relevant school, it was decided to remove this gift from the results. At the same time, we noticed that another established Development Office raised over £5.5m in 2003/04. Although this figure was not excluded from the results, it did account for 40% of all funds raised from the participating schools that were fundraising in that year, and so had a major influence on the overall results. In future years we expect the number of participants in this survey to increase, which will mean that it will not be necessary to make these manual corrections, as a larger sample size will reduce the impact of individuals results.

There was a large variation in fundraising results between the schools. This meant that the mean figures were usually much higher than the median figures. Median figures should be used as the preferred benchmarking measure, but we have also retained mean figures in many instances, for reference purposes.

9 The structure of schools that participated in the survey

Every school is unique. At the same time each school has some distinguishing features that it shares in common with other schools and that might be used to group comparable schools together. The Working Group identified five key dimensions (shown below). The number of schools/Development Offices that fall into each group are also shown. We are delighted that such a representative selection of schools have taken part in this year's survey.

Dimension	Description	Number in category
1 Development Office age	Established <i>Development Office expenditure greater than £0 in 2003/04</i>	19
	New <i>Development Office expenditure was £0 in 2003/04</i>	29
2 Day/Boarding	Day <i>0-25% boarding</i>	23
	Mixed <i>26-75% boarding</i>	12
	Boarding <i>76-100% boarding</i>	13
3 Pupil Gender*	Girl <i>>85% girl</i>	5
	Mixed <i>< 85% girl or boy</i>	29
	Boy <i>>85% boy</i>	14
4 Development Office spend	Low <i>< £100,000</i>	13
	Medium <i>£100,000-£199,999</i>	23
	High <i>> £200,000</i>	12
5 Development Office phase	Setting up Annual Fund/Regular Giving program	6
	Running Annual Fund/Regular Giving program	11
	Planning phase of a Capital appeal	10
	Silent phase of a Capital appeal	8
	Public phase of a Capital appeal	13

* If the school has only a co-educational sixth-form, it has been classified as single sex

This overview report will, from time to time, examine how these specific structures may influence the results but we will mainly focus on the differences between established and new Development Offices. The Ross-CASE survey has shown that established development programmes in the HE sector consistently produce the best results and we suspect that the same will hold true for schools.

10 Results and Discussion

10.1 Historic Fundraising

Results

The Buffalo-CASE survey not only gathered detailed results from the financial year 2009/10 but also collected key historical data from 2003/04 onwards. Figure 10.11 shows the total cash income received at bank against the number of Development Offices that were fundraising (i.e. had an expenditure above £0). Figure 10.12 shows how the mean and median income per school has varied over time.

Figure 10.11 Income received at bank during the financial year

Year	Total Income	No. of Development Office results	Median income per school	Mean income per school
2003/04	£13,755,971	19	£203,745	£723,998
2004/05	£10,521,278	28	£147,389	£375,760
2005/06	£18,562,562	32	£185,619	£580,080
2006/07	£23,932,368	35	£318,048	£683,782
2007/08	£28,977,581	39	£264,331	£743,015
2008/09	£29,011,577	44	£275,390	£659,354

Figure 10.12 Income received at bank per school, from all Development Offices with expenditure greater than £0 in each year.

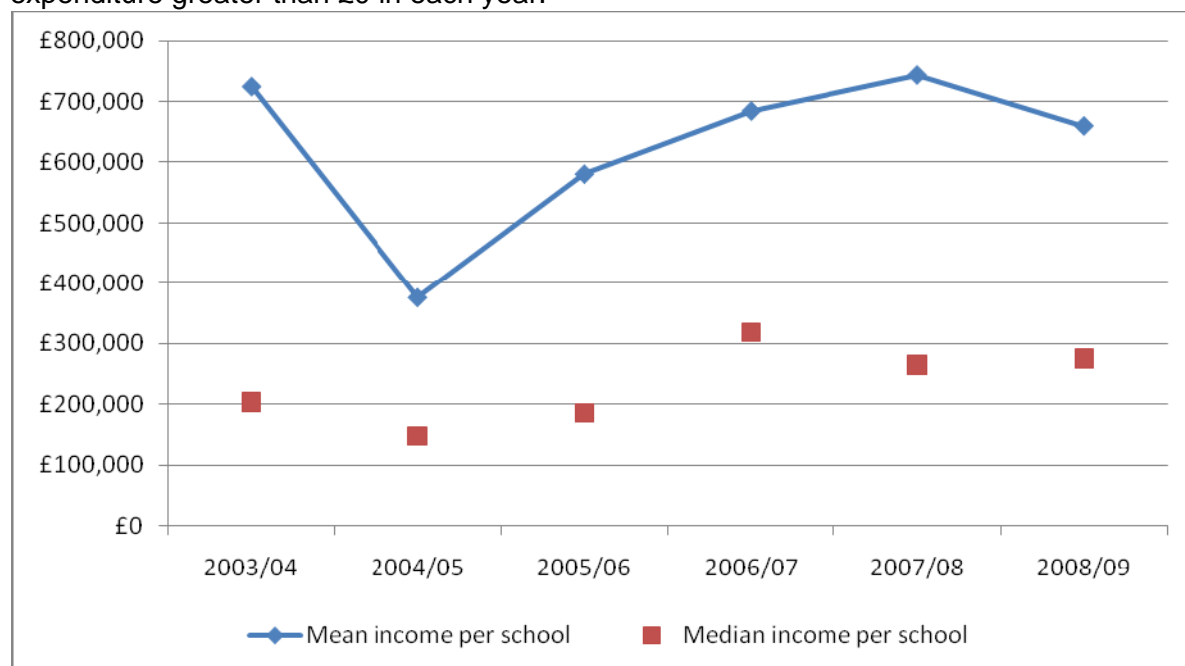


Figure 10.13 shows the total Development Office expenditure against the number of Development Offices that were fundraising. Figure 10.14 shows how the mean and median expenditure per school has varied over time.

Figure 10.13 Development Office expenditure

Year	Total Expenditure	No. of Development Office results	Median expenditure per school	Mean expenditure per school
2003/04	£2,431,628	19	£89,000	£127,980
2004/05	£3,421,205	28	£99,819	£122,186
2005/06	£4,510,436	32	£120,000	£140,951
2006/07	£5,004,210	35	£109,046	£142,977
2007/08	£6,297,544	39	£121,982	£161,475
2008/09	£6,896,784	44	£134,272	£156,745

Figure 10.14 Development Office expenditure from all Development Offices with expenditure greater than £0 in each year.

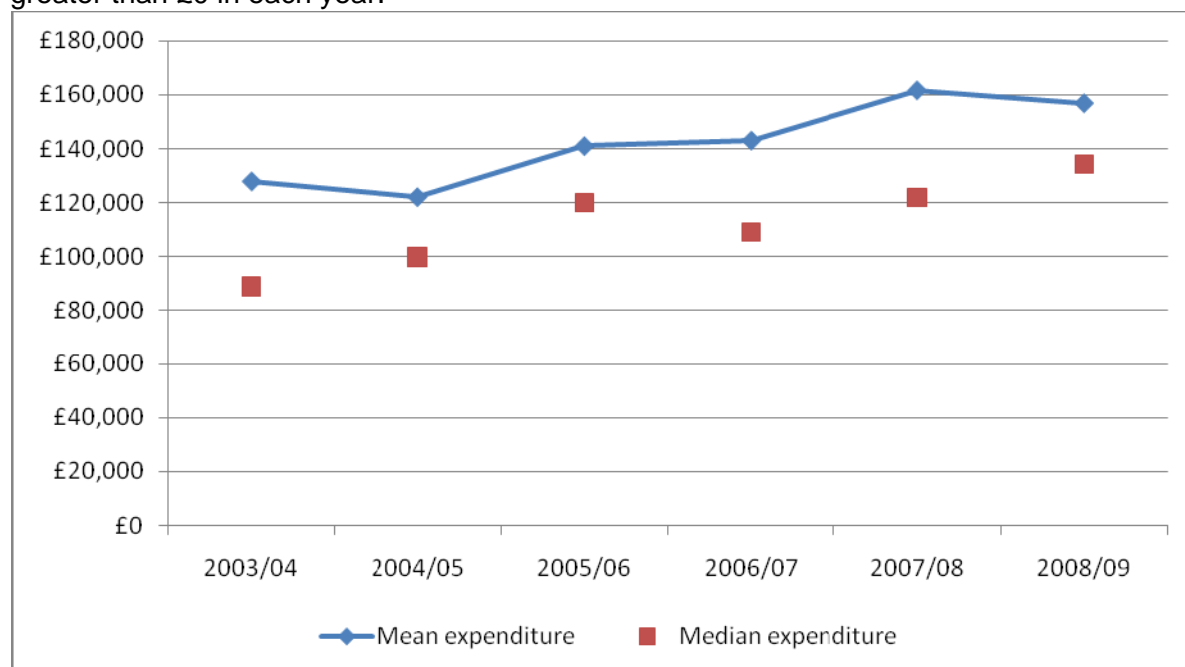
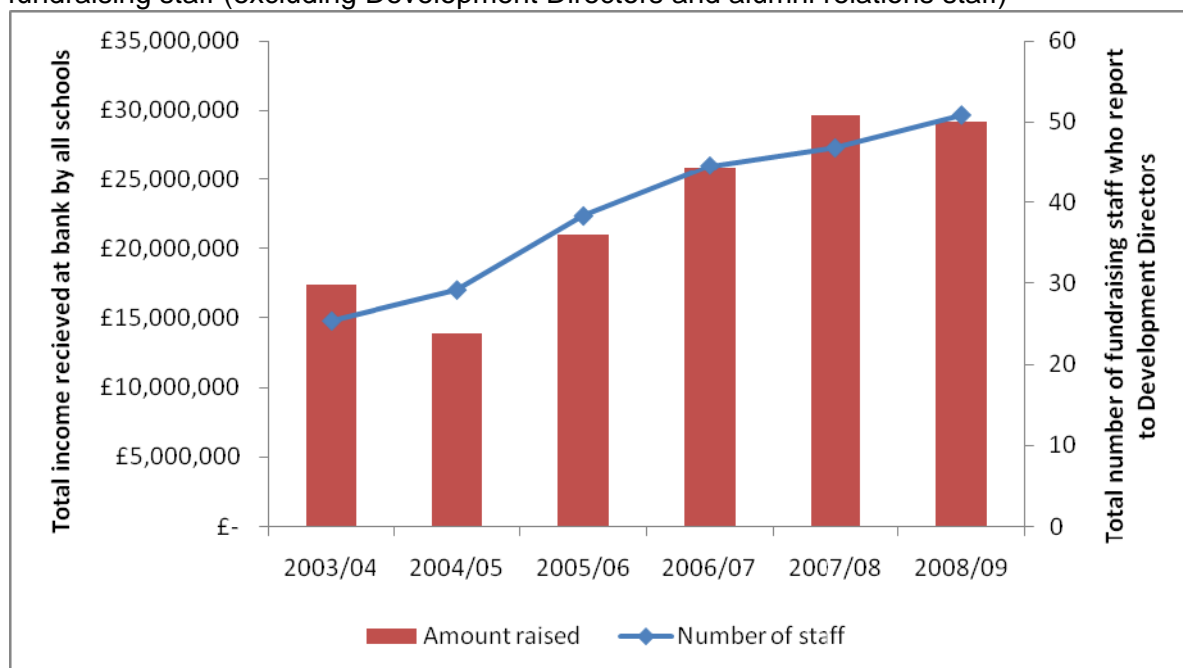


Figure 10.15 Total income received at bank from all schools, in comparison to the number of fundraising staff (excluding Development Directors and alumni relations staff)



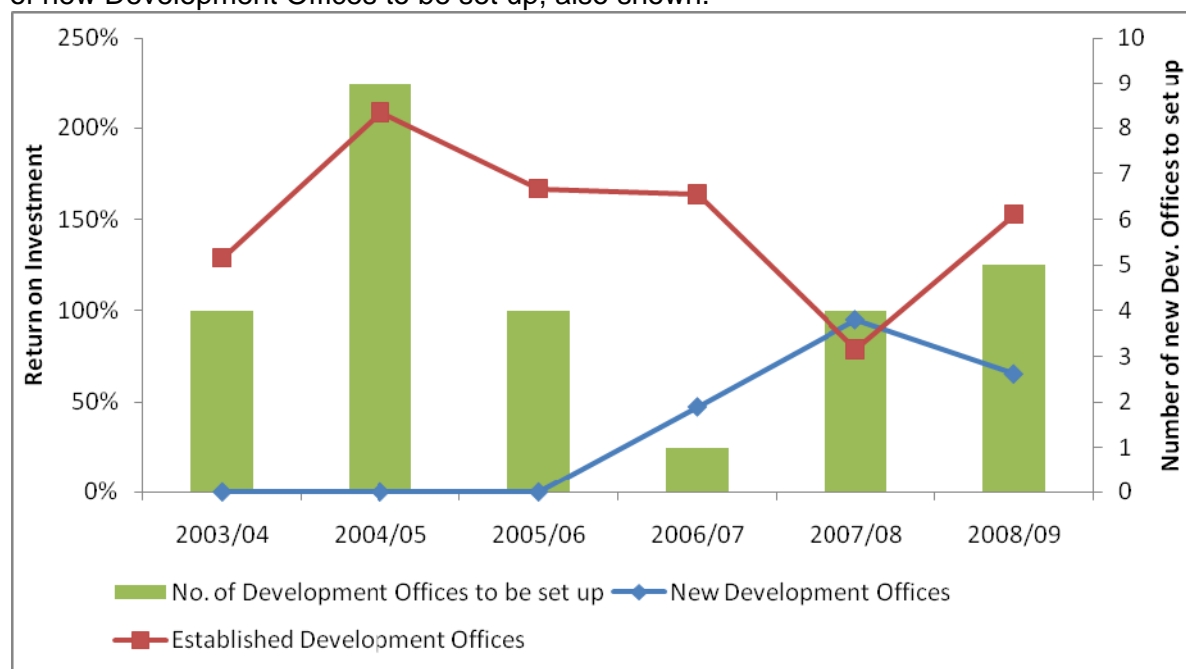
Discussion

- Total fundraising income received at bank increased from £13.8m in 2003/4 to more than £29m in 2008/09 – an increase of 111%; during this period the total number of schools undertaking fundraising activity, more than doubled from 19 to 44 (an increase of 132%).
- At the same time, expenditure in the sector increased from £2.4m to £6.9m – an increase of 188%; with the total number of fundraising staff that report to the Development Director rising from 25 to 51 (see 10.4 Staffing and Support).
- In common with other established benchmarking surveys such as the Ross-CASE survey for Higher Education Institutions, we report both median and mean figures. This provides a snapshot of both the group as a whole and the spread of performance in the group: where the median and mean are close together, the group is relatively homogenous; where the median is significantly different to the mean (demonstrated in 10.11) then the group is much more diverse.
- Development Directors, Heads and Governors will all have a keen eye on the efficiency of the fundraising operation, and the most referenced benchmark for this is the ratio between income raised and expenditure to secure that income. We present these figures using two methods - return on investment (ROI: total income less original expenditure, divided by original expenditure) and amount spent to raise one pound (cost per pound received).
 - The ROI for the sector as a whole, in 2003/4 stood at 466% with total investment of 18p for every £1 of income raised. By 2008/9 the ROI across the sector had dropped to 321% (with 23p now required to for every £1 raised).
 - In contrast, the median ROI for individual schools in the sector was 129% with schools spending 44p to raise every £1 of income. By 2008/9 this had dropped

slightly to 105% with a spend of 49p for every £1 raised. As mentioned in 8.1 Data Collection, the large difference in the median and mean ROI figures in 2003/04, resulted from an exceptional performance by one school in the sample. During this year the individual school raised over £5.5million which accounted for 40% of what all the schools raised. Again, this highlights why median results are a fairer reflection on the state of the sector as a whole as they will be less affected by outstanding performances from individual schools.

- However, separating the sample into those Development Offices already established in 2003/4 (i.e. who had an expenditure above £0) from those who started after that period shows more of the story:
 - Established Development Offices have seen their median ROI increase from 129-153% over the six year period.
 - New Development Offices have seen their ROI increase from 0%-65% over the same period.

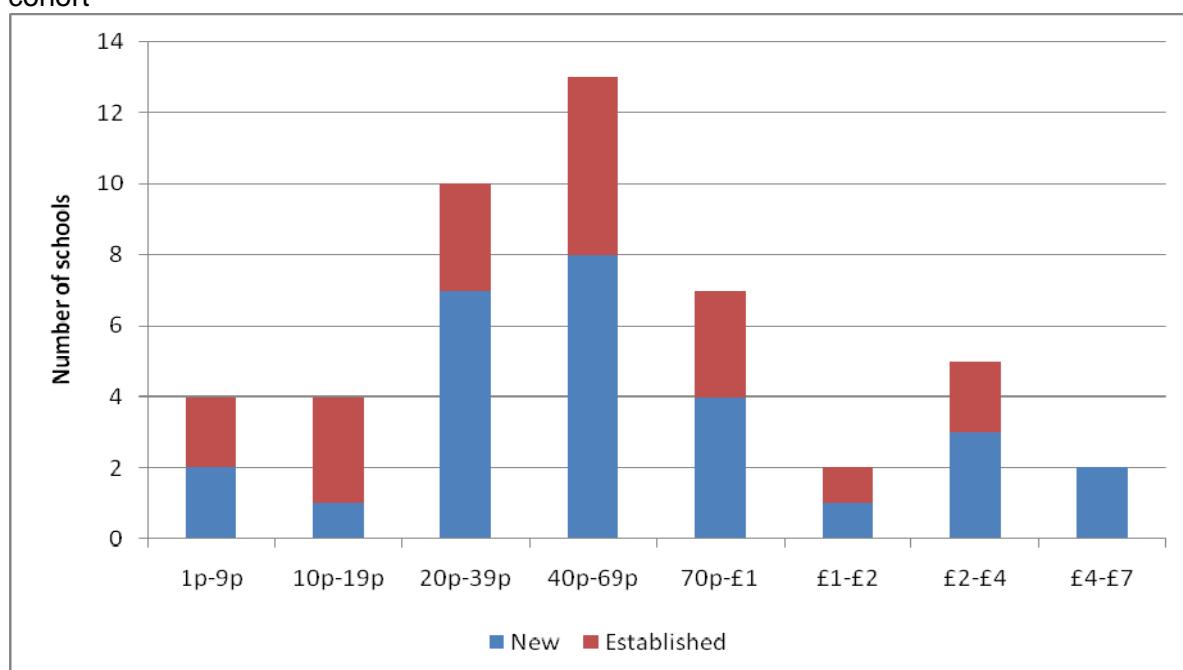
Figure 10.16 New and Established Development Office median ROI over time with the number of new Development Offices to be set up, also shown.



- Figure 10.16 adds weight to the argument that Development Offices take time to establish. As more schools participate in the Buffalo-CASE Survey, some of these emerging trends will become much clearer.
- However, it is worth noting some important caveats to this data. The historic data collected in the survey alone does not allow us to garner enough detail to discern important factors which may qualify these results:
 - Are those Development Offices already established in 2003/4 the schools for whom the decision to invest in fundraising was straightforward (where, for example, Governors and senior management alike could see ample chance of success)? Are those schools who may have come to fundraising more recently those where the decision was not so simple and where, perhaps, the ground was less fertile?

- The impact of exceptional performance on the sample size of 48 has a disproportionate effect on the figures as a whole; we know that one school in the 2003/4 figures reported income (not repeated in subsequent years) of £5.5m as a result of the completion of a large capital campaign. We cannot tell whether this came from one or two significant gifts from, say, large institutions or major donors, or from a broad range of smaller gifts.
- With respect to the return expected on fundraising investment more generally; the majority of figures quoted seem to be rules-of-thumb rather than, at present, supported by evidence, with two exceptions:
 - Across the Third Sector as a whole, a common heuristic is a ratio of between 20-30p spent per £1 raised.
 - A much more evidenced ratio comes from the Higher Education Sector where in 2009/10 the total cash income received (at bank) for the sector as a whole topped £506m against a spend of £71m, representing a comparative Return on Investment of 650%, or a cost per pound raised of 14p. The comparative median cost per pound received was 23p in 2009-10. Figure 10.17 shows what the survey cohort of schools achieved in comparison.

Figure 10.17 Fundraising expenditure per pound of income received at bank for the survey cohort

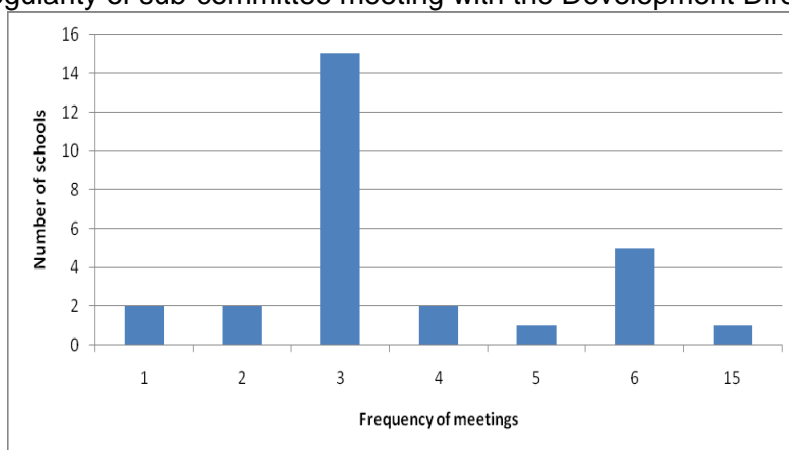


10.2 Governance and Accountability

Results

58% of schools have a sub-committee that has been appointed by the Board of Governors to provide oversight to the Development Office. Of these schools with a sub-committee, 50% have agreed key performance indicators (KPIs) and the regularity that this group meets is shown in figure 10.21.

Figure 10.21 Regularity of sub-committee meeting with the Development Director per annum



42% of Development Directors are a member of the Senior Management Team (SMT). 19% of these Development Directors attend all the Governor meetings. Figure 10.22 shows the Development Director's line manager while figure 10.23 shows how regularly the Development Director meets with their line manager.

Figure 10.22 Development Director's line manager

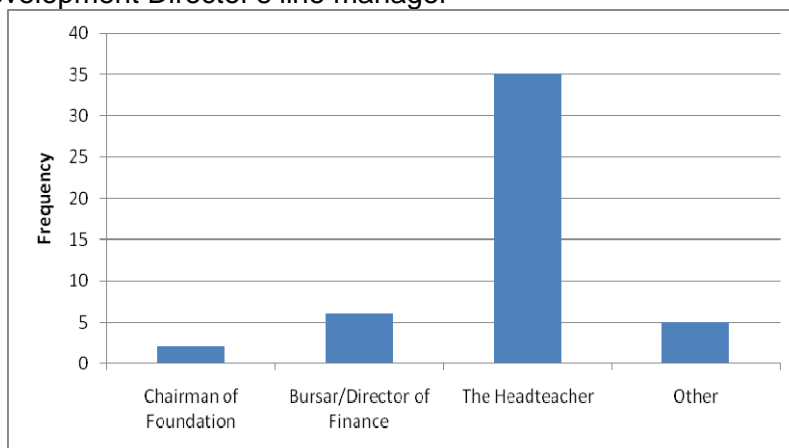
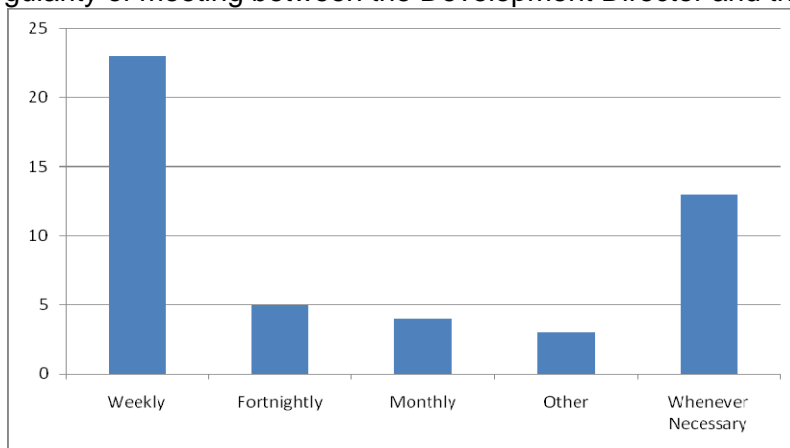


Figure 10.23 Regularity of meeting between the Development Director and their line manager



63% of schools publish an annual donor report which details funds raised during the year. The Development Offices have been producing these reports for an average of 4.7 years.

Discussion

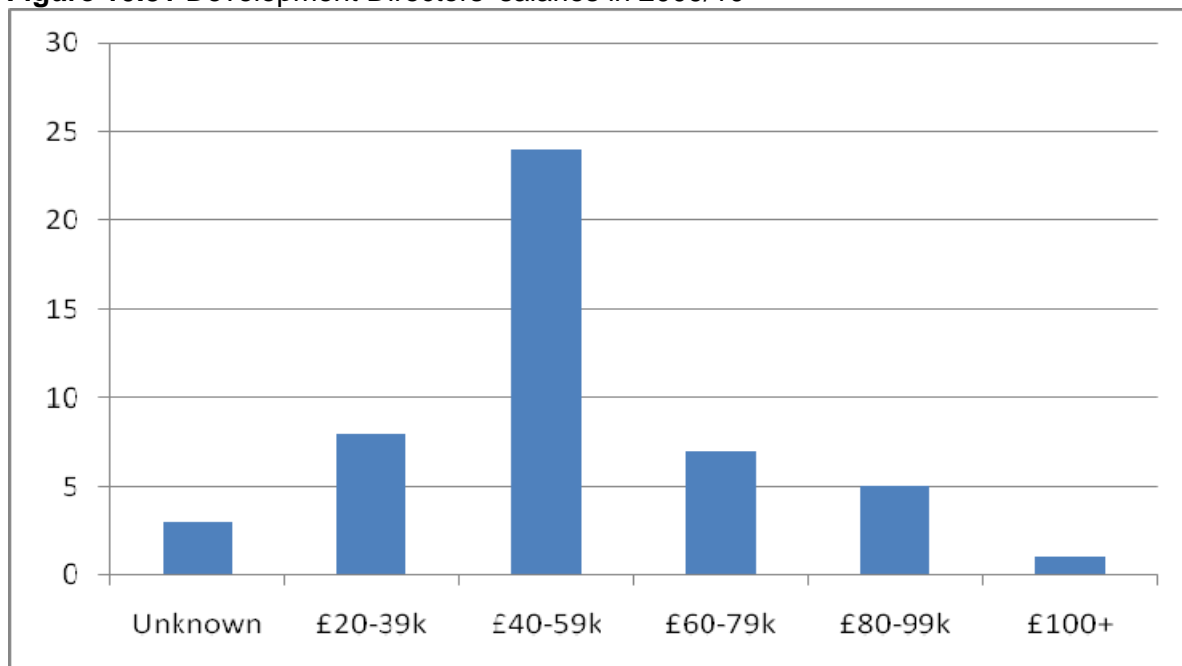
- Development Directors clearly play an important role in the life of the institutions of which they are a part. Most are members of the Senior Management Team and the majority report directly to the Head.
- The Board of Governors at 28 schools have appointed a sub-committee to provide oversight to Development Office activities. The mean fundraising income received at bank from these schools is 17.9% greater than the overall mean.
- The mean fundraising income received at bank from these Development Office with a sub-committee and KPIs is 48.9% greater than the overall mean.
- It remains to be seen whether, over time, any trends will emerge in this data. It is interesting to speculate whether those schools with more robust governance structures will deliver better fundraising results in the long term.

10.3 Development Director

Results

83% of Development Directors are employed on a full time basis. However 23% of Development Directors changed within the year 2009/10. Figure 10.31 shows the full time equivalent salary of the Development Directors.

Figure 10.31 Development Directors' salaries in 2009/10



Many Development Directors also receive non-salary benefits:

- 60% have fee remission for dependents
- 56% are participating in stakeholder pension scheme
- 33% are participating in final salary pension scheme
- 6% have access to reduced-cost housing
- 6% have study support
- 17% receive other, unspecified, benefits

Discussion

- It is of some considerable concern that amongst the survey cohort, 23% changed Development Director during the year 2009/10. The data alone cannot establish cause-and-effect, but it is also of note that mean ROI dropped during this year from 321% to 266%.

With respect to salary and conditions:

- The evidence suggests that packages for Development Directors vary significantly across individual institutions, with 1 in 4 paid in excess of £60k.
- While causation and correlation cannot be separated solely by the numbers, it is interesting to note that the median amount of new income received at bank by the 13 Development Directors with a salary of £60k+ was £514,349 (mean £1,041,124). Development Directors with a salary of less than £60k gained a median amount of new income at bank of £101,110 (mean £263,576)

10.4 Staffing and Support

Results

Figure 10.41 shows how the number of schools with specific staff types that report to the Development Director, has changed over the last seven years. Figure 10.42 shows the current staff set-up for each Development Office.

Figure 10.41 Number of schools with specific staff types

Year	No. of schools with Fundraising staff	No. of schools with Alumni Relations staff	No. of schools with 'other' staff types
2003/04	18	25	11
2004/05	20	28	13
2005/06	26	29	13
2006/07	30	35	15
2007/08	32	39	16
2008/09	39	43	23
2009/10	38	42	23

Figure 10.42 Development Office staff set-up in 2009/10 per school

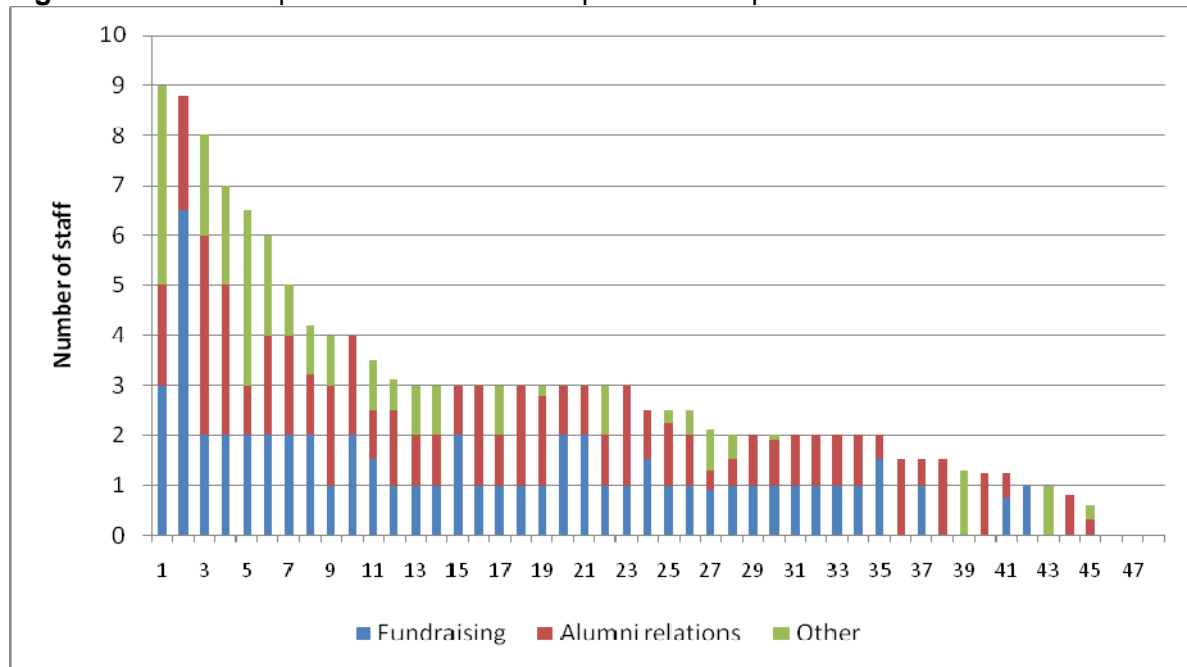


Figure 10.43 shows the breakdown of time spent on specific activities by those staff members who have specific responsibility for fundraising and alumni relations during the year 2009/10.

Figure 10.43 Staff activities

Staff activities	% of staff time for All Dev. Offices	% of staff time for Established Dev. Offices only
Prospect identification and research	11.6	8.4
Data management (entry, updating, cleaning)	18.5	15.3
Donor solicitation	12.3	13.7
Activity related to legacies	5.2	5.4
Event management	23.8	24.8
Annual fund-related activities	10.4	11.8
Other alumni relations activities not listed above	10.1	10.7
Activities not directly related to alumni relations or fundraising	7.6	9.8

98% of schools have an Alumni Association in some shape or form but 79% of the schools have a volunteer-run Alumni Association. All bar one of these Associations were set up pre 2000.

On average the Headteacher allocates 7.4 hours a month to Development activities (excluding line management and governance-related activities). The Headteacher spends an average of 1.7 hours a month meeting with prospects with the specific purpose of asking for money.

Discussion

With respect to staffing:

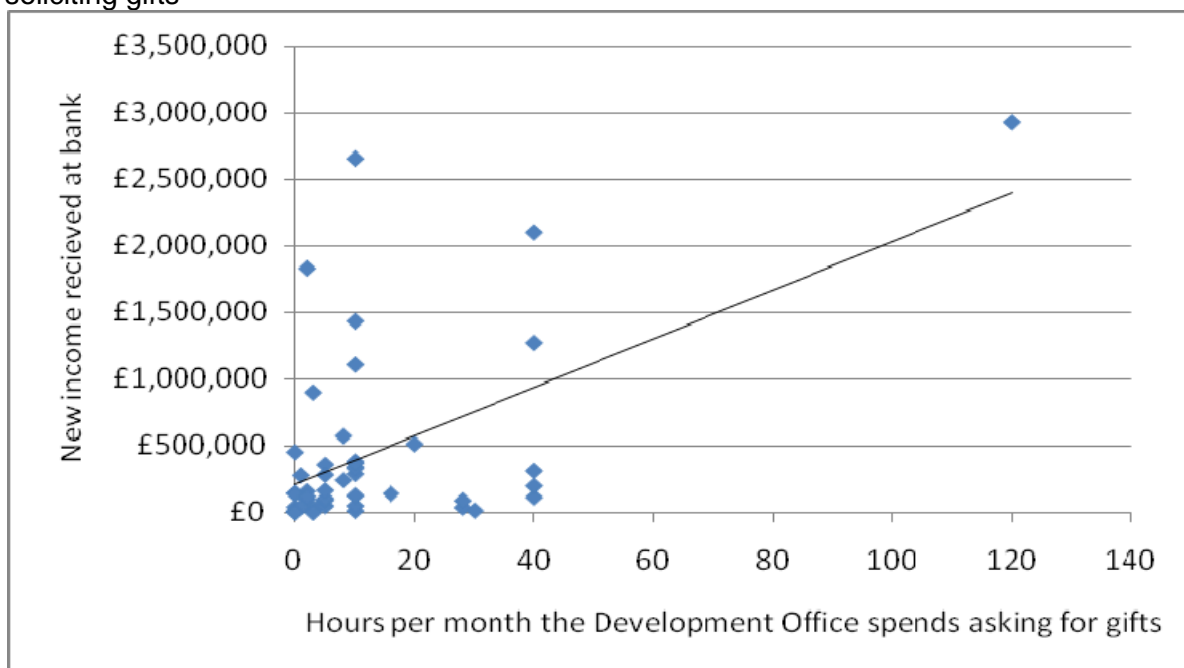
- As Figure 10.42 shows, structurally seven of the schools in the survey cohort had offices with six or more staff in total (including the Director of Development). Further exploration of the data suggests three distinct groupings may exist:
 - Schools where the Development Director has some form of administrative support, possibly even a Development Officer, but where they manage all activity across fundraising and alumni relations.
 - Those offices where separate responsibilities are established between income generation and general stewardship of the alumni community.
 - More mature offices in which additional staff are then brought in to boost the major gift programme.

With respect to support:

- Established Development Offices spend less time on 'Prospect identification and research' and 'Data management (entry, updating, cleaning)' presumably because much of this work was done in the early years.
- The distribution of time spent by Development Offices on particular activities is of interest:
 - 39.5% is dedicated to activities which seem unequivocally related to fundraising (prospect identification and research, donor solicitation, activity related to legacies, annual fund-related activities).
 - 33.9% of time is spent on Alumni Relations activities.

- 26.1% of time is spent on other activities (Data management or Activities not directly related to alumni relations or fundraising)
- Headteachers' involvement in and contribution to Development is strong, as evidenced by the amount of time dedicated to Development activities *not* related to management or governance across the sample cohort. Amongst those schools with established Development Offices, the figure increases further, with 10.2hours per month dedicated to Development activities and 2.1hours a month on prospect solicitation.
- Figure 10.44 suggests that there is a correlation between the amount of time that the Development Office spends asking for money and the amount of new cash income received at bank in 2009/10.

Figure 10.44 Scatter graph showing new income received vs time Development Office spends soliciting gifts



- Fundraising and alumni relations staff are keen to keep abreast of best practice and so look to outside services for support, in the form of consultants and subscriptions.
 - Over the past five years 67% of schools have made use of a consultancy firm to provide advice on the development function. Of those schools that have made use of consultancy firms 50% have used them to assist with the training of senior non development/development personnel, 75% have used them for strategic issues e.g. recruitment of Development Director and 81% have used them for tactical issues e.g. Annual Fund work.

Figure 10.45 Development Office subscriptions

IDPE	96%
CASE EUROPE	46%
Inst of Fundraising	25%
Third Sector	33%
Professional Fundraising	6%
Other	8%

10.5 Fundraising

Summary Results

The total amount of cash income received at bank during the financial year 2009/10 was £35,973,515 (median £287,585; mean £749,448). However, one school gained a single gift of £6,240,000 which is the equivalent of 17.3% of the total amount raised by survey participants in the financial year. As discussed in '8.1 Data Collection', this single donation has been excluded from the fundraising statistics so that the comparisons are not unduly skewed. With this single donation excluded, the mean raised by each school falls to £619,448.

£27,337,789 was new income received from 10,489 donors (median 126; mean 219) during the financial year. Figure 10.51 groups the amount of new income received from the survey cohort.

Figure 10.51 New cash income received at bank in 2009/10



£15,870,436 of new pledges (over a maximum of five years) were secured during the financial year (mean £330,634; median £45,873) from 2,171 donors (mean 45, median 17). This is an important measure of success since these gifts should still materialise even if the school ceased to fundraise. Figure 10.52 groups these new pledges gained from the survey cohort.

Figure 10.52 New pledges gained in 2009/10

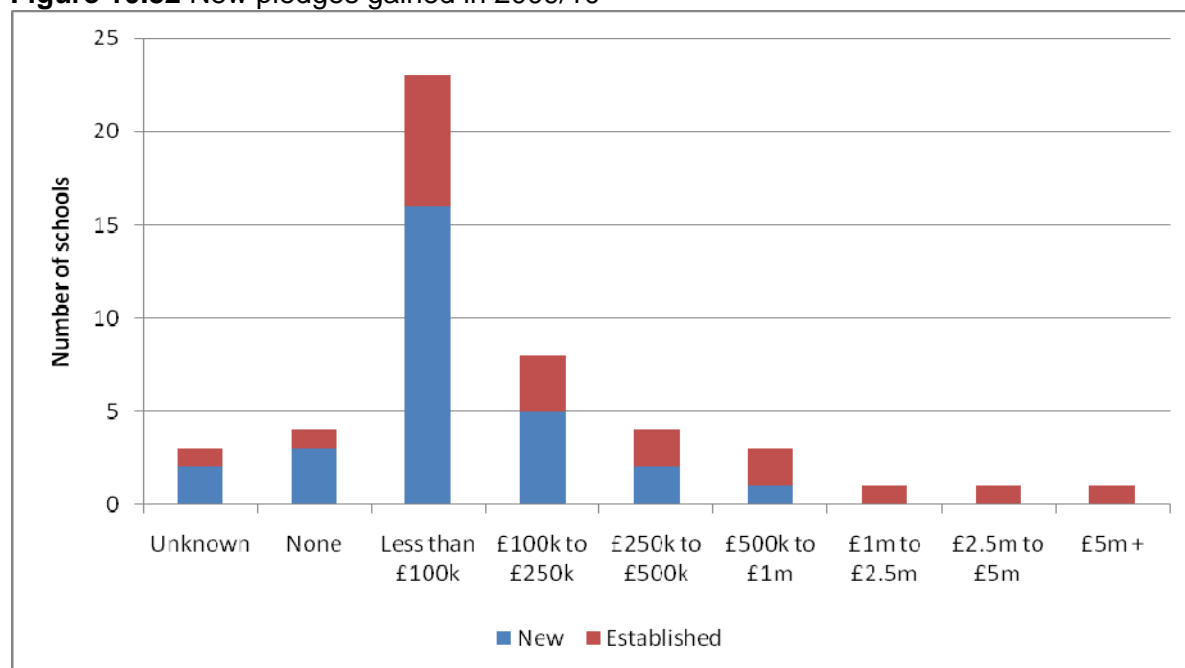


Figure 10.53 shows the number and value of large gifts received while Figure 10.54 and 10.55 shows the source of these gifts. Figure 10.56 shows the income received according to the Development Office's fundraising phase.

Figure 10.53 Breakdown of gifts

	All Development Offices	Established Dev. Offices only
Mean no. of gifts gained over £25,000	3.8	6.4
Mean no. of gifts between £2,500-£24,999	13.3	20.8
Mean no. of donors in last 5 years	613	806
% of alumni donors over last 5 years	5.0%	6.4%
Mean largest non legacy cash gift received	£202,551 (min £5,000; max £3m)	£358,096 (min £5,899; max £3m)
Mean largest confirmed pledged	£209,123 (median £50,000)	£371,368 (median £129,000)
Total value of Gifts in Kind	11 schools only Total £303,626	3 schools only Total £100,586
Mean % of academic staff to give to the school	4.2%	6.2%
Mean % of support staff to give to the school	4.4%	7.6%
Mean % of governing body to give to the school	34.1%	35.2%

Figure 10.54 Source of gifts

Source of gifts	Mean amount received by all schools	No. of schools to gain gifts from this source	Mean amount received from only those schools who received gifts from this source	% of total received at bank for all Dev. Offices	% of total received at bank for Established Dev. Office only
Non-parent alumni	£341,032	43	£364,825	47.7%	56.5%
Current parents	£168,896	41	£189,493	23.6%	20.4%
Non-personal charitable Trust or Foundation	£61,505	22	£128,601	8.6%	7.9%
Past parents	£55,929	37	£69,533	7.8%	8.9%
Statutory	£34,693	1	£1,595,878	4.8%	0.0%
Other	£26,915	13	£95,238	3.8%	3.8%
Friends/Individuals	£17,535	33	£24,443	2.5%	1.2%
Company	£9,029	15	£27,689	1.3%	1.3%

Figure 10.55 Source of largest non legacy gift received at bank during the financial year 09/10

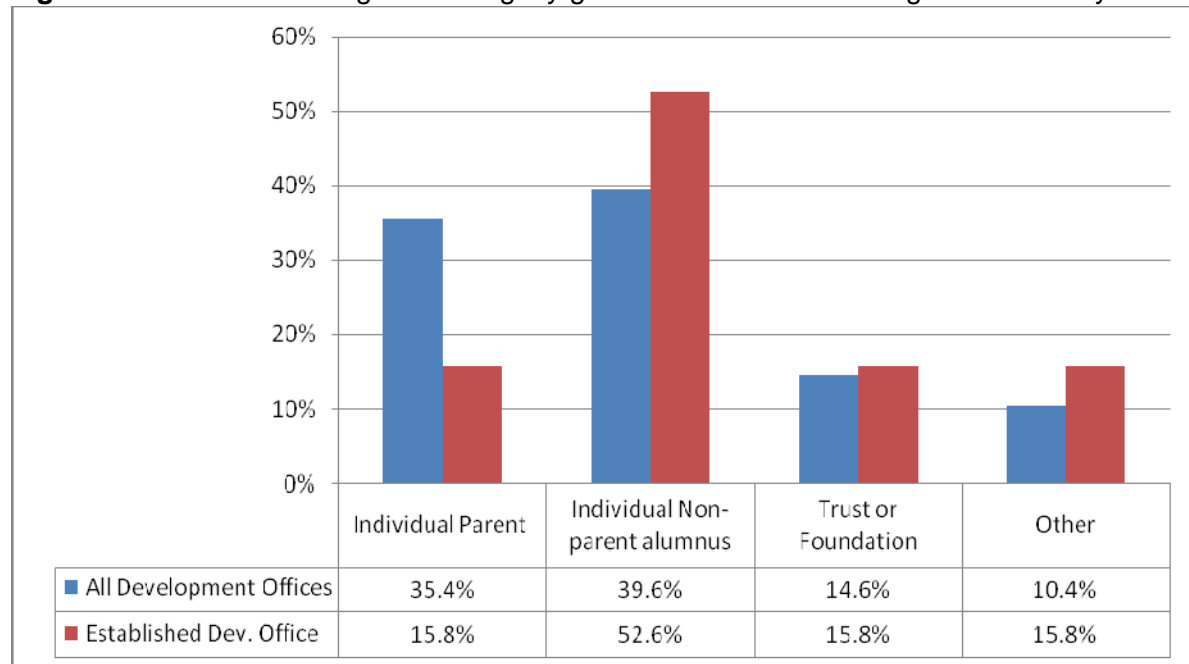
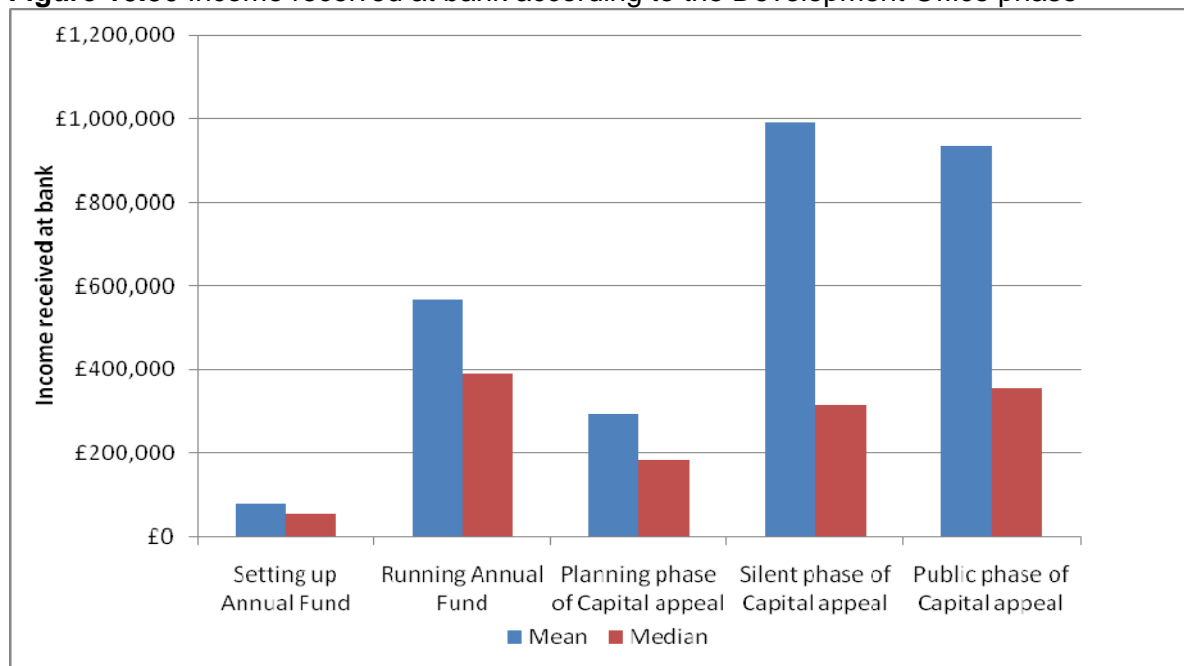


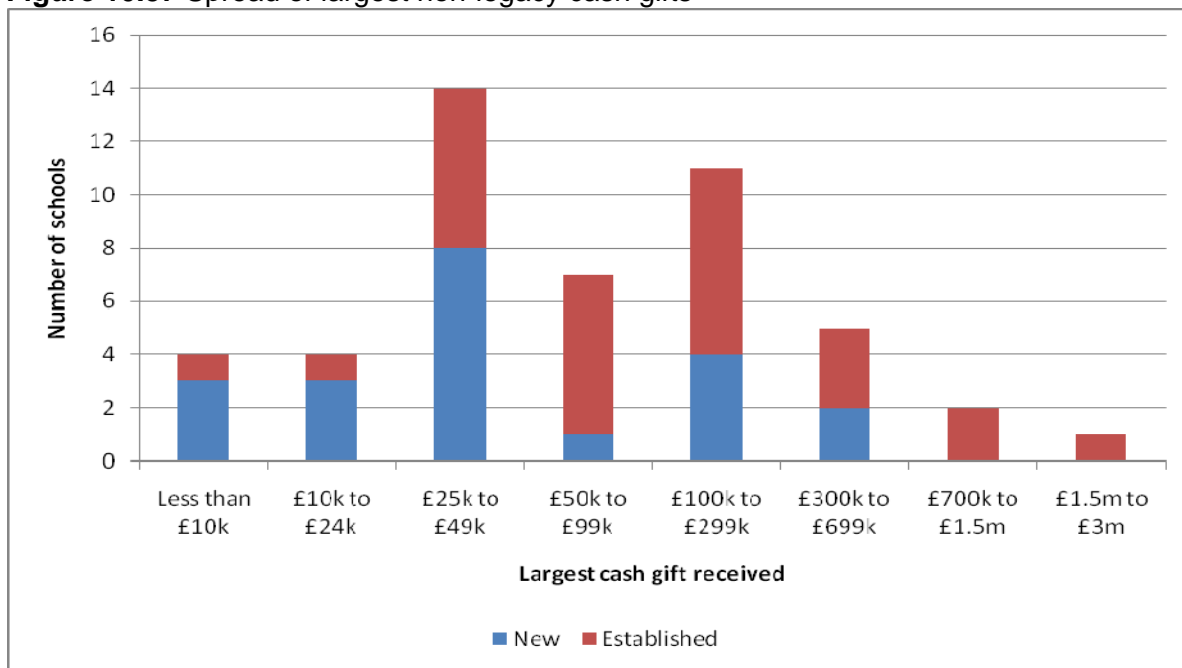
Figure 10.56 Income received at bank according to the Development Office phase



Summary Discussion

- Between 2007/08 and 2009/10 the total amount raised has remained at around £29m even though more schools have set-up Development Offices each year (39, 44, 48).
- For most survey measures in 2009/10 there was a large variation in fundraising between schools. The largest and most established Development Offices usually produced the highest figures (Figures 10.51 & 10.52). For example, five established Development Offices accounted for 49% of the total income received at bank in 2009/10 by the survey cohort.
- Schools rely heavily on new income received each year. Just 29% of cash received at bank was from pledges secured in previous years. This rose to only 33% for established Development Offices.
- When total income received at bank and new pledges secured for payment in the subsequent five years are combined, the mean amount raised by established Development Offices is £1.76m whereas at new Development Offices it is £0.42m.
- Arguably Figure 10.53 shows the increased returns that come from Development Offices who have been fundraising for longer. Figure 10.57 shows the spread of the largest non-legacy cash gift received at bank. It is clear from this that those schools who were investing in fundraising in 2003/4 are receiving bigger gifts in 2009/10 than those who have started subsequently.

Figure 10.57 Spread of largest non-legacy cash gifts

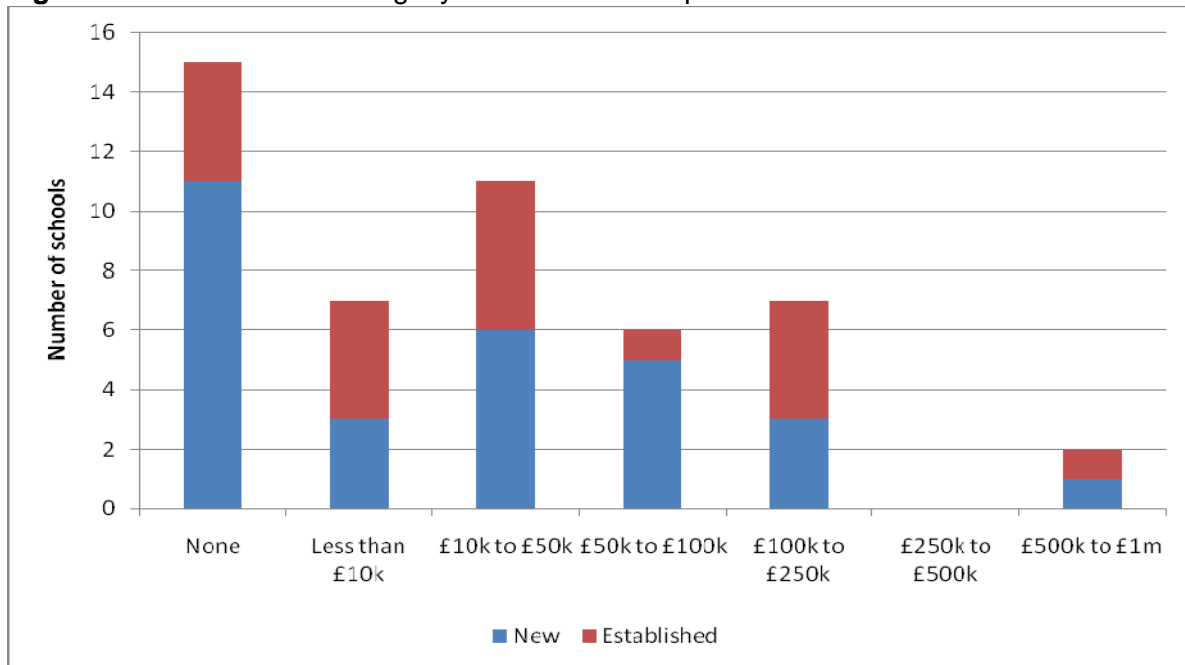


- Established Development Offices have a higher percentage of alumni donors (1.4%). 64% of all donors to established Development Offices were alumni compared with 57% to new Development Offices.
- 4 schools have managed to get over 10% of their alumni to make a gift over the last five years with the best being 19.5%.
- Figure 10.54 shows that by far the biggest source of gifts are from ‘Non-parent alumni’.
- Alumni provide twice as much income as current parents but the much smaller parent pool would suggest that individually, current parents make bigger gifts. In fact, each alumnus gave a mean gift of £45.17 whereas each current parent (total parents were worked out by taking the mean number of pupils at the school between 11-18yrs) gave a mean gift of £200.84.
- Figure 10.55 shows that newer Development Offices gain their largest gifts from parents whereas established Development Offices are more likely to get their largest gift from alumni.

Legacy Results

£3,562,971 was gained from legacy income (mean £74,229; median £10,000) during the financial year.

Figure 10.58 Total value of legacy income received per school



Legacy Discussion

- Figure 10.58 shows that the majority of schools received less than £250,000 in legacy income.
- Legacy programmes can take many years to show a return and so it may be expected that established Development Offices gain the most new legacies.
 - However, there is a similar spread of legacy income received from both new and established Development Offices.
 - There is, however a difference in the number of new legacy pledges secured, where new Development Offices gained an average of 3.3 new legacy pledges during the financial year 2009/10 and more established Development Offices receiving an average of 7.2 new legacy pledges during the same period.

Fundraising Method Results

The following tables only include those schools that provided a full set of results in order that fair comparisons can be made. Median figures are shown with means in brackets.

Figure 10.59a One to One meeting results

	Alumni	Parents	Other
No. of schools who conducted One to One meetings	23	20	20
Median number of individuals met (means)	24 (31)	10 (12)	3 (10)
Mean % of those met to make a gift or pledge	41.0%	44.2%	84.5%
Median new income received from these meetings (means)	£54,000 (£132,278)	£40,360 (£62,005)	£10,000 (£19,459)
Median new income pledged for the year 2010/11 from these meetings (means)	£46,965 (£132,396)	£16,500 (£37,500)	£20,000 (£13,692)

Figure 10.59b Telephone fundraising results

	Alumni
No. of schools to conduct telephone campaigns	7
Median number of alumni selected for a call (means)	1,087 (1,801)
Median % of alumni contacted (means)	35.5% (40.8%)
Mean % contacted to make a gift or pledge	38.1%
Median new income received at bank in 09/10 from these calls (means)	£36,917 (£45,126)
Median new income pledged for the year 2010/11 from these calls (means)	£16,747 (£28,674)

Figure 10.59c Fundraising postal mailing results

	Alumni	Parents	Other
No. of schools to conduct fundraising mailings	26	22	13
Median number of prospects selected for a mailing (means)	4,300 (3,957)	778 (1,045)	600 (1,657)
Mean % mailed to make a gift or pledge	3.0%	8.8%	3.5%
Median new income received from these mailings (means)	£19,522 (£48,978)	£13,717 (£29,486)	£4,595 (£14,272)
Median new income pledged for the year 2010/11 from these mailings (means)	£5,565 (£12,958)	£2,130 (£2,058)	£1,702 (£2,560)

Fundraising Method Discussion

- Figure 10.59a shows that the ratio of alumni to parent meetings is over 2:1 which is understandable - there are more alumni. Future pledges from parents are relatively small which suggests that parents prefer making single donations.
- Figure 10.59b shows that the pledge success rate of 38.1% from telephone calls is only slightly lower than the pledge rate from one to one meetings (41.0%). The mean and median figures for gifts received at bank are similar which suggests that large gifts are unlikely to be gained through telephone calls.

- Figure 10.59c shows that mailings to parents achieve a better response rate than other constituents, however, in terms of income received, alumni outperform the parents (as more alumni will be mailed). However, the mean and median new income from alumni are quite different which suggests that the occasional large donation is gained from mailings. Mailing campaigns are poor at gaining future pledges when compared to telephone campaigns and one to one meetings.

10.6 Expenditure

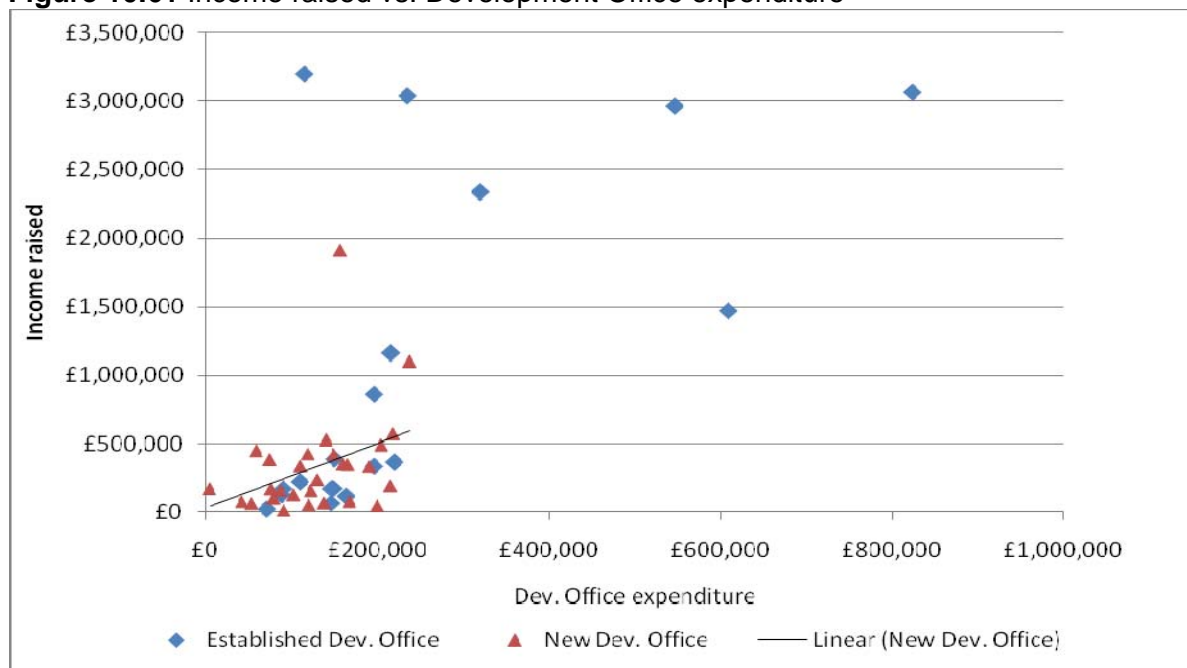
Results

The total expenditure on development activity during the financial year 2009/10 was £8,206,169 (median £146,156; mean £174,599). 63.8% of the total mean expenditure was spent on staff costs with the rest going on non-staff costs.

£2,616,692 (31.9%) of total Development Office expenditure was spent on alumni relations (median £43,604; mean £65,454). 53.1% of alumni relations expenditure was spent on staff costs with the rest going on alumni relations non-staff costs. Of this alumni relations non staff costs 46.0% was spent on alumni communications (including the alumni magazine), 32.6% on alumni events and the remaining 21.4% on other alumni relations activities.

Development Offices also spent a total of £411,397 on activities not directly related to fundraising or alumni relations (e.g. marketing, lettings, etc). Only 14 Development Offices fell into this category and the difference between the minimum and maximum amount spent in this area varied significantly, £1,000 - £150,188. Figure 10.61 shows what Development Offices spent in comparison to what they raised.

Figure 10.61 Income raised vs. Development Office expenditure

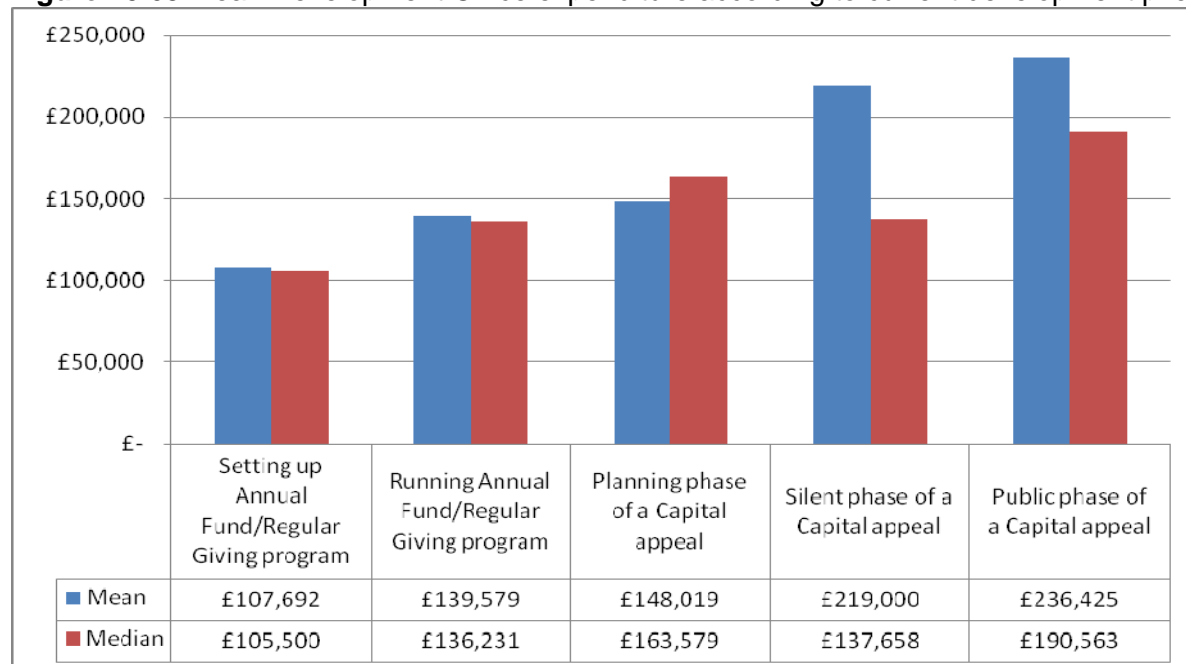


Discussion

- In 2009/10, the total median ROI for the sector stood at 101% (mean 266%) with the sector spending 50p (mean 27p) to raise every £1 of income. This was a decrease from the 2008/09 figures where the median ROI was 105% with 49p being spent to raise every £1 of income.
 - For established Development Offices the median cost was 45p (mean 23p) per £1 raised in 2009/10.
 - For new Development Offices the median cost was 63p (mean 37p) per £1 raised in 2009/10.

- Expenditure on alumni relations will be partially dictated by the size of the alumni base as a school with a larger alumni base will have to spend more in order to run a successful fundraising programme.
- Figure 10.61 shows that those schools who have the biggest budgets are also the same schools who raise the most. Generally speaking, those with the largest budgets are the established Development Offices. The linear line shows the line of best fit for the new Development Offices.
- The current phase of the Development Office is also likely to have a significant impact on expenditure. This is highlighted in figure 10.63. Those embarking on capital appeals have the largest expenditure.

Figure 10.63 Mean Development Office expenditure according to current development phase.

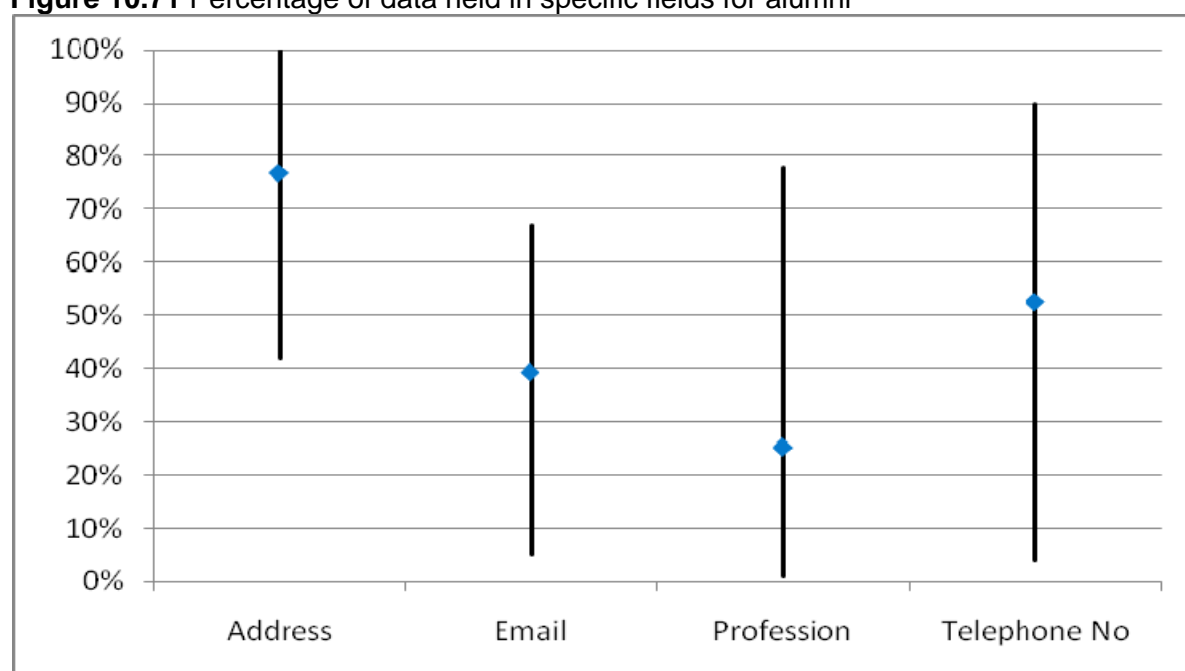


10.7 Databases, online facilities & events

Results

85% of Development Offices use a professional CRM. The largest number of alumni records stored is 15,900 with the smallest being 1,897 (mean 7,235). Figure 10.71 shows the max, min and mean percentage of record types stored for the alumni.

Figure 10.71 Percentage of data held in specific fields for alumni



60.4% of schools have an online giving facility. Of those schools that have this facility, they gained an average of 7.3 online gifts during 2009/10.

56.3% of schools allow their alumni to access and update their details online. Schools that allow alumni to update their records, have valid addresses for 77.6% of alumni and professions recorded for 24.3% of alumni. Those schools that do not provide online access to their alumni, have valid address details for 75.1% of alumni and professions for 24.7% of alumni.

85.4% of Development Offices send news/updates to their alumni via email. However, of this group only 46.3% send these emails on a regular basis. The remainder send out emails more sporadically.

25,949 alumni attended a school event last year (mean 564; median 433). 68.8% of schools hold overseas events.

Discussion

- Established Development Offices have 11% more alumni records than the mean. This suggests that schools with larger enrolment numbers set up Development Offices earlier or, over time, the established Development Offices have found and added more alumni to their database.
- On average schools have professions recorded for only 25% of their alumni database. 8/48 schools had professions recorded for more than 50% of their alumni.

- Providing on-line access to alumni does not seem to increase the amount of alumni information recorded.
- The survey did not seek to identify whether schools were running dedicated online giving campaigns and so it is not possible to determine whether this figure is an indicator of the failure of online giving campaigns, or simply as a result of so few schools making active use of the facility. However, we were surprised by the low number of gifts being made online.

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The team (at Buffalo, the Working Group and our advisors) have worked hard on this report because since 2009 we have championed the existence of some form of benchmarking for the schools' fundraising community. From the beginning we have argued that the overall findings of the survey should be made available in the public domain. We are delighted therefore to be able to do so.

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