

Crowdfunding

What is it...and why should you care?

What is Crowdfunding?

“The practice of funding a project or venture by raising many small amounts of money from a large number of people, typically via the internet.”



2017 crowdfunding statistics

- IN GENERAL

- \$34 billion raised (\$300B by 2025)
- 50% success rate
- Average raised is \$7k in 11 weeks
- Average donation is \$88
- Average raising 3 times more funds if communicate every 5 days

- NONPROFITS

- Average amount raised is \$568
- Average donation is \$66
- 28% are repeat donors
- Donation share success rate is 53% with email, 17% with Facebook and 3% with Twitter

2017 Donors Choose crowdfunding statistics

- Over \$800M raised
- Over 1.3M projects
- Over 80,000 schools
- Almost 500,000 teachers
- About 3.6M supporters
- 61% of projects are fully funded
- Average project cost is \$561
- Average new donation is \$54
- Average project takes 27 days to fully fund

Why should we be concerned?

- Fundraising outside of usual school procedures
- Highly visible use of school or district name, logo, etc.
- Differing methods of distributing funds or materials to recipient



Possible risks:

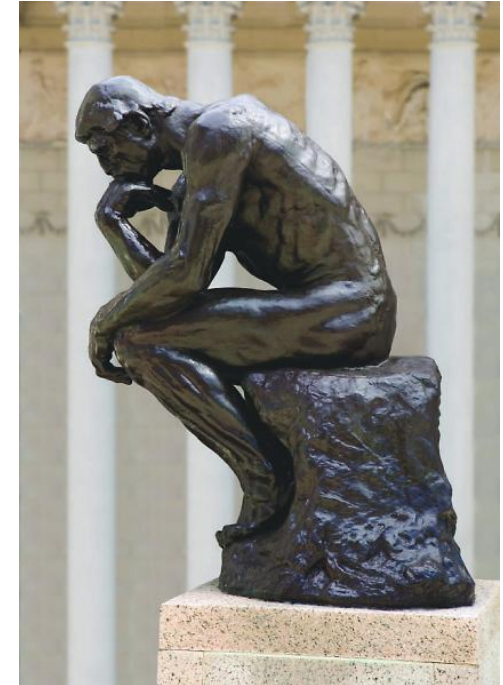
Does the request violate any State or Federal law?

Does the request violate any district policy?

Who retains ownership of donated items?

Are there other issues to be aware of?

**CLEAR CROWDFUNDING GUIDELINES CAN
HELP REDUCE THESE RISKS!**



Crowdfunding guidelines to consider:

- Must support district priorities and follow all district policies
- May not request “basic supplies” that the district provides
- Cannot suggest that the donation is necessary for a student to achieve their IEP goals or required for their participation in any district program
- Cannot require continuing funding or additional demands on staff
- Cannot cast negative light on the school or district

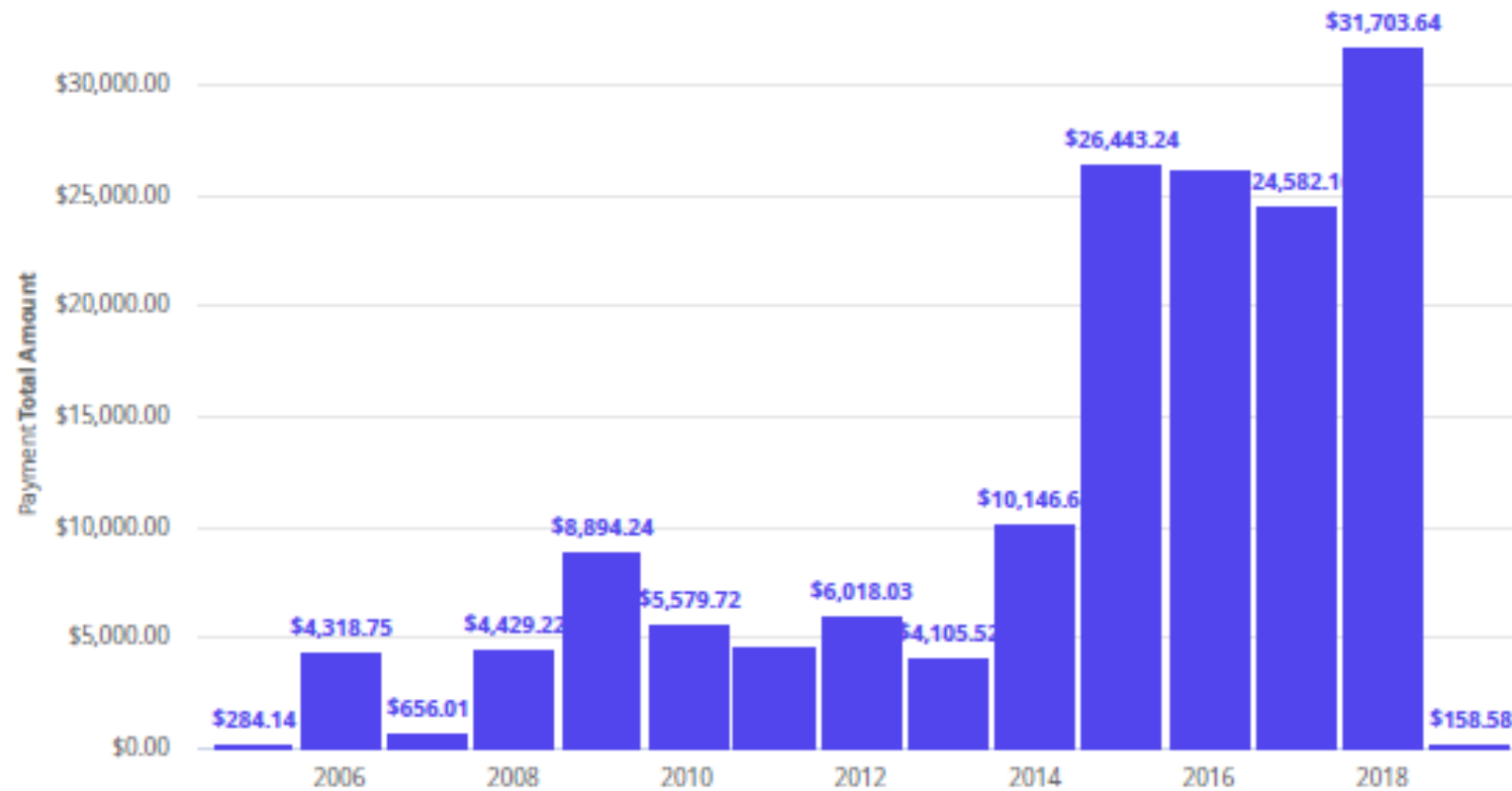
Crowdfunding Procedures

- Obtain approval from a designated school administrator
- Document understanding of crowdfunding procedures
- Set up the online campaign
- Conclude and summarize the fundraiser



DonorsChoose-Beaufort

Donations to Classrooms, By Year



Creating and Adopting a Policy

- Found an existing policy (Admin Rule) relating to Funding proposals, grants and special projects
- Defined Crowdfunding
- Described the Procedure
- Defined the Approval Process
- Referred to FERPA
- Established lines of communication
- Required that funds/items received remain property of the School District

Crowdfunding Policy Implementation

- Provided information to the Board
- Presented to the Principals
- Shared the presentation
- Established a Crowdfunding contact
- Put all presentations, guidelines and forms on website



Approved/Prohibited Features

APPROVED	PROHIBITED
Fees less than 20%	Fees greater than 20%
Check payable to School	Require bank account information
Donations delivered to School	Donations delivered to Teacher's home

Obtain Approval

- Fundraiser Approval Form
- Online Fundraising Approval Form
 - Technology items must receive pre-approval by Technology Services
 - Facility Enhancements must be pre-approved by Facilities Office
 - Retain copies of the signed form

Results of Regulating Crowdfunding

- Provided clarity
- Provided written policy and structure
- Provided boundaries
- Think ahead of the game



ANY
QUESTIONS?

