CHARACTERISTICS OF FLORIDA’S EDUCATION FOUNDATIONS AND THE RELATIONSHIP TO REVENUE GENERATION

By

STACY CARLSON

A DISSERTATION PRESENTED TO THE GRADUATE SCHOOL OF THE UNIVERSITY OF FLORIDA IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

UNIVERSITY OF FLORIDA

2011
ACKNOWLEDGMENTS

I would like to thank my committee members, Drs. Luis Ponjuan, David Honeyman, John Kranzler, and Bernie Oliver, for their support and guidance throughout this process. I would like to give special thanks to my committee chair, Dr. Luis Ponjuan, for his unwavering commitment, encouraging words, and determination to see me through to the end. His mentorship helped me turn what seemed at times to be impossible to possible. He was my greatest cheerleader to whom I will be forever grateful.

I would also like to thank the Consortium of Florida Education Foundations, in particular Mary Chance, for supporting and informing this research. I would like to thank my mentors and colleagues for encouraging me throughout my coursework and dissertation. I am particularly grateful to Terry Boehm. He took a chance on me years ago by giving me my first professional job at the Hillsborough Education Foundation, which introduced me to this incredible field. He has been an incredible friend and coach. I also wish to thank the University of Florida donors, through the Alumni Fellowship Program, and Helios Education Foundation who made possible this opportunity for study.

I wish to thank my parents, my husband’s family, and my friends for serving as a support system for myself and my family. I am especially grateful for the love and support of my husband, Bill, and children, Trey, Jacob, and Jon Luke, throughout this long journey. They never gave up on me and they never let me give up on myself. Their support and patience has been paramount to my success.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACKNOWLEDGMENTS</td>
<td>3</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>7</td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
<td>8</td>
</tr>
<tr>
<td>ABSTRACT</td>
<td>9</td>
</tr>
<tr>
<td>CHAPTER</td>
<td></td>
</tr>
<tr>
<td>1 INTRODUCTION</td>
<td>11</td>
</tr>
<tr>
<td>Introduction</td>
<td>11</td>
</tr>
<tr>
<td>Research Question</td>
<td>12</td>
</tr>
<tr>
<td>Historical Perspective and Trends</td>
<td>13</td>
</tr>
<tr>
<td>The Beginnings of Private Funding in Education</td>
<td>15</td>
</tr>
<tr>
<td>Description and Role of K-12 Education Foundations</td>
<td>20</td>
</tr>
<tr>
<td>Purpose of the Study</td>
<td>22</td>
</tr>
<tr>
<td>Scope of the Study</td>
<td>23</td>
</tr>
<tr>
<td>Contributions of the Study</td>
<td>23</td>
</tr>
<tr>
<td>Summary of Chapter 1</td>
<td>25</td>
</tr>
<tr>
<td>2 LITERATURE REVIEW</td>
<td>26</td>
</tr>
<tr>
<td>Introduction</td>
<td>26</td>
</tr>
<tr>
<td>Key Operational Definitions in the Research Literature</td>
<td>27</td>
</tr>
<tr>
<td>Higher Education Research Literature</td>
<td>29</td>
</tr>
<tr>
<td>Role of President in College/University Fundraising</td>
<td>30</td>
</tr>
<tr>
<td>Role of the Chief Development Officer in Higher</td>
<td>33</td>
</tr>
<tr>
<td>Education Fundraising</td>
<td></td>
</tr>
<tr>
<td>Understanding the Complementary Roles of the</td>
<td>35</td>
</tr>
<tr>
<td>University Board of Trustees and</td>
<td></td>
</tr>
<tr>
<td>the Institutionally Related Foundation Board of</td>
<td></td>
</tr>
<tr>
<td>Directors</td>
<td></td>
</tr>
<tr>
<td>Summary of Higher Education Research Literature</td>
<td>37</td>
</tr>
<tr>
<td>K-12 Education Foundation Research Literature</td>
<td>38</td>
</tr>
<tr>
<td>Role of a K-12 Foundation’s Board of Directors</td>
<td>39</td>
</tr>
<tr>
<td>Role of School Leadership</td>
<td>41</td>
</tr>
<tr>
<td>Summary of Higher Education and K-12 Education</td>
<td>43</td>
</tr>
<tr>
<td>Foundation Research</td>
<td></td>
</tr>
<tr>
<td>Resource Dependency Theory</td>
<td>43</td>
</tr>
<tr>
<td>Application of Resource Dependency Theory to</td>
<td>46</td>
</tr>
<tr>
<td>Education Foundation Research</td>
<td></td>
</tr>
<tr>
<td>Conceptual Model</td>
<td>47</td>
</tr>
<tr>
<td>Summary of the Conceptual Model</td>
<td>49</td>
</tr>
<tr>
<td>3 METHODOLOGY</td>
<td>52</td>
</tr>
<tr>
<td>Introduction</td>
<td>52</td>
</tr>
</tbody>
</table>
# FUTURE RESEARCH AND HIGHER EDUCATION ADMINISTRATION RECOMMENDATIONS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>94</td>
</tr>
<tr>
<td>Future Research</td>
<td>94</td>
</tr>
<tr>
<td>Recommendations for K-12 Education Foundations</td>
<td>96</td>
</tr>
<tr>
<td>Summary of Chapter 6</td>
<td>100</td>
</tr>
</tbody>
</table>

## APPENDIX

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A EDUCATION FOUNDATIONS OF FLORIDA SURVEY</td>
<td>101</td>
</tr>
<tr>
<td>LIST OF REFERENCES</td>
<td>108</td>
</tr>
<tr>
<td>BIOGRAPHICAL SKETCH</td>
<td>117</td>
</tr>
</tbody>
</table>
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-1</td>
<td>Education foundation by population density (n = 30)</td>
<td>71</td>
</tr>
<tr>
<td>3-2</td>
<td>Education foundation board of directors by sector (n = 674)</td>
<td>72</td>
</tr>
<tr>
<td>3-3</td>
<td>Years as executive director of the foundation (n = 27)</td>
<td>72</td>
</tr>
<tr>
<td>3-4</td>
<td>Years of fundraising experience (n = 28)</td>
<td>72</td>
</tr>
<tr>
<td>3-5</td>
<td>Frequency of employment status by foundation location (n = 30)</td>
<td>72</td>
</tr>
<tr>
<td>3-6</td>
<td>Years of executive director’s fundraising experience by location (n = 28)</td>
<td>72</td>
</tr>
<tr>
<td>3-7</td>
<td>Factor scale and survey items for level of fundraising activity</td>
<td>73</td>
</tr>
<tr>
<td>3-8</td>
<td>Factor scale and survey items for fundraising belief statements and revenue generation</td>
<td>73</td>
</tr>
<tr>
<td>3-9</td>
<td>Summary of independent variables and indices</td>
<td>74</td>
</tr>
<tr>
<td>4-1</td>
<td>Analysis of mean for executive director’s fundraising behavior</td>
<td>81</td>
</tr>
<tr>
<td>4-2</td>
<td>Analysis of mean of education foundation revenue</td>
<td>82</td>
</tr>
<tr>
<td>4-3</td>
<td>Analysis of mean for superintendent’s fundraising behavior</td>
<td>82</td>
</tr>
<tr>
<td>4-4</td>
<td>Revenue generation one-way ANOVA by board of directors’ private sector representation</td>
<td>82</td>
</tr>
<tr>
<td>4-5</td>
<td>Scheffe’s post-hoc tests of mean differences for total revenue by private sector representation on board of directors</td>
<td>82</td>
</tr>
<tr>
<td>4-6</td>
<td>Standardized beta coefficients for blocked entry regression on revenue (n = 22)</td>
<td>83</td>
</tr>
</tbody>
</table>
## LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-1</td>
<td>Conceptual model of education foundations revenue generation.</td>
<td>51</td>
</tr>
</tbody>
</table>
CHARACTERISTICS OF FLORIDA’S EDUCATION FOUNDATIONS AND THE RELATIONSHIP TO REVENUE GENERATION

By

Stacy Carlson

August 2011

Chair: Luis Ponjuan
Major: Educational Leadership

The purpose of this study is to better understand the characteristics that lead to revenue generation in K-12 education foundations. I reviewed higher education and K-12 education fundraising research literature to identify factors that might be related to success in private revenue generation. The review revealed three key factors explored throughout this research study: the school superintendent, the education foundation’s board of directors, and the education foundation’s highest paid executive. The review of the literature provided a means for extracting the information that offered a more detailed analysis of the identified factors. Survey questions were developed to elicit information on individual behaviors, beliefs, attitudes, and facts about education foundations related to these three key organizational positions.

This researcher examined individual and organizational characteristics from a sample of education foundations in Florida. The data for the study were drawn from the 2011 administration of the Education Foundations of Florida Survey, which was created specifically for this study. The sample included 30 education foundations from a field of 55 education foundations in Florida.

The study included t-test comparisons and analysis of variance (ANOVA) to compare between-group differences. Sequential multiple regression analyses were used to explore the
effects of the combination of multiple independent variables that best explain revenue
generation.

The results of this study indicate a relationship among the education foundation’s revenue, the level of the executive director’s behavior in fundraising activities, and the total number of the education foundation’s board members. The results suggest that merely having an executive director is not enough to generate revenue for an education foundation. The executive director’s active engagement in fundraising activities may impact revenue. Also, by having a large board of directors, the education foundation may broaden its influence and ability to attract an increased number of donors. A larger board of directors could lead to increased revenue. Furthermore, no evidence supported the idea that the age of the foundation, private sector representation on the board of directors, employment status of the executive director, years of executive director’s fundraising experience, years served as executive director, the board of directors and superintendent’s level of involvement in fundraising, or the board of directors and the executive director and superintendent’s beliefs about fundraising engagement influenced revenue generation.

The results of this study can support school districts and education foundations that seek to engage in fundraising activities, particularly from private sources, such as corporations, individuals, and private foundations. The findings suggest that education foundations might benefit from employing an executive director who frequently engages in fundraising activities. Additionally, increasing the size of the board of directors could also contribute to greater amounts of revenue. It is recommended that school districts and education foundations engage collaboratively to support an organizational structure for the education foundation that will lead to increased fundraising capacity and revenue generation.
CHAPTER 1
INTRODUCTION

Introduction

Kindergarten through post-secondary educational institutions have received more philanthropic dollars in recent history than ever before. In 2008, giving to K-20 education totaled $40.94 billion (Giving USA Foundation, 2009). In the past eight years, contributions to K-20 education have more than doubled. According to the Giving USA Foundation (2009), the education sector was the second largest recipient category for private donations, only behind religious-affiliated organizations. Historically, higher education institutions have traditionally received the majority of the donated funds. However, a shift has occurred whereby corporations and foundations are beginning to give K-12 education more attention and a larger amount of their philanthropic funding. The increase in private donations to K-12 education followed several significant events in K-12 public education.

The first event occurred in the 1970s with a major redesign of public education funding model. This redesign created a situation in which formerly moderate to wealthy school districts received less funding through the implementation of “equity legislation,” which took financial resources away from their districts and gave them to under-resourced school districts. Then in 1983, the national education report entitled A Nation at Risk was released, drawing public attention to the dire state of public education (National Commission on Excellence in Education, 1983). More importantly, the report caused many business and community leaders to get involved in crafting solutions to the education challenges outlined in the report. Finally, a critical moment in education funding occurred in the 1990s due to the increased commitment to school reform and investment in technology infrastructure. These events created a different
funding environment that served as a catalyst for school district administrators to seek alternative funding sources to support both new and ongoing educational initiatives for K-12 public school districts.

Along with these drastic shifts in the economics of education and the historic increases in private funding, many educational organizations have created education foundations to collect, manage, and distribute the financial largesse. Compared to their education foundation peers in higher education, K-12 education foundations are the least experienced in sustaining and managing these revenues (Parry, 1992; Rennebohm, 1981). While K-12 education foundations attempt to play a critical role in the education funding process, there is scant empirical evidence that helps researchers, policymakers, and foundation leaders understand how K-12 foundations differ from postsecondary foundations, how K-12 foundations are organized, and how they function. Toward that end, the purpose of this study is to examine how K-12 education foundations cultivate, solicit, and manage the strategic fundraising process to ensure future funding.

**Research Question**

While still lagging significantly behind higher education, recent data indicate an increase in private funding being invested in K-12 public schools (Giving USA Foundation, 2006). Since K-12 education foundations are relatively new in the education foundation landscape, few researchers have examined how these foundations are structured and function. A majority of the extant research literature has focused solely on higher education foundations. The dearth of literature on K-12 education foundations and the importance of how they support public education guided the focus of this study. The following research question directs this study: What is the relationship between a K-12 education foundation’s organizational and individual characteristics and a K-12 education foundation’s revenues? Moreover, I will examine how the
individual characteristics of the school district superintendent, the education foundation’s executive director, and the organizational characteristics of the education foundation’s board of directors affect K-12 education foundation revenue.

This research question evolved from an analysis of previous research literature on K-12 education foundations (Clark, 2002; Hammack, 1984; Hyatt, 1992; Lamm, 2002; Lease, 1988; Nesbit, 1985; Pinto, 1996; Tunnison, 1991). These research studies highlighted the need for additional examinations of educational foundations’ structures and operations. Some researchers have examined the elements of successful foundations (Lease, 1988; Nesbit, 1985; Tunnison, 1991), acquisition of resources (Clark, 2002; Hammack, 1984; Pinto, 1996), and a historical analysis of the impact of education foundations (Hyatt, 1992; Lamm, 2002). The research question is connected to previous research, which focused on education foundations in both higher education and K-12 education. This research area has a robust historical background, which is important to understanding the significance of private sector funding for K-12 education foundations.

**Historical Perspective and Trends**

To fully understand private sector funding to K-12 public education, this review will briefly explore the history and trends of giving in a broader context of K-20 education. In an environment of scarce, inflexible financial resources, K-12 public education follows the example set by higher education in recruiting greater involvement and donations from the individuals, corporations, and private foundations. Institutional leaders in K-12 public education have come to realize they are not alone in their focus to improve academic achievement for all students, but they also recognize the limitations of their current funding sources. Businesses, individuals, and private foundations are creating new partnerships to assist K-12 education through donating their time, expertise, and financial contributions.
Since the 1983 release of *A Nation at Risk*, businesses have taken a more active role and placed greater financial investment in public education. According to the Boston College Center for Corporate Citizenship and the Hitachi Foundation (2009), education is the number one social issue supported by private corporations (p. 30). In 1997, 30% of corporate philanthropic contributions went to education, and in 2009 that percentage increased to 46% (Boston College Center for Corporate Citizenship, 2009, p. 30). According to Ferguson (1996), corporations are turning to elementary and secondary education funding because they see the connection between their future workforce and literate, well-trained job applicants. These donations provide the opportunity for schools to spend their dollars on high priority educational needs, which are not supported through the traditional funding of federal and state allocations and local taxes. Since corporations account for approximately $4.5 billion in charitable giving across all sectors, the creation of new K-12 education foundations will increase the demand for these dollars across all education foundations.

In 2003, private foundation giving to K-12 education exceeded its giving to higher education for the first time (Lewin, 2005). Private foundations are endowed nonprofit, grant-making organizations typically funded through individual or corporate contributions. According to the Foundation Center (as cited by Lewin, 2005), which tracks and analyzes foundation giving, private foundations, such as the Bill and Melinda Gates Foundation, gave $1.23 billion in grants to elementary and secondary schools in 2003, while grants to higher education totaled $1.12 billion. In contrast to just 10 years ago, higher education grants significantly outpaced K-12. Grants to K-12 represented $620 million, and foundation grants to higher education were $1.07 billion (Giving USA Foundation, 1999).
The Beginnings of Private Funding in Education

Fundraising in the name of American education marks its beginnings in the early 1600s. In 1641, William Hibbens, Hugh Peter, and Thomas Weld undertook the first organized fundraising activities for an American educational institution (Worth, 1993, pp. 18-19). They sought contributions from British citizens for the purpose of helping a struggling Harvard College.

Fundraising was a necessary component of the private college and university beginnings in America. This trend continued to grow throughout higher education, reaching beyond the “private” school domain to include public universities. And fundraising moved from a mode of providing “seed money” to start an organization to a method of diversifying funding for existing institutions.

Public universities started their development efforts in the late 19th and early 20th centuries. As a response to unreliable tax support and budget cuts, public colleges and universities began relying on private sector support (Moore, 2000). Kansas University was the first public university to start an “institutionally affiliated” foundation (Rennebohm, 1981). Others soon followed suit because they recognized that they could protect their donations and offer increased flexibility to donors (Reilley, 1985). As more public universities and colleges were established, state appropriations for these schools declined, but increasing student enrollment created greater need (Kelley, 1999). Concerned alumni and community citizens responded to this crisis by establishing alumni associations. These associations charged member dues to raise money for their institutions. In a short time, alumni organizations started raising money based on an individual’s ability to give instead of a standard amount for everyone (O’Steen, 1986).
In the late 19th century, the state of Kansas seized the private donations made to Kansas University and applied them to that university’s operating budget. This reapplication reduced the amount of money the state allocated to the school by replacing the state dollars with private donations. Outraged donors fought back and established an “institutionally affiliated” foundation, which gave an autonomous, private organization control over donations given to benefit Kansas University. The creation of an “institutionally affiliated foundation” gave the organization the ability to legally operate apart from the public institution it supported and maintain control over their donations without fear that their private funds would become part of the public budget (Kelly, 1989).

Private support for public universities experienced tremendous growth starting in the 1980s (Milley, 1991). Previously, public universities primarily relied on tuition, state and federal taxes, fees, and income from auxiliary ventures to generate revenue to cover operating expenses. Although income from these sources continued to rise, so did the cost of operating the institution. Moreover, in the 1970s, public universities began to experience a reduction in flexibility they had with government funding. Rather than large sums of undesignated funding, universities began receiving their funding in very specific grants that required a certain type of work, expenditures, and outcomes. The universities responded by seeking alternative revenues to maintain control of institutional priorities at the local university level (Slaughter & Leslie, 1997). According to Slaughter and Leslie, “Resource dependency theory suggests that as unrestricted moneys for higher education constrain, institutions within a national system will change their resource-seeking patterns to compete for new, more competitively based funds” (1997, p. 65).
The use of the term “development” to describe fundraising activities emerged for the first time at Northwestern University and the University of Chicago in the 1920s (Miller, 1991; Stuhr, 1977). “Development” became known as the inclusive definition for all activities in support of raising money for institutions. These activities include donor research, cultivation, solicitation, planned giving, alumni relations, and so forth. According to Miller (1991), institutional advancement in higher education did not become a common function of university business until the 1970s. This additional function came as a result of revenue changes caused by decreasing state-funded block grants or undesignated funding available to universities and greater emphasis on governmental research grants or designated funding (Slaughter & Leslie, 1997).

Many university and college foundations were founded for the purpose of improving the “margin of excellence” for these institutions (Rennebohm, 1981). Simic (1985) made the case that most large donors give to the institution to enhance the basic education requirements funded by the state, providing a greater level of excellence. The emphasis on excellence and enhancement was an opportunity for the universities to find external funding that supported the internal priorities and unique programming that created higher quality experiences for students and faculty beyond what government funding provided.

From 1971 to 1972, private giving to public universities represented $356 million (Worth, 1985, pp. 18-19). According to “The 2011 Statistical Abstract” from the US Census Bureau from 1990 to 2009, private support had grown from $9.8 billion to $28 billion. This growing trend suggests the importance of the relationship between private funding and postsecondary institutions that are focused on specific institutional goals.

In a similar fashion, K-12 public education also saw a decrease in traditional governmental funding sources. In the late 1970s, state governments began to make changes to how local public
schools were funded. The 1970s were a time of high inflation, a national recession, lower public funding due to declining student enrollment, and federal budget cuts (Lake, 1985). Public school finance faced serious changes with the introduction of state equity and adequacy legislation (Merz & Frankel, 1995). In 1976, a watershed was created in California in public education funding with the Serrano v. Priest decision. The California Supreme Court directed the state to equalize the amount of school funding across school districts based on equal per-pupil funding (Shoemaker, 1983). This attempt at equity in school funding forced wealthy school districts to subsidize poorer school districts with an equal amount being spent on each student, regardless of the socio-economic status of the community where the student attended school.

In 1978, taxpayers voted in favor of Proposition 13, which reduced the school districts’ abilities to raise local revenues in support of local schools. Proposition 13 further limited the ability of the wealthier communities to invest more local revenue in their schools, and it equalized the funding across districts. Clay, Hughes, Seely, and Thayer (1985) traced the growth of educational foundations to the impact of California passing Proposition 13. Around the same time, many other states faced taxpayer revolts, which created tax-limitation measures, tax rollbacks, and spending caps (Mullins & Joyce, 1996). In several cases, limitations on school boards to tax residents to raise revenues for schools caused school districts to look elsewhere for funding. Citizens rallied to save programs being cut or reduced because they were solely dependent on tax-based funding sources. The financial disequilibrium created by budget cuts in K-12 education forced many in primary and secondary education to consider alternative sources of funding.

California, the “birthplace” of the education foundation movement, had its beginning as a direct result of the difficult economic times faced by many public schools. The first recorded
public school education foundation in modern times was The Laguna Beach Education Foundation, and it was incorporated in 1969 (Parry, 1992). Interest in education foundations grew in the post-Proposition 13 environment in California and other states as well. In response to the diminishing condition of public funding for education, schools were faced with the prospect of cutting employees, programs, and services. Many looked for new funding sources to help keep pace with state budget cuts. In California, 13 education foundations existed in 1978-1979 (Allen & Hughes, 1982). Nesbit (1985) found that 123 public school foundations were started in response to Proposition 13. Chmelynski (1999) added that the growth of education foundations stemmed from shrinking tax revenues, budget cuts, a shift of state funds to poor districts, a fear of losing students to private schools, and parents’ rising expectations.

School districts, as with their peers in higher education, sought to lessen their dependence on taxes as a main funding source by supplementing their revenue with private resources. Soon other states followed the legislative example set in California, and education foundations started flourishing as an alternative to supplementing lost programs and revenue (Addonizio, 1999; Brunner & Sonstelie, 1997; Merz & Frankel, 1995). By 1983, the proliferation of K-12 education foundations became known as the School Foundation Movement (Nesbit, 1985).

The K-12 public school districts joined the fundraising arena to help fill the gap between revenues and expenses, and to provide greater autonomy in their abilities to secure local funding for local priorities. Rather than cutting back on much needed programs, the school districts began seeking revenues from private donors. As school districts across the country felt the financial constraints of a conservative economic environment, equity and adequacy legislation, and increased demands for greater student achievement, they explored alternative, nontraditional funding for public schools.
Description and Role of K-12 Education Foundations

Many schools and school districts responded to the loss of revenue and increased educational needs by establishing local education foundations to raise money from the private sector. Education foundations became the conduit for private donations to the public schools. Hundreds of schools and school districts in California began education foundations, with hundreds of schools districts across the country following suit (Shoemaker, 1983). According to Morgan and White (1992), education foundations offered an opportunity to bypass the limitations of the tax base and raise significant sums of money. In 1982, the number of education foundations totaled around 100, but by 1983, that number more than tripled to 350 (Fiske, 1983). The number of locally funded and operated education foundations grew since the 1980s, with the largest growth occurring since 1989 (de Luna, 1998). The most recent study, conducted in 2001, showed more than 4,800 K-12 education foundations in the United States (McCormick, Bauer, & Ferguson, 2001).

Nationally, education foundations vary in size from supporting a single school, a group of schools, and/or an entire school district. They are found in rural, suburban, and urban districts alike. School administrators start most foundations, but the successful foundations include the active involvement of private citizens (Frankel & Merz, 1997). Most education foundations have 501(c)(3) status and an independent board of directors. Education foundation fundraising revenues vary from a few hundred to many millions of dollars each fiscal year. Education foundations use a variety of fundraising techniques, such as direct solicitations through the mail and telephone and special events. According to de Luna (1998), few education foundations advocate replacing tax revenue with private funds. However, parents and educators often praise the efforts of education foundations for providing enrichment support not offered through the school board-funded projects.
Education foundations typically raise small amounts of money compared to a school district’s budget. When donations are targeted, even small amounts make important improvements to school projects. Most foundations focus their efforts on enhancement programs and refrain from supplanting programs funded through tax dollars. Occasionally, education foundations provide funding for typical school board-funded initiatives, such as teacher salaries or buildings.

In 1984, the Florida Legislature enacted legislation allowing for the creation of direct support organizations for public school districts. The state law gave local school boards permission to establish education foundations. School districts in Florida are countywide, and the education foundations adopted the same geographical focus. The first four foundations began immediately, and soon the remaining counties followed. As of 2010, 55 of Florida’s 67 counties have established education foundations (M. Chance, personal communications, May 15, 2010).

The history of giving to K-12 education foundations demonstrates the growing and important function of private sector funding. Researchers have found that education foundations play a valuable role in securing resources for K-12 education. The growing interest in K-12 education among the philanthropic community also makes a compelling argument to examine the factors that affect K-12 education foundation revenue. Moreover, researchers continue to see other benefits to K-12 education through these foundations, such as building community commitment to public education, leveraging business leadership expertise, and creating important community relationships. For these reasons, it is important to analyze the relationship between K-12 education foundations’ organizational characteristics and K-12 education foundation revenues. Moreover, K-12 education foundations are relatively young and
inexperienced compared to their peers in higher education, creating a competitive disadvantage for the K-12 education foundations when vying for donors interested in education.

**Purpose of the Study**

The purpose of this study is to better understand fundraising in K-12 education foundations. A number of research projects on education foundations were conducted throughout the 1980s and into the 2000s (Adams, 1991; Albritton, 1983; Christner, 2006; Clark, 2002; Culbertson, 2008; Hammack, 1984; Lamm, 2002, Lease, 1988; Mark, 1986; Mummau, 2004; Neighbors, 1984; Nesbit, 1985; Newby, 1985; Parry, 1992; Pettit, 1987; Shaffer, 1988; Woodworth, 2007). These studies focused on a general description of the education foundations, organizational and governance structures, and, in some instances, a basic description of the fundraising process. An increasing number of public schools and school districts have expanded their private fundraising without a research-based guide of what characteristics contribute to an education foundation raising private revenue. With the growth of education foundations, more research is needed to help these groups create successful foundations.

I reviewed empirical research focused on fundraising in general, fundraising in higher education, and fundraising in K-12 education to determine organizational and individual characteristics associated with increased revenues. The review of the literature revealed how organizational and individual characteristics affected fundraising in educational settings. Some researchers focused on board organizational characteristics that influenced fundraising (Boguch, 1994; Hunter, 1987; Sharron, 1982; Woodbury, 1973). Other researchers examined the contribution that staff members make in raising money (Black, 1984; Clark, 2002; Dillon, 1990; Glandon & Keener, 1994; Nesbit, 1987; Willmer, 1980). The purpose of this study is to determine if similar organizational and individual characteristics affect fundraising in Florida’s
K-12 education foundations. In other words, will the superintendent’s involvement in fundraising impact the education foundation’s private revenue generation? Does the board of directors’ activities in fundraising impact the education foundation’s generation of revenue? Does an education foundation’s executive director impact the education foundation’s generation of private revenue?

Finally, I used quantitative analysis to answer these research questions. Previous K-12 foundation researchers did not conduct a statistical analysis of these factors in relationship to revenue generation. Rather, they conducted qualitative studies to determine the factors that contributed to success. In this study, I analyzed the effects of specific organizational and individual characteristics on K-12 education foundation revenue.

Scope of the Study

The scope of this study is to evaluate the organizational characteristics, as related to the revenue of Florida’s 55 education foundations. Based on the characteristics identified in the literature, I developed the Education Foundations of Florida Survey, which addressed such factors as: involvement of the superintendent in activities of the education foundation, involvement of the education foundation board of directors in activities of the education foundation, and the highest paid education foundation executive’s involvement in activities of the education foundation. No empirical research exists on this population of education foundations. The countywide structure of school districts in Florida provided for a limited number of possible study participants, which made it important to include all of them in this study.

Contributions of the Study

This study provides various contributions to K-12 education foundation research. Higher education has optimized its fundraising model, resulting in hundreds of billions of dollars of
private sector donations. These donations have offered great flexibility in higher education to delve deeply into academics, provide better scholarship to its students, and allow for the institution to develop cutting-edge research that would not be funded through tax dollars.

The K-12 education foundations still struggle to build their capacity to join higher education in securing major gifts and more significant gifts from individuals, the largest donor base in philanthropy. The public schools also face an uphill battle with public pressure to cut expenses, work with smaller dollars for the classroom, improve results, and provide a multitude of services not directly related to instruction in the classroom. These reasons and other incentives have driven K-12 education to explore outside funding prospects. As characteristics identified in previous research which defined higher revenue generation conducted in higher education, I have focused this study on the relationship among a K-12 foundation’s private revenue generation and superintendent, board of directors, and highest paid staff member activities in fundraising. These factors are specifically identified in higher education and more broadly in nonprofit literature as important components of fundraising success.

This research is the first quantitative study of Florida's local education foundations. Similar studies were conducted in other states (Hammack, 1984; Hyatt, 1992; Lease, 1988; Tunnison, 1991). County-based school districts in Florida provide a unique atmosphere for fundraising when compared to a small-town school district.

The nonprofit sector will also benefit from this research. Fundraising in a public school setting is going through a major transition, for example, from car washes and spaghetti dinners to strategic fundraising development. Many schools are adopting a development process and seek to develop a favorable climate to attract support from a wide range of potential donors (Muro, 1995). The growing impact of giving to K-12 education foundations has the potential to change
the trends of fundraising, especially within the area of giving to K-12 public education. Signs of change are already evident. Giving to education has remained steady, with a slight decrease in 2009, which followed the trends of giving to health, arts, culture, and humanities (Giving USA Foundation, 2009). Another important consideration is the potential impact on individual giving with the creation of education foundations. Individuals account for 75% of charitable giving (Giving USA Foundation, 2009). As education foundations begin diversifying their funding bases and cultivating stronger connections with public school alumni, more individual contributions may return to the schools and districts where alumni graduated. This shift could impact the overall giving rate to other charities.

Summary of Chapter 1

Increasingly, education foundations are becoming a part of the fabric of K-12 and higher education institutions. However, the individual and organizational characteristics needed to optimize revenue generation are not widely understood or intentionally utilized. Researchers are examining characteristics of education foundations that contribute to increased revenue generation; however, there is scarce research on K-12 education foundations. Chapter 2 will provide a review of the extant research literature on higher education and K-12 education foundations as they relate to revenue generation.
CHAPTER 2  
LITERATURE REVIEW  

Introduction  

To understand the contributions of this study, I begin this chapter with the definitions of “nonprofit sector,” including “fundraising” and “education foundations.” Next, I talk about the literature that distinguishes the characteristics associated with acquisition of private resources in higher education and K-12 public education foundations. I discuss common findings among research studies on successful fundraising in higher education and K-12 public education foundations. I then underscore the deficiencies in the current research into the generation of private resources in K-12 public education. I will provide a theoretical framework to help guide this study and present a conceptual model that describes the relationship between the major constructs. The research literature includes few theories and findings related to private resource acquisition in higher education foundations. Even less is known about the private resource acquisition in K-12 education foundations.  

The review of the literature has a twofold purpose: 1) to examine higher education fundraising research and, when available, public K-12 education foundation research; and 2) to identify the constructs that play a significant role in achieving greater success in dollars raised by these education foundations. Moreover, the literature review helps define the relationship of the board of directors, superintendent, executive director, and the acquisition of private resources for K-12 education foundations. The extensive research in higher education private resource acquisition and the dearth of research in K-12 education private resource acquisition suggest that additional research in K-12 is needed.  

As mentioned earlier, the following research question guides this study: What is the relationship between a K-12 education foundation’s organizational and individual characteristics
and a K-12 education foundation’s revenues? In particular, I will examine how the involvement of the school district superintendent, the board of directors, and education foundation’s highest paid executive affect a K-12 education foundation’s revenue generation. To understand this research question accurately, I will first discuss the definitions of key terms and the research literature related to these questions.

**Key Operational Definitions in the Research Literature**

Philanthropy, “the love of humankind,” is the overarching umbrella for the sector of charity explored in this research study. According to *Merriam-Webster’s Collegiate Dictionary* (2010), philanthropy is to dispense aid from funds set aside to promote human welfare. Therefore, it is important to understand how K-12 education foundations rely on philanthropy to advance the multitude of initiatives to impact education in their communities, such as academic support for students, teacher support, retention activities, and the promotion of excellence in public education.

Charitable organizations usually receive philanthropy through fundraising. The act of philanthropy is a process that involves: a meaningful case for a donation; donors committed to that case; resources to be given away; a request for funds; and a recipient organization, usually a nonprofit to receive those contributions. A donation, according to the Association of Fundraising Professionals Fundraising Dictionary Online (n.d.) is

The act of donating; the amount or thing donated; a transfer of cash or other assets to an entity or a cancellation of the entity’s liabilities in a voluntary, nonreciprocal transfer by another entity, also known as a contribution; gift.

The association also defines two types of donations: financial contributions and in-kind contributions. Financial contributions are the donation of money or property with a financial value. In-kind contributions are limited to the donation of goods and services, such as equipment, space, or staff time. Both types of donations may be tax deductible.
Typically, the recipient of charitable donations is a nonprofit organization, which is classified by the Internal Revenue Service as a 501(c)(3) organization. These 501(c)(3) organizations provide benefit or services to the public without financial incentive for the organization (Association of Fundraising Professionals Fundraising Dictionary Online, n.d.). Many types of nonprofit organizations exist, including public charities, endowed foundations, corporate foundations, and so forth (www.foundationcenter.org). For the purpose of this study, I define K-12 education foundations as public foundations, which are sometimes referred to as “public charities.”

Since some confusion may arise regarding the operational definition and application foundation in the research literature, I provide an in-depth examination of the term. This confusion may lead to a misunderstanding among researchers who wish to accurately understand the relationship between a foundation and the community. According to the Foundation Center of New York, the two types of foundations are private and public (www.foundationcenter.org). Private and public foundations are similar in the way they are managed by an independent board of directors, function as nongovernmental and nonprofit organizations, and serve to aid the community through grant-making activities, which provide program support or activities. The main difference between these two types of organizations is the way they are funded. Private foundations receive their funding through a single, primary fund or endowment designated to support the foundation’s efforts. For example, the Bill and Melinda Gates Foundation is a private foundation that awards grants from its endowment.

In contrast, a public foundation, often referred to as a “public charity,” relies on multiple revenue streams received from the general public, including various individuals or organizational donors. Sometimes public charities partake in grant-making activities, but more often, they use
the publicly solicited donations to bolster their own activities in support of their mission (www.foundationcenter.org). Big Brothers Big Sisters of America is an example of a public charity. It raises money from various constituents to support mentoring programs.

An education foundation (e.g., K-12 or postsecondary) uses the term “foundation” to describe its organization, but operates as a public foundation/public charity versus a private foundation. These organizations actively fundraise each year to develop a pool of funds they use to support different education initiatives in the schools or school district they support. The education foundation may have an endowment as a part of its asset portfolio, but to maintain annual program support, the education foundation must raise money from additional sources each year.

The previously mentioned definitions provide the context for this study and the terms used across the higher education and K-12 research literature that examined the nonprofit education foundation’s characteristics and function. These terms provide clarity and consistency in describing the key elements that guide this research study. Next, I will present the germane higher education research literature that shapes the variables and constructs used in this research study. Finally, I will discuss the K-12 foundation education research literature to help guide this study.

**Higher Education Research Literature**

Higher education institutions of all types have established education foundations to drive their private fundraising efforts. Most educational fundraising research is focused on independent schools and institutions of higher education. For the purpose of this study, the characteristics of successful higher education fundraising organizations were used as the main source to help guide the development of this study. To that end, I will provide a comprehensive examination of the higher education literature that explores the factors that influence the private
revenue generation in institutions of higher education. In particular, I begin the review of the higher education research literature in three broad themes: 1) the role of the institutional president in foundation activities, 2) the role of the chief development officer in foundation activities, and 3) understanding the role of the institutionally related foundation board of directors.

**Role of President in College/University Fundraising**

Researchers have reported that institutional advancement has evolved as an essential responsibility for college and university presidents. Due to significant cutbacks in government funding for higher education, university presidents have taken a lead role in fundraising and resource development (Bornstein, 2003; Cook & Lasher, 1994; Fisher & Quehl, 1996; Overley, 2006). According to Duronio and Loessin (1991), “For all institutions, competing successfully for private support provides the means to ensure institutional success and growth” (p. 1).

Sturgis (2005) stated:

> With the fluctuation in state and federal monies and the increase in expenditure per student, combined with pressure not to increase tuition, fundraising is at the forefront of institutional governance. This has caused private and public institutions to compete for the same private funding. (p. 23)

The acquisition of significant financial resources helps elevate a college or university in professional standing among its peer institutions, furthers scholarship for students, and increases a school’s ability to achieve its mission. Fisher (1985) believed that understanding the role of the college president in university fundraising is essential to understanding effective leadership in American higher education. Fisher’s (1985) study strongly suggested that the traditional roles of presidents must now also include all facets of institutional fundraising in conjunction with the respective foundation organizations.
Based on a survey of 28 university presidents, Slinker (1988) suggested that the president should establish institutional advancement as a top priority to ensure successful university advancement initiatives. The institutions represented members from two categories of the Council for the Advancement and Support of Education (CASE) award-winning institutions from 1985 to 1987. His findings detailed the importance of the university president properly positioning the institution to reach its mission and facilitate support from constituents. According to Slinker, the president must set the vision for the direction that the institution is headed and help lead the organization to meet its goals. Recent studies also suggest that the president’s vision and the ability to articulate the vision for the university contribute to the success of any fundraising campaign (Bornstein, 2003; Cook & Lasher, 1994; Overley, 2006; Patton, 2002; Rhodes, 1997; Slinker, 1988; Tumminia & Marshall, 1997).

The importance of the leadership of the college president appeared in the research literature as a prevailing factor related to the success of private revenue generation at various institutions of higher education (Duronio & Loessin, 1991; Fisher, 1989; Glennon, 1985; Miller, 1991). The research indicated that wealthy individuals willing to make major donations want to interact and have a relationship with the individual responsible for ultimately leading the institution. While staff may initially and continue to play an important role in cultivating the relationship, it is the college or university president who will have to participate in the solicitation of the actual gift (Overley, 2006). Bornstein (2003) found that donors make gifts to presidents who engage donors to co-own the vision for the institution and invest in ventures viewed as truly transformative. Furthermore, he stated that presidents no longer have the option to be involved in fundraising activities.
Research clearly indicates that institutional leaders establish the tone for fundraising within the institution. Researchers argue that it is their direct involvement that sets the example that staff and trustees follow to achieve their financial goals. If a president demonstrates enthusiasm and commitment to the effort, others will follow (Patton, 2002). On the other hand, Patton stated: “If the president is indifferent to development concerns or distant from fundraising activities, board members and volunteers are likely to place a lower value on their own participation” (p. 53). Patton’s research may suggest that the president’s involvement in fundraising may influence how institutions meet their revenue goals.

Moreover, Cook and Lasher (1994) conducted a study to identify the president’s role in fundraising. They found that the institution’s president provides leadership to drive fundraising activities. Without the president’s involvement, resources might not be available to support the development process or the vision to drive the fundraising efforts. They concluded that the president plays a vital leadership role in the institution’s advancement program.

The college or university president must be an involved, committed leader of any successful fundraising program. This theme recurs in the higher education literature pertaining to the president’s role in advancement. This research underscores the importance of the president’s role in fundraising. However, the research suggests that without the institution’s leader’s direct involvement and accountability, the development process will be less successful. Analogous to the higher education organizational structure, less is known about the leadership role of the school district superintendent and the success of fundraising. In addition to the leadership of the school district superintendent, the research also provides support of the importance of a foundation’s primary leader.
Role of the Chief Development Officer in Higher Education Fundraising

The Chief Development Officer (CDO), sometimes referred to as the “Vice President for Advancement/Development,” is the key staff person responsible for institutional advancement under the supervision of the president and direction of the board of trustees. The CDO is a critical advisor to the president and board of trustees on the strategy and development of goals related to fundraising (Black, 1984). More researchers are in agreement that CDOs are responsible for aligning the fundraising activities with the strategic goals of the institution (Duronio & Loessin, 1991; Kinnison & Ferrin, 1989; Leslie, 1969; Miles & Miller, 2000).

Chief development officers have played a critical role in successful management of higher education foundations; however, their exact role and responsibilities have varied among institutions. In a survey of 140 CDOs from the 1984 to 1985 Council for Financial Aid to Education’s doctoral institution listing, Marcus (1988) collected information on the work duties of these individuals. The CDOs reported they spent 50% of their time on management activities. The CDO plays a critical role in orchestrating the development process with the president, college officers, and governing board through the interpretation and articulation of the college’s priorities and linkages to external audiences (Kelly, 1991; Leslie, 1969). This role involved the direct solicitation of donors, engaging the president and/or board of directors in cultivation and solicitation activities, and the collection and communication of relevant data to inform the fundraising process. Research has shown that CDOs who possessed executive-level positions and participated in the institution’s strategic planning were more successful (Bornstein, 1989; Duronio & Loessin, 1991; Fisher, 1989). In other words, if the CDO lacked authority to influence policy and make decisions, the advancement efforts would be hindered. The research clearly identified that the CDO should serve as a key executive team member in the institutional
central administration leadership (Bornstein, 1989; Duronio & Loessin, 1989; Fisher, 1989; Marcus, 1988; Sturgis, 2005).

A study of 61 California four-year colleges and universities examined some of the characteristics of effective institutional advancement programs (Hornbaker, 1986). His research highlighted the importance of the CDO in successful organizations. He found that the CDO of effective fundraising institutions always served in the president’s cabinet. This important linkage between advancement and the president supports the assertion of other researchers that the strong connection between the CDO and the president helps elevate and advance the fundraising goals of the institution. Finally, in a 1992 survey of community college foundations, Glandon and Keener (1994) found that foundations with a million dollars or more had a designated administrative head with the direct responsibility for raising money.

Other studies highlight the importance of CDO leadership in successful education foundations. For example, Black (1984) found that colleges which were successful at fundraising reported having professional staff almost twice the size of staffs at unsuccessful colleges. The ability of a CDO to lead and organize a development staff, which could support an institution’s acquisition of private revenue, was determined as essential to the success of revenue generation. Effective CDOs played a key role in 1) managing the volunteers and staff involved in fundraising, 2) identifying and cultivating prospects, 3) articulating the fundraising goals, and 4) implementing the strategic direction of the board and president. The research clearly supports the importance of an active and engaged CDO to lead the fundraising efforts; however, there is less empirical evidence about K-12 education foundation staff leadership and revenue generation. In addition to CDO leadership, what follows is a discussion of the relationship between an institution’s board of trustees and the foundation’s board of directors.
Understanding the Complementary Roles of the University Board of Trustees and the Institutionally Related Foundation Board of Directors

A review of the literature indicates that many higher education institutions relied on two administrative boards to guide and lead the acquisition of private resources. The first board was referred to as the “board of trustees,” which had the ultimate responsibility of governance, oversight, and accountability for the higher education institution. Some of these overarching duties included some private fundraising activities, but this particular duty was not the trustees’ primary purpose. Often the composition of the institution’s board of trustees consisted of political appointees, who could have impacted the board’s overall ability and interest in conducting fundraising activities. Nonetheless, the research indicates that the board of trustees has an important role in supporting fundraising activities. Sader (1986) identified a board of trustees’ essential activities that assist its foundation board with fundraising activities. Trustees provided guidance on fundraising priorities, but allowed the foundation board to be independent and have the authority to make decisions in support of the institution. Sader found that an institution’s board of trustees built trust with the funding community by providing accountability for private donations and playing a supportive role in fundraising activities.

Similar to the institution’s leadership of a board of trustees, the institution’s separate education foundation’s board of directors is the second board of leaders that guides fundraising initiatives. This foundation leadership has no governance responsibilities related to the higher education institution, but leads an independent nonprofit organization with a main purpose to support and raise money for the college or university. For the purposes of this study, the appropriate board for research is the institutionally related foundation board of directors. While sometimes college or university trustees may serve on the foundation’s board of directors, it is only in their capacity of foundation board members that this research applies.
Researchers have found that for organizations to be successful at fundraising, foundation board members were involved in the development process (Boguch, 1994). Foundation board members were at the top of the volunteer hierarchy. The education foundation board of directors was ultimately responsible for the fiscal strength and sustainability of the foundation. A study of a postsecondary foundation board found that involved board members contributed to overall effectiveness of a community college foundation (Hunter, 1987; Sharron, 1982). Researchers found in similar higher education foundations in community colleges that an institutional foundation’s board of directors broadened a school’s base of support (Woodbury, 1973).

Given the increased importance of fundraising, researchers argue that selecting the right people to serve on the board was probably the most important decision for the organization. Foundation boards, unlike boards of trustees, had the ability to self-select their own members (Fraser, 2006). A critical concept to understand when choosing members for the board was explained by McGoldrick (1993): “People give to people. And people make extraordinary gifts to leaders who convey great vision, aspirations, conviction, and the ability to succeed” (p. 154). The research suggests that the involvement of foundation board volunteers in the development process helped widen the outreach efforts of the institutions through the valuable connections and leverage gained through the involvement of more committed ambassadors for the school.

Hedgepeth (2003) conducted a study of 59 foundation leaders from four-year colleges and universities and two-year community colleges to identify primary recommendations for improving a foundation’s board of directors’ ability to private revenue generation. He found that successful foundations select board members with fundraising capacity, establish clear expectations, involve board members effectively, and clearly articulate the vision and mission of the organization. Fraser (2006) conducted a similar qualitative research study to identify the
characteristics that contributed to a foundation board’s ability to raise private revenues. Fraser investigated two four-year comprehensive university institutionally related foundations. He found that the board recruitment criteria that emulated the top qualities contributing to successful fundraising included: a member’s explicit commitment to the university, a willingness to work for the board, having the requisite skills to contribute to the board’s work, a desire and willingness to share personal resources with the university, and knowledge of the community. In addition, the study also identified several other board characteristics that contributed to these institutions’ success at fundraising. These factors included: a diverse board composition, strong board leadership, a board with clear, realistic goals in concert with the priorities of the board of trustees, and opportunities for meaningful engagement of board members in board activities.

The board of directors for the higher education institutionally related foundation plays a critical role in the acquisition of private resources. Through this literature review, themes emerged as essential to the creation and ongoing success of a foundation’s board of directors in support of fundraising activities. These factors included: board composition, knowledge of and ability to articulate the mission and priorities of the organization, capacity and willingness to give resources and work for the acquisition of private resources, and critical leadership skills to contribute to the attainment of the overall goals. The research highlights that these factors illustrate the implicit and explicit relationships between a foundation’s board and the institution’s board of trustees that must exist to achieve mutual fundraising goals.

**Summary of Higher Education Research Literature**

The higher education research literature highlights several themes that relate to successful foundation operations. First, the president helps to define and articulate the institutional mission and priorities (Kinnison & Ferrin, 1989). The chief development officer carefully blends the institutional mission and priorities to the actions of the board of directors to set up the operations
of the education foundation (Pocock, 1989). Finally, the research also highlights that whoever was sitting around the board table made the difference between a highly successful fundraising campaign and a lackluster campaign. This means that the board of directors of the institutionally related foundation had the responsibility for the acquisition of private revenue to support the mission of the school. In other words, the board of directors was involved in all aspects of the planning, delivery, and evaluation of the development process (Fraser, 2006). While each of these previously mentioned participants plays a distinct role, it is only through the coordination and collaboration of all three that an effective development program can emerge. A brief review of the corresponding K-12 foundation research literature is presented next.

**K-12 Education Foundation Research Literature**

In contrast to the higher education research literature, this body of research offers some limited insight into the factors that contribute to successful K-12 fundraising programs. In particular, some key challenges are noted across the research studies that raise concerns about the validity and reliability of the findings. First, few, if any, of the reviewed research studies provided a theoretical framework to help describe this social science phenomenon. Not relying on a theoretical framework is problematic because researchers are limited in their ability to provide a context in which to place research findings. Next, few studies relied on quantitative research methods to investigate these issues. While qualitative research provides a deeper understanding of the social phenomenon, less is known about the relationships that exist among key variables and constructs and foundation outcome variables (e.g., revenue generation). Finally, the existing K-12 education foundation research literature relied less on the higher education literature to understand the commonalities and differences between similar organization types. Therefore, additional information is needed to help understand how the current research relates to the broader research base. To that end, I will provide a brief overview
of the K-12 research literature to help guide this study. Specifically, I identified two key constructs that the K-12 researchers suggest contribute to increased education foundation revenue generation: 1) the K-12 foundation board of directors and 2) the school district’s superintendent leadership. No previous studies existed to look at the role of the K-12 education foundation executive director and private revenue generation. A review of the literature that examines these key components is presented next

**Role of a K-12 Foundation’s Board of Directors**

According to research on foundations, a nonprofit corporation’s foundation’s volunteer board of directors has the ultimate responsibility for the governance of the organization. According to Ingram (2003) from BoardSource, effective boards are responsible for the strategic direction, legal oversight, and financial sustainability of the organization. The combination of the successful implementation of these responsibilities leads to more successful nonprofit organizations. Accomplishing the organization’s mission necessitates the board’s assistance and participation in the attainment of financial resources. The acquisition of these resources is typically a major focus of a board of directors. Research indicates that the board’s ability, skills, and expertise in fundraising play a pivotal role in the fundraising success of a foundation board.

Nesbit (1987) conducted the first known research study on the characteristics of successful education foundations. He found that the single most important task for the establishment of an education foundation was the selection of the board of directors. The selection of these individuals played a direct role in the success of an education foundation. Moreover, he also found the three most important characteristics of board members: 1) time to work with the foundation, 2) credibility of the board members in the community, and 3) loyalty to the foundation’s overall cause.
In a study to determine the growth, purposes, problems, and impact of public school foundations in South Carolina, Hyatt (1992) also found that the foundation board’s leadership ability was a key factor in the success of an education foundation’s board of directors. She argued that boards of directors needed to be prominent members of the community and representative of a cross-section of the community. Board members needed to be able to influence the access of private revenue, and also a willingness to devote time to the activities that contribute to increased revenue. They must be knowledgeable about the facts of the foundation and needs of the school district. Moreover, the board members must be able to articulate those needs and the ability of the foundation to provide solutions to those issues. This study provides critical insight regarding the essential characteristics that define successful education foundations.

In a similar study, Tunnison’s (1991) research on Nebraska’s top five district education foundations yielded additional characteristics that contribute to an education foundation’s board of directors’ influence on private revenue generation. He found that board members needed to become active solicitors of funds for the education foundation and possess essential fundraising skills. In addition to these key elements, Tunnison (1991) argued that foundations need to pay particular attention to foundation composition. He realized that it was important that school administrators should not be the primary members of the foundation’s board because the board is about external access, not internal access (1991). Prominent community board members had the ability to open the doors to other influential people in the community who had the ability to give donations. Other researchers have argued that the selection of quality members of the board and maintenance of a strong and diverse board of directors were critical to the organization’s fundraising success (Calvin & Keen, 1982; Neill, 1983; Nesbit, 1985). These studies point to a
consistent pattern of characteristics for education foundations’ boards of directors to be effective at fundraising. The education foundations, which were more successful at fundraising, had the following characteristics: 1) prominent members of the community, most from the private sector with the ability to make connections with other influential community members; 2) a common understanding of the organization’s vision and mission and ability to articulate them to constituents; and 3) skills, experience, willingness, and commitment to spend time working on the activities of the organization, including fundraising. The research suggests that the more successful education foundations demonstrated stronger alignment to these board characteristics.

Another leader essential to the success of an education foundation is the school district superintendent or principal, depending on whether the fundraising is district-based or school-based.

**Role of School Leadership**

The role of district or school leadership in K-12 education foundation revenue generation has been addressed in a limited number of research studies. These studies examined the role of school district leadership in developing education foundations and the school district leadership’s participation in foundation operations. It might be noted that the lack of or dated research on K-12 education foundations highlights a limited understanding of these organizations.

In 1984, Hammack conducted a research study to examine the fundraising practices of Nebraska’s public school districts and the subsequent use of those funds. In this study, he investigated the magnitude of private revenue acquisition, school participation and interest in school foundations or community foundations, and existing and needed board of education policies related to school foundations. Hammack also examined the attitudes of some existing superintendents toward the acquisition and utilization of private revenues. As a sign of the limited adoption of school foundations in the 1980s, he found that of the 309 participating
schools only 19 reported that their school districts had an established education foundation. He reported that many superintendents expressed an interest in the development of a school foundation, but also stated a need for more advice on how to be successful in private revenue acquisition. Hammack concluded that research and development of the components of successful participation in revenue generation are important for elementary and secondary education to undertake.

In a more recent study, Clark (2002) surveyed all of California’s secondary charter schools, specialized secondary school programs, and secondary school magnet programs in Los Angeles, Long Beach, and San Diego to determine their success in accessing private sector funding. In particular, she examined the role of school organization and leadership in fundraising activities. She found that schools that received a high level of private funding identified that a long-term school plan and effective, consistent school leadership were essential components for accessing private funds. The long-term school plan was a school leader’s roadmap to mobilize staff and volunteers around common goals and activities. This study also demonstrated that school leaders played a significant and clear role in communicating to potential and existing donors that their gifts and school priorities were aligned.

It might also be noted, that many of the recommendations in studies of K-12 education foundations advocated for a defined boundary between the activities of the education foundation and the school district. In particular, other studies highlighted concerns around school administrators being too involved in decision-making and recommendations included limiting school leadership involvement on the board of directors. However, it was not disputed that school/school district administration must be involved to provide insight and organizational assistance for the education foundation to be successful (Clark, 2002; Hammack, 1984; Hyatt,
Even with sparse research focused on the relationship between K-12 leadership and education foundations, this proposed study offers an opportunity to learn more about this important relationship.

**Summary of Higher Education and K-12 Education Foundation Research**

The purpose of this literature review was to examine the research focused on higher education foundations, and, when available, public K-12 education foundation research, to enlighten our understanding of the relationship between a foundation’s organizational characteristics and revenue generation. This literature review highlighted the relationship among boards of directors, school leadership, and the foundation’s chief development officer, as well as the factors of each that led to the successful acquisition of private resources for foundations. The previous research revealed that each of these factors played a significant role in the ability of the organization to raise private revenues. The literature review showed extensive research in higher education private resource development, but little research existed in K-12 education, which framed a need for additional research in K-12 resource acquisition.

As a public charity, these foundations rely on fundraising as a key component to conduct the activities in support of their institutionally-related organizations, that is, universities, colleges, or K-12 schools and districts. The success of a foundation to acquire the necessary funding depends on many components, including the acquisition of funds from other organizations. Unlike most research on education foundations, I rely on organizational psychology theories to help understand how education foundations function. The next section will provide a theoretical framework for this study.

**Resource Dependency Theory**

Revenue generation, as a measurement of the success of an education foundation, and the organizational factors that contribute to revenue generation are the focus of this study.
Fundraising in most education foundations therefore often drives a K-12 foundation’s board’s mission. While the ability to raise funds should not be the only measurement of a foundation’s success, it must occur before program implementation. The resource dependency theory (RDT) offers one way to understand how K-12 organizations conduct fundraising activities. Of the various models that may explain the behavior of organizations, the theory of resource dependency provides a theoretical framework for the acquisition of private resources for K-12 education.

According to Pfeffer and Salancik (1978, 2003), organizations need resources to survive, and typically those resources come from other organizations, which create resource dependency between the organization that needs the resources and the organization that has the resources. Ultimately, organizations strive for independence by removing dependence upon the resource providers (Pfeffer & Salancik, 1978, 2003). The resource dependency theory holds that the internal behaviors of organizational members are understood clearly only by reference to the actions of external agents (Slaughter & Leslie, 1997). Even more specifically in higher education, those who provide resources to organizations, such as universities, may have the capability of exercising great power over those institutions.

An essential contribution to the behavior of organizations is the management of resources. Sustainability of the organization depends on the ability of the organization to acquire and maintain resources from other organizations. Pfeffer and Salancik (1978, 2003) defined the impact of the resource provider on the receiving organization by two dimensions: 1) the relative magnitude of the exchange and 2) the criticality of the resource to the recipient. The relative magnitude is measured by the amount of resources provided. In essence, the more an organization is dependent on one source of funding, the greater power the funding source could
exercise over the funded organization. “Criticality” can be defined as the dependence the organization has upon that resource to operate. If a resource is removed from an organization and an organization can no longer function, then the dependence on that resource is high, which makes the criticality factor high as well.

As financial policies in higher education began to shift, which reduced the amount of undesignated funds, decision-makers at universities found themselves with less control over resource allocation. These institutions responded by looking for new revenue sources (Slaughter & Leslie, 1997). According to Slaughter and Leslie, “Resource dependency theory suggests that as unrestricted moneys for higher education constrict, institutions within a national system will change their resource-seeking patterns to compete for new, more competitively based funds” (p. 65). By removing dependence on one resource, the organization can continue greater independence. In financial terms, organizational dependence is a function of the relative importance of the resources, degree of discretion of the use of the resource, and the availability of the resource to the organization (Pfeffer & Salancik, 1978, 2003).

By expanding the number of funding sources and diversifying the amount each contributes to a particular program, institutions of higher education are able to decrease their dependence on the organization providing the resource, giving them greater discretion over how the resources are used. For example, as policy adjustments caused changes in higher education financial support by governments—specifically, as undesignated funding decreased—colleges and universities responded by looking for alternative sources of funding (Moore, 2000). In the past, block grants presented public universities with the greatest source of unconditional funding, which led to greater independence (Slaughter & Leslie, 1997). As those funds began to be eliminated and restrictive funding became the basis for more governmental funding, universities
sought alternative sources of funding (Moore, 2000). Some alternative funding sources provided greater autonomy, such as tuition increases, leaving flexibility in decision-making.

It is important to note that in some instances other funding sources, such as research grants and private funds, created new conditions in academic life where faculty became more and more responsible for generating private funding through grants and donations. As faculty began to focus additional efforts on proposal writing and developing and maintaining relationships with external, private funders, a shift occurred in academic efforts (Slaughter & Leslie, 1997). Barnett and Midlehurst (1993) described the new paradigm for academics, which includes finding balance in a myriad of new expectations and commitments created by the conditions of these private revenue streams. Even the faculty reward system followed the emphasis on research, patents, and revenue generation. Slaughter and Leslie (1997) suggested that faculty might not engage in as much research if more resources available for teaching students.

**Application of Resource Dependency Theory to Education Foundation Research**

Researchers confirm that resource dependency causes changes in the organizational behavior. Organizations need resources to survive, and the providers of resources can apply immense power on the direction of the funded organization. “The key to organizational survival is the ability to acquire and maintain resources (Pfeffer & Salancik, 1978, 2003). Organizations are continually seeking greater independence and stability. They do this by increasing the diversity of funding sources, which dispels the relative magnitude of the resource exchange from a single funder and the criticality through which the organization functions are completely dependent on that resource.

Higher education studies in resource dependency theory emphasize two major points: 1) changing university organizational behavior; and 2) changing faculty academic roles, as a result of external funding streams. However, no research explains the impact of private resources in K-
12 education. Additional research is needed to determine how K-12 school districts and education foundations change their organizational structure and behavior to procure additional private funding resources.

The resource dependency theory presents a theoretical framework for how internal organizational factors of limited resources and lack of sufficient resource may influence an organization’s acquisition of alternative funding sources. Throughout the literature on higher education and K-12 fundraising, the need for new, diversified sources of revenues to replace diminishing revenues from traditional sources of funding, that is, taxes and tuition and/or categorical funding, is consistently mentioned as a reason why these institutions began private fundraising. Private funding provides a new source of revenues and also greater flexibility in the ways these dollars could be spent. Rather than the government dictating funding categories, the higher education foundation or K-12 foundation works with the donor to identify the local school priorities. Resource dependency theory provides a theoretical framework in which to analyze the acquisition of private resources in public education.

**Conceptual Model**

The previous research on education foundations relied on various methodologies to examine the factors that contributed to the acquisition of private resources within higher education and K-12 education settings. Most studies relied on qualitative methods to investigate the variables that affect private revenue generation. This current study advances past research by developing a conceptual model, which is based on previously identified variables related to private revenue generation.

In this study, three factors are used to examine private revenue generation, as conceptualized in Figure 2-1. This conceptual model was developed from the variables identified in the higher education and K-12 education foundation research, and it illustrates the
relationships that will be examined in this study. The model depicts the relationship among the following independent variables, as they relate to the dependent variable, private revenue generation: the school or district’s superintendent, the education foundation’s board of directors, and the education foundation’s highest paid executive.

Figure 2-1 illustrates the relationship between each independent variable and private revenue generation, the dependent variable. At the bottom of the model, private revenue generation, a primary part of the K-12 education foundations’ mission, is identified as the outcome/dependent variable.

Moving from left to right, the far left box illustrates the relationship between the individual characteristics of the district superintendent and private revenue generation. The superintendent plays a vital role in communicating the vision and goals of the school district as they relate to the education foundation’s fundraising activities. In their research of higher education fundraising, Kinnison and Ferrin (1989) identified the role that the president was to define and articulate the institutional mission and priorities. Much as with their counterparts who serve as college and university presidents, superintendents are expanding their roles to include advancement activities. The role of the presidents was to identify the needs, set the priorities, and provide the goals that helped drive the fundraising efforts (McLaughlin, 1984).

The middle box illustrates the relationship between the characteristics of the education foundation’s board of directors and private revenue generation. Board members were the connection to the community and helped drive the strategic direction (Hyatt, 1992). Effective board members brought the capacity to give and get donations. They also brought strong connections to the community to broaden relationships between the school and the community, as well as a commitment to the mission. As a representative of the external community, which is
so vital to private fundraising efforts, the board of directors serves as the essential, credible bridge between the district and the community.

The far right box illustrates the relationship between the characteristics of the education foundation’s highest paid executive and private revenue generation. The education foundation’s highest paid executive fuses the needs and mission of the school district with the purpose, goals, and fundraising efforts of the education foundation. The importance of the chief development officer, that is, the highest paid executive in a K-12 education foundation, in fundraising could be overlooked. Black (1984), Dillon, 1990, Miller (1991), and Miltner (1990) all found that the overall success of a development office is predicted by an effective chief development officer.

The arrows that connect each independent variable (superintendent, board of directors, and highest paid executive) to the dependent variable (revenue generation) represent the relationship to successful fundraising. The stronger the involvement of these factors in fundraising, the greater likelihood of increased revenues.

This study attempts to predict the likelihood that these factors influence an education foundation’s success in generating private revenue. This study advances previous research by introducing advanced statistical analysis to understand the relationship between the identified constructs (i.e., the independent variables) and the outcome/dependent variable.

**Summary of the Conceptual Model**

Based on the existing literature review, this conceptual model presents a multifactor approach to examine the generation of private revenue for education foundations. The conceptual model attempts to better understand the independent variables of district superintendents, education foundations’ boards of directors, and education foundations’ highest paid executives, as well as their relationship to private revenue generation, the dependent variable. Previous research of K-12 education foundations failed to analyze how these factors
influence private revenue generation. The specific constructs and methods used to develop the conceptual model are described in Chapter 3.

**Summary of Chapter 2**

This chapter began with some key definitions of commonly used terminology in the education and non-profit sector. I then presented a review of the literature that identified the characteristics associated with the acquisition of private resources in higher education and K-12 public education foundations. Lastly, I introduced the theoretical framework and conceptual model for this research study.

A few common factors emerged in the literature review. These factors included: an education foundation’s board of directors; chief development officer or executive director; and leadership of the school, as represented by the university president or the superintendent. However, it became clear that some deficiencies exist in the current research regarding the generation of resources in K-12 public education foundations.

I presented the theoretical framework. Resource dependency theory (RDT) will help guide this study. The RDT explains that as education institutions become more constrained by diminishing revenue, they will begin to change their organizational behavior and structure to attract new revenue sources.

It is important to assess the relationship of the board of directors, school district superintendent, education foundation’s highest paid executive director, and the acquisition of private resources for K-12 education foundations. Education foundations are being called upon more frequently to help school districts attract private resources to address their increasing needs. To maximize fundraising capabilities of education foundations, it is important to better understand the factors that influence revenue generation.
Chapter 3 will describe the methodology utilized in this study of K-12 education foundations. It will present the data source, sample, methodology, as well as the measures and analytic method of the study of the characteristics of an education foundation on revenue generation.

Figure 2-1. Conceptual model of an education foundation’s revenue generation (Carlson, 2009).
CHAPTER 3
METHODOLOGY

Introduction

The purpose of this chapter is to describe the methods used to conduct this research study. Thus far, the review of the literature provided a summary of the K-12 and higher education research, explaining how education foundations function. Based on the extant research literature, little evidence supports understanding the relationship between revenue and organizational characteristics of K-12 education foundations. In this chapter, I will review research questions and the hypotheses that guide this study. I also will include a brief discussion of the following sections: 1) survey instrument, 2) data source and sample, 3) bivariate descriptive statistics of the sample, 4) research design, 5) measures (i.e., dependent variables and independent variables, 6) analytic methods, and 7) study limitations.

The primary aim of this study is to understand the relationships between selected key individual and organizational factors and total revenue of Florida’s K-12 education foundations. The following primary research question guides this study: What is the relationship between a K-12 education foundation’s organizational and individual characteristics and a K-12 education foundation’s revenues? Specifically, I will examine how the characteristics of the education foundation’s board of directors, the education foundation’s highest paid executive, and the school district superintendent relate to K-12 education foundation revenue. The research question improves understanding of the role these variables play in affecting education foundation revenue. Based on the research question, the three hypotheses for this study include:

1) Boards of directors that play an active role in fundraising are more likely than non-involved boards of directors to contribute to increased revenue generation for the education foundation (Hyatt, 1992; Nesbit, 1987; Tunnison, 1991).
2) A full-time executive director is more likely to contribute increased revenue generation for an education foundation than foundations without an executive director (Glandon & Keener, 1992; Hornbaker, 1986; Sturgis, 2005).

3) Superintendents who demonstrate a commitment to the education foundation through assisting in the planning and implementation of the education foundation’s fundraising plan are more likely than superintendents who are uninvolved to contribute to increased revenue generation for the education foundation (Clark, 2002; Hammack, 1984; Hyatt, 1992; Nesbit, 1985).

**Survey Instrument Development**

**Survey Development Rationale**

While many research studies existed to analyze private fund development in higher education, research of K-12 education foundations has been limited. In particular, the development of this survey instrument was predicated on three key issues: 1) earlier a-theoretical studies, 2) selection of analytic methodology, and 3) limited empirical research on K-12 education foundation revenue generation. Few, if any, of the existing K-12 education foundation research studies relied on a theoretical framework to explore how these foundations operated (Clark, 2002; Hammack, 1984; Hyatt, 1992; Lamm, 2002; Lease, 1988; Nesbit, 1985; Pinto, 1996; Tunnison, 1991). The lack of a theoretical framework limits the ability of researchers to understand and explain how K-12 educational foundations function. For example, an economic theoretical perspective would highlight how the theory of supply and demand may predict K-12 revenue generation. In this study, I relied on a resource dependency theory to describe organizational performance (Pfeffer & Salancik, 1978, 2003; Slaughter & Leslie, 1997). Also, unlike earlier studies that relied on qualitative methods or descriptive statistics, in this study I examined key relationships between selected variables, using quantitative research methodology.
Finally, few researchers looked at the characteristics of successful education foundations (Lease, 1988; Nesbit, 1985; Tunnison, 1991). Therefore, I specifically focused on selected key organizational characteristics to critically evaluate how K-12 education foundations function. Due to these limitations from earlier studies, I created a survey instrument to collect self-reported data on K-12 education foundations in Florida.

**Survey Construction**

Initially, I reviewed higher education and K-12 education fundraising research literature to identify factors that might be related to success in an education foundation’s revenue generation. The review of the literature provided a means for extracting the information that offered a more detailed analysis of the identified factors. The review revealed three key factors worth additional scrutiny: 1) the role of the school superintendent, 2) the composition of the education foundation’s board of directors, and 3) the role of the education foundation’s highest paid executive. Survey questions were developed to elicit information on individual behaviors, beliefs, attitudes, and facts about education foundations related to these three key organizational positions.

The survey is divided into four primary sections that asked key survey questions related to revenue generation activities: 1) an education foundation’s board of directors; 2) an education foundation’s highest paid executive; 3) superintendent of the school district; and 4) descriptive information about the individual factors of the executive director and superintendent, as well as the organizational factors of the education foundation.

In the first section, survey respondents rated the frequency of participation of board members in fundraising, strategic planning, community awareness, and organizational management in relationship to revenue generation. Then survey respondents also rated their
beliefs and attitudes about the relationship between fundraising, strategic planning, community awareness, organizational management, and the education foundation’s board of directors.

In the second section, survey respondents identified the employment status of the executive director. The options had considerable range: full-time paid by the education foundation or school board with work time completely dedicated to education foundation work; school district employee assigned to the education foundation in which the majority of the employee’s time is spent on the foundation; school district or other nonprofit employee assigned to the education foundation where the education foundation is his or her secondary job responsibility; no staff member. Next, the survey respondent rated the frequency of participation of the highest paid executive in activities such as fundraising, strategic planning, community awareness, and organizational management. The last part of this section included attitude and belief questions about the executive director’s role in fundraising, strategic planning, community awareness, and organizational management, as these factors relate to increased revenue generation.

It is worth noting that in the design of the survey, the phrases “highest paid executive” and “executive director” were used instead of “chief development officer.” In previous research, which lacked specific attention to K-12 education foundations, the phrase “chief development officer” represented the primary person responsible for the education foundation’s fundraising activities (Brumbach, 1994). In K-12 education foundations, the most common title for the paid staff member with ultimate fundraising responsibility is “executive director”; occasionally, an alternate title, such as president, is used. As a result, I felt it was important to use a term that reflected the professional titles used in the K-12 education foundation community. The third section focused on the roles and responsibilities of the school district’s superintendent. Respondents rate the frequency of participation of the superintendent in activities concerning
fundraising, strategic planning, community awareness, and organizational management. The final part of this section includes attitude and belief questions about the superintendent’s role in fundraising, management, strategic planning, and community awareness as these factors relate to revenue generation.

The final section collects information on the dependent variable, organizational characteristics, individual characteristics, and contact information. The primary outcome variable is the total amount of revenue generated by an education foundation. The organization characteristics include: the year the organization was founded, fiscal year, and amount spent in designated categories of expenditures. The organizational and individual characteristics include: demographic composition of the board membership by industry sector, years of employment as the executive director by the education foundation, hours spent by the executive director on education foundation work each week, number of years of experience in fundraising, appointed or elected superintendent, number of years superintendent has served in the position, and whether the superintendent has served as an ex-officio member or voting member of the board of directors. Lastly, the survey collects contact information from survey respondents.

Previous researchers hypothesized that the activities outlined in each of these sections impact the effectiveness of the factors that affect revenue generation (Clark, 2002; Fisher 1985; Fraser, 2006; Nesbit, 1985). For the purpose of this study, I narrowed the focus to the superintendent, the board of directors and executive director’s involvement in fundraising and the impact on total education foundation revenue. It is beyond the scope of this study to examine other potential individual and organizational factors that may affect revenue generation (e.g., parental involvement, school district characteristics).
Survey Reliability

The Education Foundations of Florida Survey was constructed specifically for this study. I established internal consistency reliability by estimating how well the same items reflected the primary constructs for this survey instrument. I used Cronbach’s alpha to test for inter-item reliability as a method for determining internal consistency reliability for several survey items. As a result, I was able to reliably parse out survey items that were not thematically related to the overall survey constructs. The related survey items have been assigned to two broad themes: 1) the respondent’s beliefs about the importance of the role of the executive director, the board of directors, and the school superintendent in fundraising activities and 2) the respondent’s assessment of the fundraising activities of the executive director, board of directors, and school superintendent. I will discuss the additional details of these two factor constructs in the measures section of Chapter 4.

Survey Validity

To adequately address the validity of the survey instrument, the questionnaire was juried by three education foundation professionals, who were not part of the study population, to test and improve the face validity of the instrument. These three individuals were selected because of their expertise in the education foundation field and their familiarity with the factors of the survey instrument. Their experience consisted of serving as the executive director of an education foundation, which included involvement with the school district superintendent and a volunteer board of directors.

The questionnaire was provided via e-mail to the education foundation professionals. They were asked to complete the survey as if they were a part of the research study. Additionally, they were requested to note any questions or parts they found confusing. My advisor and I discussed and analyzed the responses. Then I conducted telephone interviews with
the three jurors to better understand the nature of their confusion or questions pertaining to the survey. I worked with the jurors to develop alternative ways to use words or frame questions to address the issues they raised. Based on their feedback and minor adjustments, my advisor and I made final changes to the survey and submitted the last version to my dissertation committee and the Institutional Review Board.

**Distribution of the Survey**

The survey instrument was uploaded to SurveyMonkey®, an online tool to deliver and compile survey information. In the summer of 2010, the executive director of the Consortium of Florida Education Foundations sent an introductory e-mail to the identified leader of the 55 education foundations in Florida. The identified leader is typically the paid staff president, executive director, assigned school district employee, or volunteer board member. The e-mail provided an introduction to the study of education foundations, and set the expectation for the members to receive an e-mail directly from me. I followed up with an e-mail and link to SurveyMonkey®, and a request for the survey recipients to participate in the study. E-mail recipients were also given the opportunity to request a paper copy of the survey by contacting the researcher.

The request for survey completion extended over seven months with three distinct waves of requests for participation. The final request occurred in January 2011. The request for survey submission resulted in a total of 30 completed surveys. A discussion of the data and survey sample follows.

**Data Source**

Data for this study were collected as a part of the Education Foundations of Florida Survey. Data were collected from the Consortium of Florida Education Foundations membership list and other known education foundations, which included the 55 education
foundation contact names and information. The provided list reflected the highest paid executive, or, in the case of no staff, the designated board contact of the education foundation.

The consortium is the statewide membership organization for Florida’s district-wide education foundations. In the summer of 2010, according to the executive director of the consortium of Florida Education Foundations, 55 out of 67 school districts have education foundations (M. Chance, personal communication, May 15, 2010). The consortium’s executive director provided the contact information for all known education foundations in Florida.

Data Sample

The survey was administered as a census survey to 55 education foundations in Florida in the summer of 2010. The sample consisted of 30 survey respondents, which is a 55% return rate. Participants were informed that their participation was strictly voluntary and that they could skip any question. The survey included information that explained the purpose and use of the survey, the confidentiality guidelines, and the potential benefits and anticipated risks of survey participation. The descriptive statistics of the independent variables included: the population classification by size of the counties, that is, rural versus urban; board member sector distribution; age of the organization; employment status of executive director, including years as executive director and fundraising experience; and superintendent elected status, including years in the position and years on the education foundation’s board of directors.

Education Foundation Organizational Information

The sample represented 30 education foundations, compared to 55 total education foundations in Florida. The mean age of an education foundation was 20 years old. Fewer than 7% of the education foundations were less than 10 years old.

The sample population has a lower percentage, 20%, of rural counties represented, as compared to 49%, the state’s overall percentage of rural counties according to the 2000 National
Census Data. According to the National Census, “rural” is defined as an area with a population density of fewer than 100 individuals per square mile or an area defined by the most recent U.S. Census as rural (United States Census Bureau, 2011). The education foundation study sample has 6 rural counties and 24 urban counties (see Table 3-1).

**Board of directors**

The sample includes 674 total education foundation board members. The largest board had 45 members and the smallest had 7 board members. Corporate and individual representation outpaced representation from governmental/non-profit organizations, the school district, or other more than 3 to 1 (see Table 3-2).

**Executive Director**

The respondents were instructed to identify whether the education foundation had a full-time executive director dedicated exclusively to the work of the foundation; a full-time school district staff person with more than part-time responsibility for the foundation; a full-time school district employee with part-time or more responsibility for another job besides the foundation; or no executive director. The sample includes 22 full-time executive directors exclusively focused on the work of the education foundation; 4 respondents reported an executive director with other job responsibilities besides the education foundation; and 4 respondents had no executive director.

The longest amount of time a respondent was employed as the executive director of the foundation was 17 years and the least amount of time was six months. The mean years serving as executive director was 5.6 years and the median was 5 years. I recoded the years as executive director response to reduce the 27 response options to three response options, for dummy coding the variables for data analysis. Three to six years as executive director had the highest frequency.
of responses at eleven (40.8%). The other two categories, three years or less or more than six years, each had 8 respondents (29.6%) (see Table 3-3).

Respondents were asked to report their total number of years of fundraising experience. The highest number of years of fundraising experience is 25 years and the lowest number of years of fundraising experience is 0. I recoded the years of fundraising experience response to reduce the 28 response options to two response options, for dummy coding the variables for data analysis. The mean years of fundraising experience among the 28 respondents is 11.3 years and the median is 10 years of fundraising experience (see Table 3-4).

**School District Superintendent**

More than half the sample includes superintendents who were appointed to their positions by their local school boards versus elected. The sample population has a higher percentage of appointed superintendents than the Florida superintendent population. The sample has 19 appointed superintendents (63.3%) and 11 elected superintendents (37.7%), compared to 25 appointed superintendents (37.3%) and 42 elected superintendents (63.7%) in the superintendent population in Florida (Florida Department of Education, 2011). The sample includes 17 superintendents who have held that position for four or less years and 13 superintendents who have held that position for more than four years.

Respondents were asked to provide the total number of years the superintendent has served as a member of the board of directors, either ex-officio or as a voting member. Six education foundations (20%) indicated that the superintendent was not a board member and 24 education foundations (80%) had the superintendent as a board member.

**Bivariate Descriptive Statistics**

The following section provides a description of the independent variables: board of directors, executive director, and superintendent by the foundation location (e.g., rural and
urban). The bivariate descriptive statistics will illustrate particular characteristics among the education foundations, while considering other independent variables.

As mentioned earlier, the majority of survey respondents represent urban communities with full-time executive directors. In this sample, education foundations in urban areas are more likely to have a full-time executive director than their rural counterparts. In fact, only one responding education foundation was located in a rural county that had a full-time education foundation executive director.

In this sample, it was 75% more likely to find a less experienced fundraising professional in a rural setting than an experienced fundraiser in a rural setting. However, the mix of experience was evenly spread among urban education foundations. Also in this sample, superintendents were equally elected to their superintendent position in rural settings and in urban settings. However, no rural superintendent was appointed to the position, which is in line for the entire state of Florida.

**Measures**

The following section discusses the dependent and independent variables used in this study. The variables are based on the research question and hypothesis of the study. The scales described in this study are derived from the specifically designed survey items. The items in the survey provide the constructs of actual activities, beliefs, and attitudes surrounding education foundation fundraising and management capacity.

Factor analysis is defined as “reducing [a large number of] variables to a few factors by combining variables that are moderately or highly correlated with each other. Each set of variables that is combined forms a factor” (Gall, Gall, & Borg, 2007, pp. 368-369). Factor analysis is used to identify latent factors or unobservable variables (Crocker & Algina, 2006). In this study, I used factor analysis to identify latent factors or scales among survey items and
determine whether or not respondents to one item were likely to respond a certain way on another item.

These factor scales were developed by the factor analysis module found in SPSS 17.0. In particular, I used the Principal Axis Factoring method to extract the primary survey items. This extraction method is a more conservative approach in identifying potential factors. In addition, I used a varimax orthogonal rotated solution to develop the final constructs, which excluded missing cases and yielded factors that are uncorrelated with each other. To simplify interpretations of the final factor scales, I suppressed factor loading coefficients that were smaller than .35. To test internal scale reliability, Cronbach’s alpha was used with a minimum threshold of alpha reliability of .70. Based on the minimum threshold, some items were removed from the scale and not used in the final construction of the factor scales.

**Dependent Variable**

The dependent variable for the Education Foundations of Florida Survey was the total education foundation revenue for 2007 to 2008 (see Appendix A, Survey Question 10). Total revenue was selected as the dependent variable because it is an objective, quantifiable measure of an education foundation’s ability to raise revenue. Many researchers have conducted studies about higher education and K-12 institutional private fundraising. Sturgis (2005) found that higher education institutions are responding to fluctuating state and federal revenue by increasing their private revenue generation. In K-12 education, the education foundations often serve as the liaison between the school district and potential outside funders. A K-12 education foundation works to assist a school, schools, or a district looking for a way to fundraise (Havens, 2000; Nesbit, 1987). Consequently, revenue generation provides an objective measurement of fundraising activities.
The dependent variable for the Education Foundations of Florida Survey was obtained by directing the respondents to report the revenue figure found on line 12 of the 2007 IRS Form 990, the annual tax return filed by 501(c)(3) organizations. The amount is self-reported by the education foundation and is often verified by an independent audit.

Of the 55 respondents to the Education Foundations of Florida Survey, the range of 2007 revenue was $0.00 to $7,685,103, and the mean was $1,236,923. The sources of the revenue included: corporations, individuals, private foundations, and government. The total revenue reported by participating education foundations totaled $35,870,774.

**Independent Variables**

The independent variables identified for this study were drawn from extensive past research, which pointed to a relationship between specific independent variables and education foundation revenue. Selected independent variables represented two primary areas: individual and organizational characteristics (see Table 3-7). The organizational-level variables included the characteristics of the education foundation and the board of directors. The individual-level independent variables included information based on the education foundation’s executive director and the school district superintendent.

The individual characteristics for the executive director included: beliefs about an executive director’s involvement in education foundation fundraising, frequency of behaviors in education foundation fundraising activities, years as executive director with the education foundation, and years of fundraising experience (see Appendix A, Survey Questions 4, 5, 13, and 15). Research has shown that the chief development officer, often referred to as the executive director of the education foundation, who is responsible for raising money in the organization, is critical to orchestrating the fundraising process. By having a chief development officer responsible for fundraising, the education foundations were more effective at attracting private
donations (Black, 1984; Glandon & Keener, 1994; Hornbaker, 1986). The chief development officer plays a critical role in aligning the institution’s mission and priorities with the available resources in the community (Kinnison & Ferrin, 1989; Miles & Miller, 2000; White, 1989).

The individual characteristics for the school district superintendent included: frequency of behaviors in education foundation fundraising activities, respondent’s beliefs toward a superintendent’s involvement in an education foundation’s fundraising activities, and the number of years serving on the education foundation’s board of directors (see Appendix A, Survey Questions 6, 7, and 18). Institutional/school leadership involvement in fundraising has proven an effective element in successfully raising private revenue. University presidents and school superintendents establish a vision for where the institution is headed with a corresponding direction for private investment in the institution (Slinker, 1988). Without the school leadership’s involvement in fundraising, the fundraising activity level from volunteers and staff will likely wane, leaving private revenue generation without direction (Patton, 2002).

The individual characteristics for the education foundation’s board of directors included: the frequency of their behaviors in education foundation fundraising activities, and attitudes toward a board of directors’ involvement in education foundation fundraising (see Appendix A, Survey Questions 1, and 12). As described in previous studies, the board of directors serves as the volunteer leader of any fundraising effort. Boards of directors, which possess the skills to raise money, demonstrate a commitment to the institution, and work at fundraising, increase the ability of an institution to raise private funds (Boguch, 1994; McGoldrick, 1993; Sharron, 1982; Woodbury, 1973). Board members, who have made linkages in the community and opened the doors to other potential donors, have broadened the capacity of the institution to raise private revenue (Calvin & Keen, 1982; Neill, 1983; Nesbit, 1985; Tunnison, 1991). Further research,
which has focused on the relationship between revenue generation and the board of directors, has identified previous board experience, an understanding and ability to articulate the organization’s mission, and an active board engagement all contributed to higher private revenue generation (Fraser, 2006; Hedgepeth, 2003).

Additional survey questions collected organizational characteristics. These included: employment status of the education foundation’s executive director, number of years the foundation has been in existence, total number of board members and sector designation for individual board of directors (see Appendix A, Survey Questions 3, 8, and 10). Lastly, contact information of the respondents was collected.

As mentioned earlier, I utilized two primary factor constructs to examine key characteristics of education foundations that influence revenue generation. The first factor construct examined involvement in fundraising activities across three characteristics: At what level did the respondent report that the executive director, board of directors, and school superintendent are involved in certain fundraising activities?

The selected survey items represented the independent variables’ activity level in fundraising activities: examining how executive directors, superintendents, and board of directors define their fundraising activities. I conducted a Cronbach’s alpha test to determine which items were the most consistently indicative of the factor that described activities that asked for donations. The Cronbach’s alpha reliability was .79 for the executive director, .95 for board of directors, and .93 for the superintendent (see Table 3.7).

In the second factor construct, I asked the survey respondents to indicate their beliefs about fundraising activities for the executive director, board of directors, school superintendent, and the relationship to revenue generation. I conducted a Cronbach’s alpha test to determine which
items were the most consistently indicative of the factor that described beliefs about fundraising activities and revenue generation. The Cronbach’s alpha reliability was .91 for the executive director, .89 for board of directors, and .82 for the superintendent (see Table 3.8).

The two groups of independent variables were based on whether they were at the organizational or individual level. At the organizational level, the variable groups included: board of directors size, employment status of the executive director, age of the organization, and sector representation on the board of directors. At the individual level, the variable groups included: activity level and beliefs about the executive director, board of directors, and superintendent in fundraising activities; years served as the executive director; and years of fundraising experience (see Table 3-9).

For use in a multiple regression analysis, several of the independent variables have been changed into dummy variables. Dummy variables offer a numerical value, 0 or 1, for variables that are not based in number values, which is necessary for multiple regression analysis (Hair, Black, Babin, & Anderson, 2010). The number of dummy variables used to represent the categories is one less than the total number of variables.

**Analytic Method**

I used a quantitative analytic method to answer the research question regarding education foundation revenue generation. I divided the data analysis for this study into two sections: preliminary analysis and advanced data analysis. The preliminary analysis included t-test comparisons and ANOVA between key independent variables and the dependent variable. The multiple regression analyses will determine which combinations of the independent variables best explain the dependent variable (Gall et al., 2007).

In the preliminary analytic methods section, I conducted a t-test analysis on identified key independent variables and the dependent variable. The t-test analysis is meant to demonstrate
whether or not a statistically significant relationship exists between the means of two groups defined by an independent variable and the dependent variable. The groups include executive director’s fundraising experience; executive director’s tenure in the position; and superintendent’s years on the foundation board. For example, the t-test analysis will examine the superintendent’s years on the board of directors and education foundation’s revenue. An additional analysis was completed on the executive director’s activity level in fundraising and management, as well as the number of years of experience in fundraising. I also conducted a one-way analysis of variance (ANOVA) to identify whether a statistically significant relationship exists between three or more groups and the dependent variable. I analyzed the relationship of the private sector representation on the board of directors and revenue generation.

The advanced data analysis includes multivariate regression analysis. The purpose of multivariate regression is to determine the effects of the combination of independent variables which described the independent variables activities and beliefs related to fundraising. I used blocked entry sequential multivariate regression for explanatory purposes. This type of regression analysis allows researchers to examine the influence of the block of variables by the order in which the variables are entered into the equation. Blocked entry sequential multivariate regression provides an estimate of the total effects, rather than a direct effect, of individual or groups of variables (Keith, 2006). This analytical methodology approach allowed me to group related independent variables using a theoretical rationale (e.g., beliefs, behaviors). This approach provides an examination of the relative impact of each regression block on the overall variance explained. Hence, I can examine the relative change in the overall variance explained with each newly entered regression block of variables. I used the following formula to describe multivariate regression model in this study:
\[ \hat{y}_i = \beta_0 + \beta_1 X + \beta_2 + \beta_3 + \beta_4 + \beta_5 + \ldots + \beta_n + e \]

where \( \hat{y} \) is the estimated predicted score on \( y \) (i.e., the predicted total revenue generated) and \( \beta_0 \) is the intercept, reflecting the reference group’s reported dependent variable score. For example, \( \beta_0 \) is the average amount of revenue for the education foundation, if the reference group variables are equal to zero.

**Regression Models**

The independent variables were entered in the following blocks: organizational characteristics, beliefs about fundraising by position, and fundraising activities by position. Organizational characteristics were entered first since they are variables unique to each education foundation. Organizational characteristics included: board size, board make-up by sector, employment status of the executive director, and years in operation. The next conceptual block of independent variables is belief statements centered on fundraising for the board of directors, executive director, and superintendent, respectively. The final block measured fundraising activities by position in relationship to the education foundation. Fundraising include the solicitation of donations from individuals, corporations, and private foundations.

**Regression Diagnostics**

Regression diagnostics were employed to identify issues with the regression models used in this study. For example, I used the F tests to reveal the efficacy of the regression model. Each model resulted in statistically significant F values.

Moreover, regression diagnostics were used to identify problems with the dependent and independent variables in the models. In assessing the normal distribution of the errors in prediction of the dependent variables, I examined the residuals plots. When the dependent variable is not normally distributed, it cannot be predicted or explained, given the independent variables. The histograms approximate a normal curve.
To detect any potential impact of multicollinearity, collinearity statistics were examined. Multicollinearity signals that independent variables are too highly correlated with each other (Hair et al., 2010; Keith, 2006). I conducted a Variance Inflation Factor (VIF) to determine if the regression models violated multicollinearity parameters. In this study, the VIF results indicated no violations of multicollinearity.

**Limitations of the Study**

Four limitations in this study deserve detailed discussion: geographically limited population, self-reported data, bias effect, and period effect. The Education Foundations of Florida Survey was crafted to gain information about the education foundations in Florida. Therefore, the results of the study cannot be generalized to other education foundations in the country without validating the survey against a broader population. The identified factors in this study may or may not serve an important role in affecting revenue generation in situations outside of Florida.

The data obtained through the survey were self-reported data from education foundation officials. The data may therefore be subject to bias and reporting errors. Respondents might have been influenced by their perception that there was a correct answer, or they might have misunderstood the question altogether.

I previously served as the executive director of the Consortium of Florida Education Foundations. I have a relationship with several of the respondents. This relationship may have caused the respondents to reply in what they perceived as a favorable manner that would assist the researcher.

Since the study was cross-sectional, the responses capture only one time period, restricted to the respondents who had available data. Therefore, it is not possible to assume that the findings indicate any casual relationships or any future education foundations’ revenue
generation performance based on these findings. Although the study is limited for these reasons, as previously stated, the lack of research available on K-12 education foundations outweighs the concerns raised through an analysis of these limitations.

Summary of Chapter 3

The purpose of this chapter was to describe the methods used to conduct this research study. In this chapter, I presented one research question and three hypotheses that guided this study. I discussed the survey instrument, and presented a summary of the survey data source. I described the study population and the dependent variables and independent variables. I then gave a summary of the analytic method and the limitations of the research study.

I chose individual and organizational factors that may affect revenue generation at Florida’s K-12 education foundations. The following primary research question guided this study: What is the relationship between a K-12 education foundation’s organizational and individual characteristics and a K-12 education foundation’s revenue? Moreover, I examined how the individual characteristics of the school district superintendent, the highest paid education foundation’s executive director, the board of directors, and the organizational characteristics affected K-12 education foundation revenue. This research question improved the understanding of the role these factors play in affecting education foundation revenue.

Table 3-1. Education foundation by population density (n = 30)

<table>
<thead>
<tr>
<th>Type</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>24</td>
<td>80.0</td>
</tr>
<tr>
<td>Rural</td>
<td>6</td>
<td>20.0</td>
</tr>
</tbody>
</table>

Note. n reflects the number of respondents who completed this question.
Table 3-2. Education foundation’s board of directors by sector (n = 674)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Frequency</th>
<th>Percent*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>397</td>
<td>58.9</td>
</tr>
<tr>
<td>Individual</td>
<td>127</td>
<td>18.8</td>
</tr>
<tr>
<td>School District</td>
<td>88</td>
<td>13.1</td>
</tr>
<tr>
<td>Non-Profit Organization</td>
<td>30</td>
<td>4.5</td>
</tr>
<tr>
<td>Governmental</td>
<td>29</td>
<td>4.4</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>.1</td>
</tr>
</tbody>
</table>

Note. n reflects the number of respondents who completed this question. *Does not total 100% due to rounding.

Table 3-3. Years as executive director of the foundation (n = 27)

<table>
<thead>
<tr>
<th>Years</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Three years or less</td>
<td>8</td>
<td>29.6</td>
</tr>
<tr>
<td>Three to six years</td>
<td>11</td>
<td>40.8</td>
</tr>
<tr>
<td>More than six years</td>
<td>8</td>
<td>29.6</td>
</tr>
</tbody>
</table>

Note. n reflects the number of respondents who completed this question.

Table 3-4. Years of fundraising experience (n = 28)

<table>
<thead>
<tr>
<th>Years</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 years or less</td>
<td>15</td>
<td>53.6</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>13</td>
<td>46.4</td>
</tr>
</tbody>
</table>

Note. n reflects the number of respondents who completed this question.

Table 3-5. Frequency of employment status by foundation location (n = 30)

<table>
<thead>
<tr>
<th>Status</th>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time executive director</td>
<td>1</td>
<td>21</td>
</tr>
<tr>
<td>Part-time executive director</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>No executive director</td>
<td>3</td>
<td>0</td>
</tr>
</tbody>
</table>

Note. n reflects the number of respondents who completed this question.

Table 3-6. Years of executive director’s fundraising experience by location (n = 28)

<table>
<thead>
<tr>
<th>Years</th>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 or less years experience</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>More than 10 years experience</td>
<td>1</td>
<td>12</td>
</tr>
</tbody>
</table>

Note. n reflects the number of respondents who completed this question.
Table 3-7. Factor scale and survey items for level of fundraising activity

<table>
<thead>
<tr>
<th>Fundraising activity items</th>
<th>Factor loading</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive director asks for donations from:</td>
<td></td>
<td>.79</td>
</tr>
<tr>
<td>Individuals</td>
<td>.978</td>
<td></td>
</tr>
<tr>
<td>Corporations</td>
<td>.848</td>
<td></td>
</tr>
<tr>
<td>Foundations</td>
<td>.763</td>
<td></td>
</tr>
<tr>
<td>Board of directors asks for donations from:</td>
<td>.95</td>
<td></td>
</tr>
<tr>
<td>Individuals</td>
<td>.959</td>
<td></td>
</tr>
<tr>
<td>Corporations</td>
<td>.952</td>
<td></td>
</tr>
<tr>
<td>Foundations</td>
<td>.939</td>
<td></td>
</tr>
<tr>
<td>Superintendent asks for donations from:</td>
<td>.93</td>
<td></td>
</tr>
<tr>
<td>Individuals</td>
<td>.956</td>
<td></td>
</tr>
<tr>
<td>Corporations</td>
<td>.946</td>
<td></td>
</tr>
<tr>
<td>Foundations</td>
<td>.920</td>
<td></td>
</tr>
</tbody>
</table>

Table 3-8. Factor scale and survey items for fundraising belief statements and revenue generation

<table>
<thead>
<tr>
<th>Fundraising belief items</th>
<th>Factor loading</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive director increases revenue by:</td>
<td>.91</td>
<td></td>
</tr>
<tr>
<td>Asking individuals for donations</td>
<td>.924</td>
<td></td>
</tr>
<tr>
<td>Asking corporations for donations</td>
<td>.967</td>
<td></td>
</tr>
<tr>
<td>Asking foundations for donation</td>
<td>.963</td>
<td></td>
</tr>
<tr>
<td>Fundraising events</td>
<td>.716</td>
<td></td>
</tr>
<tr>
<td>Board of directors increase revenue by:</td>
<td>.89</td>
<td></td>
</tr>
<tr>
<td>Asking individuals</td>
<td>.882</td>
<td></td>
</tr>
<tr>
<td>Asking corporations</td>
<td>.930</td>
<td></td>
</tr>
<tr>
<td>Asking foundations</td>
<td>.810</td>
<td></td>
</tr>
<tr>
<td>Fundraising through special events</td>
<td>.768</td>
<td></td>
</tr>
<tr>
<td>Proven experience in fundraising</td>
<td>.809</td>
<td></td>
</tr>
<tr>
<td>Superintendent increases revenue by:</td>
<td>.82</td>
<td></td>
</tr>
<tr>
<td>Solicits donations</td>
<td>.866</td>
<td></td>
</tr>
<tr>
<td>Cultivates donor relationships</td>
<td>.866</td>
<td></td>
</tr>
<tr>
<td>Stewards donors</td>
<td>.809</td>
<td></td>
</tr>
<tr>
<td>Participation with fundraising activities</td>
<td>.720</td>
<td></td>
</tr>
<tr>
<td>Items</td>
<td>Variable Type</td>
<td>Scale</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-----------------------</td>
<td>------------------------------------------------</td>
</tr>
<tr>
<td>Board size</td>
<td>Continuous</td>
<td>0 - 47 Total board members</td>
</tr>
<tr>
<td>Executive director’s employment status</td>
<td>Dichotomous dummy</td>
<td>Part-time or no executive director; full-time,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(reference group)</td>
</tr>
<tr>
<td>Years as executive director</td>
<td>Dichotomous dummy</td>
<td>Less than 6 years; 6 or more years,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(reference group)</td>
</tr>
<tr>
<td>Executive director’s years fundraising</td>
<td>Dichotomous dummy</td>
<td>10 or less years of fundraising experience;</td>
</tr>
<tr>
<td>experience</td>
<td></td>
<td>more than 10 years of fundraising experience,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(reference group)</td>
</tr>
<tr>
<td>Organization’s age</td>
<td>Continuous</td>
<td>1 – 27 years</td>
</tr>
<tr>
<td>Board’s sector representation</td>
<td>Categorical dummy</td>
<td>Recoded: 3=high private representation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(75% or greater) (reference group); 2=moderate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>private representation (50%-74%); 1=low private</td>
</tr>
<tr>
<td></td>
<td></td>
<td>representation (49% or less)</td>
</tr>
<tr>
<td>Beliefs about executive director’s</td>
<td>Factor scale</td>
<td>1 = Do not agree, 2 = Somewhat agree,</td>
</tr>
<tr>
<td>involvement in fundraising</td>
<td></td>
<td>3 = Agree, 4 = Strongly agree</td>
</tr>
<tr>
<td>Beliefs about superintendent’s</td>
<td>Factor scale</td>
<td>1 = Do not agree, 2 = Somewhat agree,</td>
</tr>
<tr>
<td>involvement in fundraising</td>
<td></td>
<td>3 = Agree, 4 = Strongly agree</td>
</tr>
<tr>
<td>Beliefs about board of directors’</td>
<td>Factor scale</td>
<td>1 = Do not agree, 2 = Somewhat agree,</td>
</tr>
<tr>
<td>involvement in fundraising</td>
<td></td>
<td>3 = Agree, 4 = Strongly agree</td>
</tr>
<tr>
<td>Executive director’s behaviors in</td>
<td>Factor scale</td>
<td>1 = Never, 2 = Seldomly, 3 = Frequently,</td>
</tr>
<tr>
<td>fundraising</td>
<td></td>
<td>4 = Always</td>
</tr>
<tr>
<td>Foundation board of directors’ behaviors</td>
<td>Factor scale</td>
<td>1 = Never, 2 = Seldomly, 3 = Frequently,</td>
</tr>
<tr>
<td>in fundraising</td>
<td></td>
<td>4 = Always</td>
</tr>
<tr>
<td>Superintendent’s behavior in</td>
<td>Factor scale</td>
<td>1 = Never, 2 = Seldomly, 3 = Frequently,</td>
</tr>
<tr>
<td>fundraising</td>
<td></td>
<td>4 = Always</td>
</tr>
</tbody>
</table>
CHAPTER 4
RESULTS

Introduction

This chapter presents the results of the statistical analysis of the data. The initial analysis includes the results of the t-tests and analysis of variance (ANOVA). This chapter concludes with the results of the multivariate regression analysis for the dependent variable.

Independent Sample t-Tests

I conducted group comparisons for the number of years of an executive director’s fundraising experience and the number of years served as executive director. I performed t-tests to determine if the mean difference on particular group characteristics (e.g., executive director’s years of experience in fundraising) was statistically significant for the dependent variable (e.g., education foundation revenue). Additionally, I conducted a group comparison for the number of years of a superintendent serving on the board and responses to fundraising and management activity questions. Assumptions of independence, normal distribution, and equal variances were made for each t-test. The Levene’s Test of Equality of Variance yielded a significant p value (p < .05) for some of the group comparisons. As a consequence, the results of the t-tests were interpreted with the assumption that some of these groups do not have equal variances. The following section presents the results of the independent sample t-tests by each independent variable analyzed.

Executive Director’s Fundraising Experience

I found no significant mean differences on responses to fundraising behavior questions based on the executive director’s years of fundraising experience (see Table 4-1). In this sample of education foundations, respondents showed no significant difference between the responses to the fundraising behavior questions of executive directors with 10 years or less of fundraising
experience and executive directors with greater than 10 years of fundraising experience. Thus, fundraising experience did not affect responses to fundraising behavior questions.

In addition, I found no significant mean difference for responses to fundraising behavior questions based on the years the executive director has served in that position (see Table 4-1). Respondents showed no significant difference between responses to fundraising behavior questions of executive directors in the position for less than six years in that position and executive directors in that position for six years or more. Hence, the amount of time the executive director held that position did not influence their responses to the fundraising behavior questions.

In additional t-test analyses, I found a significant mean difference for revenue generation, based on the number of years of the executive director’s fundraising experience (see Table 4-2). In this sample of education foundations, respondents showed a significant difference between the revenue generation of executive directors with 10 years or less of fundraising experience and executive directors with greater than 10 years of fundraising experience (p ≤ .10). Education foundations with executive directors who had greater than 10 years fundraising experience had a statistically significant greater levels of revenue.

I also found a significant mean difference for revenue generation, based on the years the executive director has served in that position (see Table 4-2). Respondents showed a significant difference between revenue generation of the executive directors in the position for less than six years in that position and executive directors with six or more years in that position (p ≤ .05). Education foundations with executive directors serving in that position for six or more years had statistically significant greater levels of revenue.
Superintendent Experience

I found no significant mean differences on responses to fundraising questions, based on the superintendent’s years on the education foundation board of directors (see Table 4-3). In this sample of education foundations, respondents showed no significant difference between the responses to fundraising questions of superintendents who have served on the education foundation board for three years or less or greater than three years. The tenure of the superintendent on the education foundation board did not account for a statistically significant difference in the responses to the fundraising questions.

Summary of the t-Test Analysis

Each of the independent variables (executive director’s years of fundraising experience, executive director’s years in the position, and superintendent’s time on the board) yielded no significant differences between group means for behaviors in fundraising. Likewise, the superintendent’s time on the board of directors did not make a significant difference in how he responded to questions about fundraising behavior. However, the executive director’s years of fundraising experience and years as executive director were found statistically significant related to revenue generation. The following section will explore how the board of directors’ sector representation differs across revenue generation.

Analysis of Variance

I conducted a one-way analysis of variance (ANOVA) to determine if between-group differences existed for the private sector representation on the board of directors’ (e.g., less than 50% private sector; 50% - 75% private sector representation, greater than 75% private sector representation) across the dependent variable, total amount of revenue generation. Assumptions of independence, normal distribution, and equal variances were made for the ANOVA. The Levene’s Test of Equality of Variance yielded a significant p value (p < .05). In the following
section, I will discuss an ANOVA model to examine the relationship between a board of directors’ private sector representation and the dependent variable.

**Private Sector Representation on the Board of Directors**

Based on the ANOVA results, no statistically significantly difference existed for revenue generation for board of directors with 50% or less private sector representation, more than 50% to 75%, or greater than 75%. For revenue generation, no significant difference existed between all the boards of directors’ private sector representation groups (see Table 4.4). However when looking at the within group comparison, a statistically significant increase existed in revenue generation for boards of directors with 50% or less private sector representation, as compared to boards of directors with more than 75% representation of private sector board members (p < .05) (see Table 4.5). No statistically significant difference existed when comparing boards of directors with 50% or less private sector representation, as compared to boards of directors with more than 50% to 75% private sector representation. Likewise, no statistically significant difference existed for boards of directors with more than 50% to 75% private sector representation and 75% or greater private sector representation.

**Multivariate Regression Analysis**

To analyze the effects of the combination of multiple independent variables on the dependent variable, total education foundation revenue, I conducted a hierarchical multivariate regression analyses. As described earlier, the independent variables were entered in the following blocks: organizational characteristics, individual beliefs, and activities by position within the education foundation. In the following section, I will discuss the results of the multivariate regression model.
Revenue Generation Regression Results

The revenue outcome variable measured the revenue raised by the education foundation. The regression model used in this study explained 87% of the total variance in the revenue generation scale (df = 21; F = 4.21; p < .05, and the three block entries yielded a significant change in the model (see Table 4-6). The relative effect size for each block, based on the introduction of each block of variables that controls for all the variables in the model, is described below.

While controlling for all the covariates, certain organizational characteristics and individual fundraising behaviors resulted in a statistically significant increase in the explained variance in the dependent variable, revenue generation. In the organization characteristics block, only the total number of board members yielded a significant difference on revenue generation. Additionally, the total number of board members remained significant across all three block entries in the model. This result indicated that the larger board of directors, regardless of sector representation, will have a statistically significant influence on revenue generation for the education foundation.

Within the same organizational characteristics block, an executive director’s employment status (e.g., full-time, part-time, or no time) did not prove a significant factor in revenue generation for the education foundation. Likewise, revenue generation was not significantly impacted by the age of the foundation. Also, the actual amount of private sector representation on the board of directors was not significantly related to revenue generation. This means that education foundations with less than 50% private sector representation and 50% to 75% private sector representation, compared to education foundations with greater than 75% private sector representation, were not significantly different in revenue generation.
In the respondent’s belief statements in the fundraising variable block of the model, none of the belief factors proved to be a significant explanation for revenue generation across the model. The belief responses are indicative of the survey respondent provided either by the highest paid staff member of the education foundation or the key board contact. Beliefs about the role of the executive director’s role in fundraising from individuals, corporations, foundations, and special events did not translate into increased revenue generation. Likewise, the respondent’s beliefs regarding the board of directors’ role in fundraising from individuals, corporations, foundations, and special events, as well as the board member’s prior proven fundraising experience, did not contribute to revenue generation. Lastly, revenue generation was not related to the respondent’s beliefs about the superintendent’s role in fundraising through solicitation, cultivation, and stewardship of donors. In sum, the respondent’s beliefs about the executive director, superintendent, or board of directors’ fundraising involvement are not strong explanatory variables for education foundation revenue.

Behaviors in fundraising activities, defined as the board of directors’ executive director and superintendent participation level accounted for 14% of the variance explained in the model. In the individual fundraising behaviors block of the model, only the executive director’s activity level in fundraising showed a significant difference in education foundation revenue. As the frequency of the executive director’s activities in fundraising increases, the level of education foundation revenue increases. The frequency of the board of directors’ engagement in fundraising activities did not impact revenue generation. It made no difference how often the board of directors asked individuals, foundations, or corporations for donations. Likewise, the superintendent’s involvement level of activity in fundraising made no difference in revenue
generation. As the frequency of the superintendent’s activities in fundraising increased, the level of education foundation revenue did not increase.

**Summary of Chapter 4**

The focus of this chapter was to present the preliminary analysis of data, including the results of t-tests, between group characteristics and analysis of variance (ANOVA) for the dependent variable of revenue. This chapter also included the results of the multivariate regression model. Results indicate that the total number of boards of directors impacted revenue generation for the education foundations. Additionally, the higher the fundraising activity level of the executive director also made a significant difference on education foundation revenue.

After controlling for organizational characteristics, individual beliefs in fundraising, and individual fundraising behaviors, no single block was found to have a significant influence on revenue generation. However, the total number of board members and the fundraising activity level of the executive director were positively associated with revenue generation. In Chapter 5, I will discuss the results in the context of the research literature.

<table>
<thead>
<tr>
<th>Table 4-1. Analysis of mean for executive director fundraising behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparisons</td>
</tr>
<tr>
<td>--------------</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
</tbody>
</table>

* p ≤ .05, ** p ≤ .01, *** p ≤ .001
Table 4-2. Analysis of mean of education foundation revenue

<table>
<thead>
<tr>
<th>Comparisons</th>
<th>Levene’s test of equal variance</th>
<th>df</th>
<th>t</th>
<th>Mean difference</th>
<th>Std. Error Difference</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 or less years fundraising experience vs. more than 10 years fundraising experience</td>
<td>7.298</td>
<td>.012</td>
<td>12.198</td>
<td>-2.058</td>
<td>-1393230.476</td>
<td>677116.589</td>
</tr>
</tbody>
</table>

^ p < .10, * p < .05, ** p < .01, *** p < .001

Table 4-3. Analysis of mean for superintendent fundraising behavior

<table>
<thead>
<tr>
<th>Comparisons</th>
<th>Levene’s test of equal variance</th>
<th>df</th>
<th>t</th>
<th>Mean difference</th>
<th>Std. Error</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>.357</td>
<td>.555</td>
<td>28</td>
<td>-1.038</td>
<td>-1.63801</td>
<td>1.62007</td>
</tr>
</tbody>
</table>

* p ≤ .05, ** p ≤ .01, *** p ≤ .001

Table 4-4. Revenue generation one-way ANOVA by board of directors’ private sector representation

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Sum of squares</th>
<th>df</th>
<th>Mean square</th>
<th>F</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intrapersonal civic-related capacities</td>
<td>Between Groups</td>
<td>1.158E13</td>
<td>2</td>
<td>5.788E12</td>
<td>2.166</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>6.414E13</td>
<td>24</td>
<td>2.672E12</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>7.571E13</td>
<td>26</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* p ≤ .05, ** p ≤ .01, *** p ≤ .001

Table 4-5. Scheffe’s post-hoc tests of mean differences for total revenue by private sector representation on board of directors

<table>
<thead>
<tr>
<th>(I) Organizational Type (group mean in revenue thousands)</th>
<th>(J) Organizational type</th>
<th>Mean difference (I - J)</th>
<th>Std. error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 50% ($470)</td>
<td>Greater than 50% to 75% ($808)</td>
<td>-$337</td>
<td>$321</td>
</tr>
<tr>
<td>Less than 50% ($470)</td>
<td>Greater than 75% (1.967)</td>
<td>-$1,497*</td>
<td>$684</td>
</tr>
<tr>
<td>Greater than 75% ($1,967)</td>
<td>Greater than 50% to 75% ($808)</td>
<td>-$1,159</td>
<td>$716</td>
</tr>
</tbody>
</table>

* p ≤ .05, ** p ≤ .01, *** p ≤ .001

82
Table 4-6. Standardized beta coefficients for blocked entry regression on revenue (n = 22)

<table>
<thead>
<tr>
<th>Variable name</th>
<th>Block 1</th>
<th>Block 2</th>
<th>Block 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organizational Characteristics</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total number of boards of directors</td>
<td>.611**</td>
<td>.594**</td>
<td>.485*</td>
</tr>
<tr>
<td>Years in operation</td>
<td>.261</td>
<td>.262</td>
<td>.247</td>
</tr>
<tr>
<td>Part-time/no time executive director (full time director)</td>
<td>-.179</td>
<td>-.182</td>
<td>-.152</td>
</tr>
<tr>
<td>Less than 50% private sector board representation</td>
<td>-.175</td>
<td>-.137</td>
<td>-.087</td>
</tr>
<tr>
<td>More than 50% to 75% private sector board representation</td>
<td>-.114</td>
<td>-.109</td>
<td>-.030</td>
</tr>
<tr>
<td><strong>Individual beliefs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beliefs about the executive directors</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Beliefs about superintendents</td>
<td>.060</td>
<td>.150</td>
<td></td>
</tr>
<tr>
<td>Beliefs about board of directors</td>
<td>.790</td>
<td></td>
<td>.043</td>
</tr>
<tr>
<td><strong>Individual fundraising behaviors</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 years or more as executive director</td>
<td></td>
<td></td>
<td>.243</td>
</tr>
<tr>
<td>More than 10 years fundraising experience of executive director</td>
<td></td>
<td></td>
<td>-.069</td>
</tr>
<tr>
<td>Executive directors’ fundraising behavior</td>
<td>-</td>
<td>-</td>
<td>-.306*</td>
</tr>
<tr>
<td>Superintendents’ fundraising behavior</td>
<td></td>
<td></td>
<td>.115</td>
</tr>
<tr>
<td>Board of directors’ fundraising behavior</td>
<td></td>
<td></td>
<td>.249</td>
</tr>
<tr>
<td>$R^2$</td>
<td>.072</td>
<td>.729</td>
<td>.872</td>
</tr>
<tr>
<td>Change in $R^2$</td>
<td>.072</td>
<td>.008</td>
<td>.143</td>
</tr>
<tr>
<td>$F$</td>
<td>8.28***</td>
<td>4.38**</td>
<td>4.21</td>
</tr>
</tbody>
</table>

(p ≤ .10, *p ≤ .05, **p ≤ .01, ***p ≤ .001)
CHAPTER 5
DISCUSSION

Introduction

Institutions of learning, including primary, secondary, and postsecondary, have turned to raising private revenue to meet their expanding needs. In response to shrinking governmental revenues, these institutions are trying to fill the increased requirements of students and institutions, as well as the growing focus on improving the educational experience (Chmelynski, 1999; Kelley, 1999; Moore, 2000). Education foundations play a critical role in securing those funds from the nongovernmental sources, including individuals, corporations, and private foundations. Despite the increasing role of education foundations in K-12 schools, little research has been focused on the how these foundations are structured and function. To that end, this study has enhanced the understanding of the characteristics of K-12 education foundations and funds raised to help the institutions they support.

During the past decade, a significant shift in giving to education has occurred. Increasingly, K-12 education is successfully competing for donations that traditionally went to higher education (Ferguson, 1996; Lewin, 2005). However, fundraising in higher education looks very different than in K-12 education. Some of those differences include such characteristics as significant organizational resource investment in fundraising activity, that is, staff, an educational institution’s president’s involvement in fundraising, and private sector representatives on the board of directors (Kinnison & Ferrin, 1989; Patton, 2002; Popcock, 1989).

While K-12 education foundation fundraising is an under-researched area of educational fundraising, higher education fundraising has had extant research for decades. The overall increasing amount of private revenue being allocated to K-12 education has intensified an
interest in understanding the characteristics that contribute to private revenue generation. This research study on K-12 education fundraising contributes to an evolving understanding of this important topic.

**Summary of Study Contributions**

This study provides a preliminary introduction into how a K-12 education foundation can be structured for generating revenues. I examined how the factors of the board of directors, executive director, and superintendent vary in influence on revenue generation. Furthermore, this study contributes to a modest amount of existing research on K-12 education foundations by providing a theoretical framework as the basis for guiding this research. This study also adds to previous research by including advanced quantitative analysis of the relationships among the fundraising behaviors and beliefs of the board of directors, executive director, and superintendent on revenue generation. Moreover, individual and organizational characteristics were analyzed, such as years of operation, the size of the education foundation’s board of directors, private sector representation, executive director employment status, executive director fundraising experience and years as executive director. This research connects organizational characteristics and individual behaviors and beliefs with revenue generation.

**Theoretical Framework**

The resource dependency theory hypothesizes that as organizations become more dependent on resources, the organizations will change their behavior (Pfeffer & Salancik, 1978, 2003). The K-12 education foundations are seeking to attract more donations from outside governmental sources, and, as such, they are beginning to adjust the way they conduct the business of resource development.

As a result of external funding, higher education studies in resource dependency theory stress two significant changes: organizational structure and changes in faculty. Further research
is needed to determine how K-12 school districts and education foundations build their organizational capacity and change their behavior to acquire and to diversify additional private funding resources (Slaughter & Leslie, 1997).

This research study points to the beginning of some organizational changes occurring within K-12 education, possibly leading to increased revenue generation. For example, school districts have started education foundations, hired fundraising staff, and recruited influential community members to serve on their education foundation’s board of directors. The resource dependency theory provides a theoretical framework in which to analyze how these foundations function and how their organizational characteristics related to the acquisition of private resources in public education.

**Summary of Research Findings**

This empirical study examined the relationship between organizational and individual characteristics and revenue generation in K-12 educational settings. Specifically, this study analyzed if organizational and individual characteristics, individual beliefs on fundraising behaviors, and individual fundraising behaviors played a role in revenue generation. The following research question guides this study: What is the relationship between a K-12 education foundation’s organizational and individual characteristics and a K-12 education foundation’s revenues? In particular, I proposed the following three hypotheses:

1. Boards of directors that play an active role in fundraising are more likely than non-involved boards of directors to contribute to increased revenue generation for the education foundation (Hyatt, 1992; Nesbit, 1987; Tunnison, 1991).

2. A full-time executive director is more likely to contribute increased revenue generation for an education foundation than foundations without an executive director (Glandon & Keener, 1994; Hornbaker, 1986; Sturgis, 2005).

3. Superintendents who demonstrate a commitment to the education foundation through assisting in the planning and implementation of the education foundation’s fundraising plan are more likely than superintendents who are uninvolved to contribute to increased
revenue generation for the education foundation (Clark, 2002; Hammack, 1984; Hyatt, 1992; Nesbit, 1985).

Overall, I found none of these hypotheses to be true. However, when examined more closely, some characteristics of the board of directors and the executive director were found to be statistically significant in affecting education foundation revenue generation.

The discussion of the research question and the sub-questions are presented in the following sections. In the first section, I will discuss the dependent variable. In the second section, I will discuss the results found to be statistically significant. In the third section, I will discuss the results that were not significant.

**Revenue Generation**

In this study, the K-12 education foundation revenue dependent variable measured the amount of annual funds contributed to the education foundation. Components of revenue primarily include corporate, individual, private foundation, and governmental donations. This construct is similar to earlier research (Calvin & Keen, 1982; Hammack, 1984; Neill, 1983; Nesbit, 1985) that examined characteristics that contributed to revenue generation within education foundations at higher educational institutions and within K-12 education foundations.

**Factors Contributing to Revenue Generation**

Two factors emerged as having a statistically significant influence on revenue generation: 1) the total number of board members and 2) fundraising behavior of the executive director. The total number of education foundation board members appears to play a role in an education foundation’s revenue generation, while controlling for employment status; age of the foundation; board size and composition; fundraising beliefs of the board of directors, executive director, and superintendent; and the fundraising behaviors of the board of directors and superintendent. The total number of board members was not specifically examined in previous research as a factor
contributing to revenue generation. Other factors shown in previous research to contribute to the attainment of the overall fundraising goals include: board composition, knowledge of and ability to articulate the mission and priorities of the organization, and the capacity and willingness to give resources and work for the acquisition of private resources and critical leadership skills (Boguch, 1994; Hunter, 1987; Sharron, 1982; Woodbury, 1973). This research study showed that as respondents reported larger total numbers of board members, the education foundation may have higher amounts of revenue. By sheer numbers, larger education foundation boards may have a wider sphere of influence, a broader scope of community knowledge, and a more diverse skill set contributing to the education foundation’s ability to raise revenue. Perhaps a greater number of board members make it more likely that the education foundation will have an influence over more individuals with the ability to make additional contributions.

The fundraising activities of the executive director appear to play a significant role in revenue generation; however the actual impact was slightly negative. Upon deeper analysis, respondents with high amounts of revenue selected “always” or “frequent” in response to fundraising behavior questions and some respondents with low amounts of revenue responded “always” in response to the same fundraising behavior questions. Thus, some executive directors who either “always” or “frequently” engage in certain fundraising behaviors raise larger revenue amounts for the foundation and sometimes those who reported “always” participating in fundraising activities are not successful at generating revenue. This finding does not completely support earlier research which found that education foundations with executive directors or chief development officers, who are involved in asking for donations, are more likely to raise private revenue (Black, 1984; Glandon & Keener, 1992; Kelly, 1991; Leslie, 1969). Interestingly, in this current study, it was not determined that having an executive director either full-time, part-time,
or no time played a role in revenue generation. This finding may suggest that having an education foundation with an executive director engaged in fundraising activities in an environment where a greater number of fundraising sources and the higher prospect’s donation capacity may impact the amount of time an executive director actually needs to spend raising money from those sources.

Applying resource dependency theory (RDT) to understand these results, I determined three key facts. First, school districts are dealing with uncertainty concerning revenue sources. The use of this theoretical framework is an appropriate lens to examine the work of education foundations. The creation of these foundations was in response to school district’s shrinking revenues and an increased diversity of needs. Because of these uncertain financial times, the theory suggests that organizations are going to be structured differently to capitalize on generating revenue. Second, this study found a diversity of organizational composition, behaviors, and beliefs toward revenue generation. According to RDT, education foundations were created differently in an attempt to be more successful, which is exactly what this study highlights. Third, it is now known that education foundations were going to approach revenue generation differently. This study identified some characteristics that were more related to successful revenue generation.

Factors Not Related to Revenue Generation

Unlike in previous studies, the superintendent and board of directors’ behaviors in fundraising were not significantly related to an education foundation’s revenue generation. The importance of the leadership of the college president appeared in the research literature as a prevailing factor related to the success of private revenue generation at various institutions of higher education (Duronio & Loessin, 1991; Fisher, 1989; Glennon, 1985; Miller, 1991). Moreover, prior K-12 education foundation research supported the notion that school district
administration must be involved to provide insight and organizational assistance for the education foundation to be successful (Clark, 2002; Hammack, 1984; Hyatt, 1992; Nesbit, 1985). Even though I found no difference in the activity level of superintendents’ on revenue generation, this finding may suggest that superintendents differ from their higher education counterparts, presidents, due to an expectation in the hiring process that fundraising experience is not an expected job skill or expertise required from superintendents. These findings suggest that additional research is needed to determine how school superintendents are best engaged to raise additional revenue.

Likewise, in this study, the board of directors’ activity level in fundraising activities did not influence revenue generation. Unlike previous studies (Boguch, 1994; Fraser, 2006; Hedgepeth, 2003; Tunnison, 1991), boards of directors that were active solicitors of funds contributed to increased education foundation revenue. Researchers in both higher education and K-12 education foundations established a relationship between involving boards of directors in fundraising activities and increased revenue generation. This result suggests that perhaps Florida’s K-12 education foundations’ boards of directors’ engagement is low, but higher engagement might result in increased revenue. Additionally, the study findings determined that the larger the board of directors, the greater the education foundation revenue generation. These findings suggest that additional research is needed to explore how education foundations are recruiting and utilizing their boards of directors to encourage a higher level of consistent engagement in fundraising activities.

Additionally, the number of private sector board members was not significant in impacting education foundation revenues. This finding also did not support previous research in K-12 or higher education. Tunnison (1991) found it was important that school administrators
should not be the primary members of the foundation’s board because the board needs to have external connections to bring in private revenue. Education foundations with a majority of members from the private sector who spent time fundraising were more successful in bringing in private revenue (Calvin & Keen, 1982; Neill, 1983; Nesbit, 1985). These findings suggest that additional research is needed to explore in more depth the combination of the private sector representation on a board of directors that will result in revenue generation.

Finally, none of the beliefs constructs about the executive director, superintendent, or board of directors’ role in fundraising was found to be significant in impacting education foundation revenue. In other words, what the respondents believed was important was found to be actually unimportant for raising money. The belief constructs, which focused on involvement in fundraising for the executive director, superintendent, or board of directors, were not studied previously. It may be an area for future research, particularly around analyzing how beliefs translate into actual fundraising activities.

Two other organizational factors that also did not make a difference in education foundation revenue included: years in operation and employment status of an executive director. Well-established education foundations were not found to be any different in their ability to raise money. This finding may suggest that how an organization is structured is more important than how long the education foundation has been in existence. The research study findings suggest that simply having a full-time or part-time executive director, prior fundraising experience or more years on the job did not affect revenue generation. The statistically significant factor, as discussed previously, was having an executive director with a high level of engagement in fundraising activities. It is not enough to have an education foundation executive director either
part-time or full-time. If someone is not thoroughly engaged in fundraising, no significant
difference will be apparent in revenue generation.

Overall Findings

The Education Foundations of Florida Survey, as discussed in this research study,
provided an initial model to better understand an education foundation’s revenue generation
across the organizational and individual characteristics of the education foundation’s executive
director, superintendent, and board of directors. The results of this study support the use of this
theoretical framework for examining revenue generation. For example, the results suggest that
the total number of board members affects revenue generation for the education foundation.
Foundations with a greater number of board members generate more revenue.

Organizational theorists have recognized the connection between the scarcity of resource
and the changes that organizations will undergo to better position themselves for increasing
resources (Pfeffer & Salancik, 1978, 2003; Slaughter & Leslie, 1997). These theorists contend
that as organizations find themselves in the position for needing funding from new sources, the
organizations will undergo necessary adjustments to make it more likely that they will be
successful in gathering new resources. This finding suggests that an organization that adjusts its
business activities, including the role of its executive director, superintendent, and board
members, will be more successful at resource development.

As has been proposed in the resource dependency theory, this study supports the assertion
that, in response to changing financial dynamics, organizational behavior will change. For
example, as demonstrated in higher education research, the institution’s president’s role in
fundraising has increased over time to a point where private revenue generation is often an
articulated job requirement. As school districts become more and more reliant on sources outside
the traditional funding stream of governmental sources, the organization, including the superintendent, will need to respond with a change in belief and activities toward fundraising.

**Summary of Chapter 5**

This chapter provided a discussion of the results of the study, including the relationship among the factors of the board of directors, executive director, superintendent, and other organizational factors and revenue generation at a K-12 education foundation. The results were described for the dependent variable, K-12 education foundation revenue. In looking at the results through the framework provided by the resource dependency theory, the study revealed the beginning adaptation for school districts and education foundations to be better prepared for increased revenue generation from nontraditional sources.

However, in analyzing these results, it is important to note the limitations to the data: 1) the data were self-reported and may not accurately reflect the situation; 2) the study represented only Florida’s education foundations and therefore it did not necessarily reflect the characteristics that would be significant regarding other education foundations outside of Florida; 3) the survey did not collect information on all the other potential confounding variables (e.g., size of the school district, tax base of the school district, and state laws that govern foundations). In recognition of these limitations, Chapter 6 will provide a discussion of future research directions and recommendations.
CHAPTER 6
FUTURE RESEARCH AND HIGHER EDUCATION ADMINISTRATION
RECOMMENDATIONS

Introduction

This study has provided the first quantitative analysis of self-reported factors of Florida’s K-12 education foundations. Researchers and practitioners are studying and documenting factors that contribute to increased revenue to understand the effects of a board of directors, executive director, and superintendent’s beliefs and behaviors, as well as the K-12 education foundation’s organizational factors on revenue generation outcome. This study can assist K-12 education foundations by understanding how their activities and organizational characteristics relate to revenue generation. This chapter includes recommendations for future research and recommendations for school districts, as well as K-12 education foundations’ boards of directors and staff.

Future Research

For K-12 education foundations to generate revenue, more research is needed to better understand the factors that increase the efficacy of those efforts. The substantial amount of research at the higher education level points to the influence of the specific factors explored in this particular study. This study has gained greater knowledge by examining those factors more closely in a K-12 setting, which can extend the capacities of K-12 foundations raising money. In particular, I see four key opportunities for future research: 1) expand the study populations to include education foundations from across the country; 2) study the role of the executive director in fundraising, including influence of personal characteristics; 3) research additional organizational characteristics, such as school district size; and 4) study alternative organizational development theoretical frameworks, such as mimetic isomorphism.
A limitation of this research was the small scale of the study. The size was not a representative sample of the national education foundation population. Additional research could include a nationally representative sample. As mentioned previously, the literature has been limited regarding K-12 education foundation revenue generation, which inhibits researchers and practitioners in understanding the factors that influence revenue generation (Calvin & Keen, 1982; Neill, 1983; Nesbit, 1985; Tunnison, 1991). If a larger national sample were used, national norms of education foundation fundraising practices could be shared.

The influence of the board of directors, executive director, and superintendent on revenue generation was the primary research question guiding this study. As stated previously, this study examined how K-12 education foundation revenue was affected by the fundraising activity level and fundraising beliefs. Other organizational factors included total number of board members and private sector representation, employment status, executive director’s fundraising experience, executive director’s years in the position, and an education foundation’s years in operation. While this study showed limited support for an executive director’s fundraising behaviors and the size of the education foundation board, the additional existing research on K-12 education foundations found that having a staff level executive director, an influential board of directors with high private sector representation, and a greater level of fundraising activities had an impact on revenue generation. For example, previous research found that boards of directors that play an active role in fundraising are more likely than non-involved boards of directors to contribute to increased revenue generation for the education foundation (Hyatt, 1992; Nesbit, 1987; Tunnison, 1991). Additionally, other board characteristics found to be important included: prominent members, a majority being from the private sector; a common understanding of the organization’s vision and mission; an ability to articulate that mission and
vision to constituents; and skills and time to work on fundraising activities (Boguch, 1994; Fraser, 2006; Hedgepeth, 2003; Tunnison, 1991). Researchers need to examine the influence from other factors of education foundations, in particular, the role of the executive director and how cultural perspectives, gender or ethnicity affects revenue generation. Little to no research has been done on those variables.

Other questions also guide future research. For example, what additional organizational factors, such as school district size, which could correspond to a larger and more diverse source of donors, can provide a more thorough understanding of resource development? How can researchers study the organizational components associated with K-12 education foundation revenue? Researchers can delve further into other theories of organizational development, such as mimetic isomorphism, to examine how K-12 education foundations are mimicking their counterparts in higher education focusing on private revenue generation.

**Recommendations for K-12 Education Foundations**

In this section, I will briefly make some recommendations for the field of K-12 education foundations. This section is grouped into two sections of recommendations: the school district and the education foundation. The examination of educational fundraising in earlier studies has focused on organizational and individual behaviors shaped by a variety of influences not limited to staffing, volunteer leadership, and school leadership. Within the school district, these recommendations are captured in three areas: superintendent’s role, internal positioning of the education foundation within the school district, and resource allocation.

The relationship between the school district and the K-12 education foundation is crucial. Some have argued for an independent relationship between the school district and education foundation. In higher education, the relationship is much more interdependent. In most instances, the president of the university serves on the higher education foundation board. Because of the
increasing role of private revenue in supporting higher education, institutional advancement has evolved into an essential job for college and university presidents (Bornstein, 2003; Cook & Lasher, 1994; Fisher & Quehl, 1996; Overley, 2006). Patton (2002) also showed that when institutional leaders are removed from the fundraising process, board members and volunteers are likely to place less emphasis on raising money.

Beyond the specific fundraising activities, including the solicitation of gifts, the president plays an important role of setting the institutional vision and priorities that demonstrate to external constituents an alignment between the foundation and the educational goals of the institution it supports. Donors want to know that they are giving to initiatives that play into the vision of the institution, as well as having the potential to create transformative change for the institution (Bornstein, 2003). Since foundations are not the provider of the educational services, they must rely on the school to set those priorities, thereby creating an interdependent relationship. The school leader sets the funding priorities, and the education foundation links those priorities to specific donors (Kelly, 1991; Leslie, 1969).

Another way a school district can demonstrate its support for an education foundation is through a reporting structure, which illustrates that fundraising is a priority for the superintendent. An example could be providing the executive director a position within the senior cabinet of the school district. This direct reporting relationship between the superintendent and the foundation is critical. Hornbaker (1986) found that effective fundraising institutions always had the chief development officer in the president’s cabinet.

Also, school districts can provide resources for infrastructure and staffing to manage institutional fundraising. The chief development officer plays an essential role in organizing the development process with the school district and external audiences (Kelly, 1991; Leslie, 1969).
Additional support provided through an employee has been documented to include opportunities such as: involved the direct solicitation of donors, engaging the president and/or board of directors in cultivation and solicitation activities, and collecting and communicating relevant data to inform the fundraising process. Several research studies have found that staff plays a critical role in generating revenue for education foundations (Black, 1984; Glandon & Keener, 1992).

The key recommendations for education foundations are captured in three areas: 1) board recruitment, involvement and retention; 2) superintendent engagement; and 3) employing an executive director. The education foundation serves as the driver for private revenue generation for its institutional partner. Key to its success is the ability to recruit talented, dedicated, and involved board members. Board members must be prominent members of the community, willing to fundraise, and dedicated to the mission of the organization. With these characteristics, they can contribute to organizational fundraising success (Hedgepeth, 2003; Tunnison, 1991).

The following recommendations are meant for school district leaders, education foundation professionals, and board volunteers to consider in an effort to enhance the development of K-12 education foundations’ fundraising capabilities. First, school superintendents should create a relationship with the education foundation and the external community of potential and existing donors. The superintendent helps set the stage for the fundraising success of an education foundation. In the beginning, the role may be to use the superintendent’s high level community leadership position to bring together other private sector community leaders. This effort would set a vision for the creation of an education foundation. But soon the superintendent should step into a new role of co-creating the educational priorities with the insight and assistance of the external community leaders. The superintendent should also transition into being a more prominent supporter and fundraiser for the education foundation. The superintendent should also
position fund development as a key organizational priority. As research has shown, the fundraising activities need to be directed by a chief development officer. Organizational prioritization of the education foundation can be shown through the district investing resources in the education foundation, which could start with infrastructure and staffing support. It is critical for success to have an executive director employed either by the district or the education foundation and to allow for the education foundation’s executive director to be positioned as a part of the district’s senior leadership structure.

Second, at the education foundation level, the board of directors must be intentional about the recruitment of board members. It is essential to the education foundation’s success in fundraising to bring a large number of volunteers to the table. These volunteers would have the appropriate commitment, fundraising experience, as well as representing appropriate community influence to bring forward private resources. Board volunteers must be willing to commit to a co-developed educational vision and goals for the district and then invest themselves. Additionally, they should use their sphere of influence to recruit other donors to join the education foundation in addressing the educational opportunities that make the most sense for private sector investment.

Third, it is essential to have an executive director who serves as the liaison between the school district and the external community via the education foundation. The education foundation leader becomes the bridge between the educational needs of a district and community and private resources. The executive director helps to coordinate the efforts of both entities, leading to a unified fundraising strategy. Without an executive director, the coordination between the private resources and public schools will never meet its full potential, resulting in fewer opportunities for teachers, students, and the community.
Summary of Chapter 6

Public school districts are under mounting pressure to make up for lost revenue and provide a higher level of educational outcome for students. By engaging the private sector to produce strategic partnerships, education foundations can demonstrate their value for cultivating and stewarding those donor relationships. This study highlights the importance of the board of directors, executive director, and superintendent to expand the capabilities of the education foundation to generate revenue. Yet much more information is needed to clarify the types of activities and organizational characteristics that will influence revenue. Research on K-12 education foundations can be used to inform policymakers and practitioners. Researchers can provide evidence of the value and impact of private revenue in public education. With focused, strategic interaction with the community, K-12 education foundations can effectively demonstrate their leadership role in linking K-12 education with significant private resources, leading to a higher quality of education for all students.
APPENDIX A
EDUCATION FOUNDATIONS OF FLORIDA SURVEY

Education Foundations of Florida Survey

Dear Education Foundation,

This survey is part of the Education Foundation Doctoral Dissertation Research Project. Your participation in this survey will help the researcher better understand the interaction between a school district superintendent, the highest paid executive of the education foundation and the education foundation board of directors as it relates to revenues produced by your education foundation. Your participation is important to us, but it is voluntary and you do not have to answer questions that you do not want to answer. Responses are strictly confidential; no individual’s responses will be identified and only group level data will be reported. There are no known risks or immediate benefits to the participants. No compensation is offered for participation. The survey will take approximately 20 minutes of your time. Thank you in advance for your assistance in the Education Foundation Research Project.

STATEMENT OF CONSENT

I am 18 years of age or older, and I understand that this questionnaire is part of a research study being conducted by the University of Florida to more fully understand education foundations in Florida.

I hereby voluntarily give permission for my responses to be used as data in this study. I understand that all responses are completely confidential and that my name or any identifying factors will not be associated with my responses or with any document produced from this research. I understand that I do not have to answer any questions that I do not wish to answer. My participation in this study allows me to express my thoughts and opinions about aspects of the education foundation I represent. I understand that there is no compensation for participation in this study and I will receive no direct benefits for participation in this study.

I understand that I may contact the principal investigator, Stacy Carlson, University of Florida College of Education, at carlson@ufl.edu or the faculty supervisor, Dr. Luis Ponjuan, University of Florida College of Education at 352-392-2391, ext 282 or lponjuan@coe.ufl.edu at any time with questions or concerns about this study. I understand that the preliminary results of this study will be available in Summer 2011, and that I may contact the principal investigator for a copy of the survey results at that time. Additionally, I may contact the Chairperson of the University of Florida campus IRB Office with any questions regarding my rights as a research participant in this study at 352-392-0433 or irb@ufl.edu.

I have read the procedure for the Education Foundations of Florida Survey described above. I voluntarily agree to participate in the survey and I have received a copy of this description.

Print your name

Signature

Date

I would like to receive a copy of the final “survey” results submitted to the instructor. Yes/No (please circle one)

Education Foundations of Florida Survey
Please indicate your answer to each question by placing a circle around the response representing the category which best describes your views on the issue.

**Questions 1 & 2 asks you to respond to questions related to the Education Foundation Board of Directors.**

1. In the last 12 months, please indicate the frequency of participation by the entire Education Foundation Board of Directors in the following activities:
   (Circle one for each item)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Always</th>
<th>Frequently</th>
<th>Seldomly</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Fundraise for special events</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>b. Ask individuals for donations</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>c. Ask corporations for donations</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>d. Ask private foundations for donations</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>e. Participate in special events (e.g. not fundraisers)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>f. Provide financial oversight</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>g. Raise awareness of the education foundation in the community</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>h. Set strategic plan for the education foundation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>i. Lead the strategic plan for the education foundation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>j. Manage daily administrative functions of the education foundation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>k. Manage foundation funded programs (e.g. grant making)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

2. Indicate the extent to which you agree or disagree with the following statements regarding the relationship between the Education Foundation Board of Director's activities and revenue generation:
   (Circle one for each item)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Somewhat Agree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Board of directors involved in fundraising through special events</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Board of directors soliciting individuals for donations increases</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Board of directors soliciting corporations for donations increases</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Board of directors soliciting private foundations for donations</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Board of directors with individual directors with proven records in</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>fundraising increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Board of directors with professional relationships with business</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>leaders increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g. Board of directors with personal relationships to wealthy individuals</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>h. Board of directors providing financial oversight for the education</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>foundation increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Board of directors ability to articulate the education foundation's</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>mission to donor prospects increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>j. Board of directors that plan the strategic direction of the education</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
foundation increases education
foundation revenue .................................. 1 2 3 4
k. Board of directors that understand
the purpose of funded education
foundation programs increases
education foundation revenue........... 1 2 3 4
l. Board of directors made up of a
majority of governmental
representatives increases education
foundation revenue................................ 1 2 3 4
m. Board of directors made up of a
majority of school district
employees increases education
foundation revenue.............................. 1 2 3 4
n. Board of directors made up of a
majority of business leaders
increases education foundation
revenue .............................................. 1 2 3 4
o. Board of directors made up of a
majority of individual donors
increases education foundation
revenue ............................................. 1 2 3 4

Questions 3 and 4 asks you to respond to questions related to the Education Foundation’s Highest Paid Executive and question 5 asks you to respond to questions about the Education Foundation Executive Director.

3. Please select one of the applicable descriptions of your Education Foundation’s Highest Paid Executive.

   a. Executive director/President dedicated to the work of the education foundation. May be school board employee, but the foundation work is their only responsibility.

   b. School district staff person assigned to serve as the executive director of the education foundation. Where the foundation is a primary, not only, responsibility of the assigned staff person and their secondary responsibility is a position in the school district or other non-profit.

   c. School district or other non-profit staff person assigned to coordinate the education foundation, but the foundation is a secondary job responsibility.

   d. The foundation has no staff that qualifies to one of the above descriptions. (If this is your answer you can skip forward to question #5)

   e. Other, please describe

4. In the last 12 months, please indicate the frequency of participation by the Education Foundation’s Highest Paid Executive in the following activities:

   (Circle one for each item)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Always – 4</th>
<th>Frequently – 3</th>
<th>Seldomly – 2</th>
<th>Never – 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Fundraise for special events</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Ask individuals for donations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Ask corporations for donations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Ask private foundations for donations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Participate in special events (not fundraisers)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Provide financial oversight</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g. Raise awareness of the education foundation in the community</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>h. Set strategic direction for the education foundation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Manage the strategic direction for the education foundation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>j. Manage the operations of the organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>k. Perform administrative functions for the education foundation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>l. Manage foundation funded programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. Indicate the extent to which you agree or disagree with each following statements regarding the relationship between an Education Foundation’s Executive Director activities and revenue generation:

   (Mark one for each item)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Strongly Agree – 4</th>
<th>Agree – 3</th>
<th>Somewhat Agree – 2</th>
<th>Do Not Agree – 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. A full-time executive director increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. A part-time executive director increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. No executive director increases education foundation revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

Questions 3 and 4 asks you to respond to questions related to the Education Foundation’s Highest Paid Executive and question 5 asks you to respond to questions about the Education Foundation Executive Director.
d. An executive director with a proven record in fundraising increases education foundation revenue ........................................ 1 2 3 4
e. An executive director that understands the purpose of programs funded by the education foundation increases education foundation revenue ........................................ 1 2 3 4
f. An executive director with a proven record in running a non-profit increases education foundation revenue ........................................ 1 2 3 4
g. An executive director who is held accountable to the foundation’s board of directors increases education foundation revenue ........................................ 1 2 3 4
h. An executive director who is held accountable to the school board increases education foundation revenue ........................................ 1 2 3 4
i. An executive director with a direct access to the superintendent increases education foundation revenue ........................................ 1 2 3 4
j. An executive director involved in fundraising through special events increases education foundation revenue ........................................ 1 2 3 4
k. An executive director asking individuals for donations increases education foundation revenue ........................................ 1 2 3 4
l. An executive director asking corporations for donations increases education foundation revenue ........................................ 1 2 3 4
m. An executive director asking private foundations for donations increases education foundation revenue ........................................ 1 2 3 4
n. An executive director able to articulate the mission of the organization increases education foundation revenue ........................................ 1 2 3 4
o. An executive director that assists in developing the strategic direction of the education foundation increases education foundation revenue ........................................ 1 2 3 4

**Questions 6 and 7 asks you to respond to questions related to the School District Superintendent.**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Always – 4</th>
<th>Frequently – 3</th>
<th>Seldom – 2</th>
<th>Never – 1</th>
</tr>
</thead>
</table>
a. Fundraise for special events                                                               | 1 2 3 4    |                |            |           |
b. Ask individuals for donations                                                              | 1 2 3 4    |                |            |           |
c. Ask corporations for donations                                                             | 1 2 3 4    |                |            |           |
d. Ask private foundations for donations                                                      | 1 2 3 4    |                |            |           |
e. Participate in special events (not fundraisers)                                            | 1 2 3 4    |                |            |           |
f. Provide financial oversight                                                                | 1 2 3 4    |                |            |           |
g. Raise awareness of the education foundation in the community                              | 1 2 3 4    |                |            |           |
h. Set strategic direction for the education foundation                                       | 1 2 3 4    |                |            |           |
i. Manage the strategic direction for the education foundation                               | 1 2 3 4    |                |            |           |
j. Manage the operations of the education foundation                                          | 1 2 3 4    |                |            |           |
k. Perform administrative functions for the education foundation                            | 1 2 3 4    |                |            |           |
l. Oversight of school district staff responsible for implementation of education foundation funded programs | 1 2 3 4    |                |            |           |
m. Work on fundraising planning activities with the education foundation                     | 1 2 3 4    |                |            |           |
n. Discuss school district budget needs with the education foundation                         | 1 2 3 4    |                |            |           |
o. Discuss possible potential donors with the education foundation                           | 1 2 3 4    |                |            |           |
p. Communicate with the education foundation’s executive director                            | 1 2 3 4    |                |            |           |
q. Communicate with the education foundation’s board of directors                              | 1 2 3 4    |                |            |           |

*Education Foundations of Florida Survey*
<table>
<thead>
<tr>
<th></th>
<th>Superintendent articulating support for the education foundation increases the education foundation revenue.</th>
<th>1  2  3  4</th>
</tr>
</thead>
<tbody>
<tr>
<td>b</td>
<td>Superintendent with active participation with the education foundation fundraising activities increases revenue</td>
<td>1  2  3  4</td>
</tr>
<tr>
<td>c</td>
<td>Superintendent on the education foundation board of directors increases education foundation revenue.</td>
<td>1  2  3  4</td>
</tr>
<tr>
<td>d</td>
<td>Superintendent communicating the needs of the school district increases education foundation revenue.</td>
<td>1  2  3  4</td>
</tr>
<tr>
<td>e</td>
<td>Superintendent assisting with setting programmatic priorities that help drive the fundraising efforts increases education foundation revenue.</td>
<td>1  2  3  4</td>
</tr>
<tr>
<td>f</td>
<td>Superintendent who understands the fundraising priorities of the education foundation increases education foundation revenue.</td>
<td>1  2  3  4</td>
</tr>
<tr>
<td>g</td>
<td>Superintendent who relates well with donors increases education foundation revenue.</td>
<td>1  2  3  4</td>
</tr>
<tr>
<td>h</td>
<td>Superintendent who solicits donations increases education foundation revenue.</td>
<td>1  2  3  4</td>
</tr>
<tr>
<td>i</td>
<td>Superintendent cultivating relationships with donor prospects increases education foundation revenue.</td>
<td>1  2  3  4</td>
</tr>
</tbody>
</table>
8. What year was your education foundation incorporated?

9. What is the range of your education foundation’s fiscal year? (Mark only one)
   a. July 1 - June 30
   b. January 1 - December 31
   c. Other

10. Specify the amount of revenue received from each category for 2007-08 fiscal year.
    
    Corporations
    Individual
    Government
    Private Foundations
    Other
    Please describe other
    Total revenue (Please refer to 2007 IRS Form 990, line 12)

11. Specify the amount of expenditures for each category for the 2007-08 fiscal year:
    
    Program services (i.e. scholarships, grants, literacy initiatives, etc.)
    Fundraising (i.e. special events, grant writing, donor solicitation, marketing, etc.)
    Management and administration (i.e. bookkeeping, utilities, etc.)
    Other
    Total expenditures (Please refer to 2007 IRS Form 990, line 17)

12. Please indicate the number of board members by sector.
    
    Corporate
    Non-profit Organization
    Individuals
    School District
    Other governmental agencies
    Other

13. How many years has your Education Foundation Executive served in that position?

14. Indicate the total number of hours the Highest Paid Executive spends on foundation work each week.

15. How many years has the Highest Paid Executive worked in fundraising?

16. Is your superintendent elected or appointed?
    Please circle one: Elected Appointed

17. How many years has the current district superintendent been in this position?

18. How many years has your current superintendent been on your board, either exofficio or as a voting member?

---

Education Foundations of Florida Survey

6
Questions 19-24 provide contact information in case the researcher needs to follow up for more information.

19. Contact name: 

20. Title: 

21. Name of Foundation: 

22. Address: 

---

23. Phone: 

---

24. Email: 

---

*Education Foundations of Florida Survey*
LIST OF REFERENCES


BIOGRAPHICAL SKETCH

Stacy Carlson was born in Seoul, South Korea. Stacy earned her Bachelor of Arts degree in psychology from University of South Florida (USF) in 1992. Upon graduating from USF in May 1992, Stacy was employed by the nonprofit Hillsborough Education Foundation. In 1999, she earned her Master of Education in school leadership from Harvard University in 2000.

Upon graduating with her master’s degree in education in June 2000, Stacy worked as a nonprofit consultant. In this role, she had the opportunity to consult organizations in strategic planning, fundraising, and organizational development. Building off of her skills gained through non-profit management consulting, Stacy returned to the K-12 education foundation sector in 2004 as the executive director of the Consortium of Florida’s Education Foundations. During her tenure at the consortium, Stacy spearheaded the group's legislative and funding initiatives, recommended education policy, and helped member foundations build organizational capacity.

Currently, Stacy works for the Helios Education Foundation, the largest education foundation serving Arizona and Florida. She works in conjunction with the foundation’s community investment team to identify partnership opportunities in Florida. Additionally, she coordinates community engagement activities, which support the strategic goals of the foundation.