

Creating a Foundation for your Association

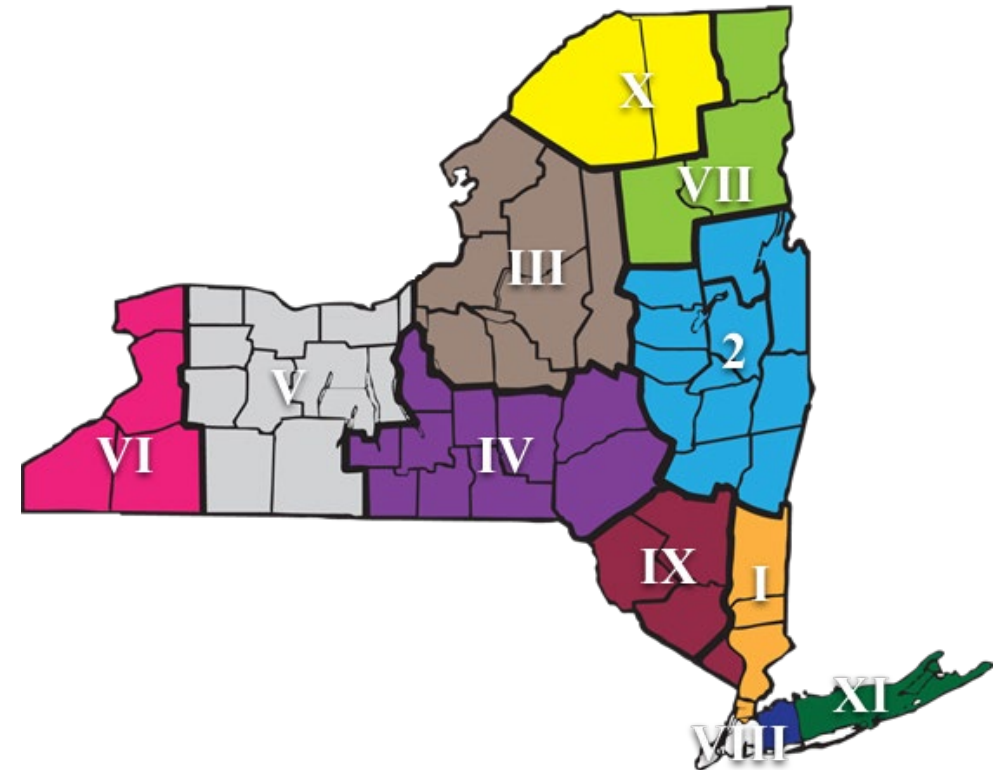
(I made the mistakes, so you don't have to)



Chris Joyce
Director, NYSPHSAA Foundation
Director of Marketing, NYSPHSAA

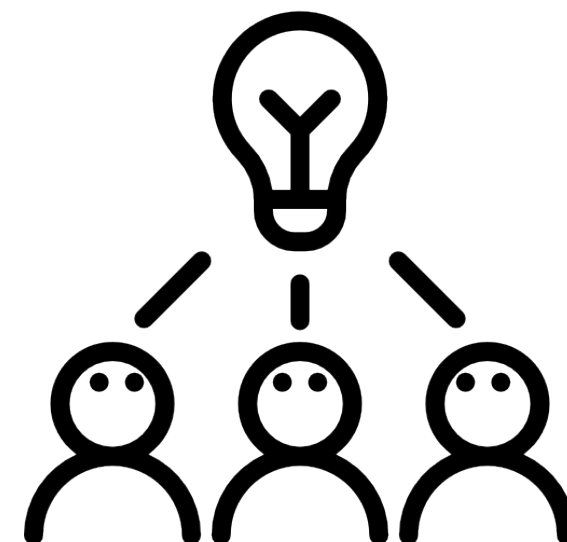
NYSPHSAA Overview

- 783 member schools
- 11 geographic Sections
 - Diverse in every sense, range from 25 to 125 schools
 - Autonomous, responsible for administration through sectional round of playoffs



Concept

- Discussed as part of 2016 Strategic Plan
- Idea of foundation or endowment to address two main areas of concern:
 - No process for providing direct support to member schools or partner organizations
 - No mechanism to collect funds from public



Collected Information

- Research - what do other state associations do?
 - Endowment vs Foundation
 - Governance structure
 - Fundraising methods and funding sources
 - Grant programs and processes
- Survey - what does the membership want?
 - Level of interest
 - Key areas of focus
 - Types of grants to offer



Survey Results

430 responses:



New/Updated Equipment

Professional Development for Students and/or Coaches

Creation of New Athletic Programs

Offset Championship Travel Expenses

Disaster Relief Funding

Most common write-in response: Facility Upgrades!

Next Steps

- Appointed a Steering Committee to review information and make recommendations.
- NYSPHSAA made one-time contribution of \$20,000
 - Cover all startup costs with remainder used as seed money for grant funds
- Worked with partner at law firm specializing in non-profit orgs
 - Articles of Incorporation, 501(c)(3) tax-exempt certifications, etc
 - Bylaws, governance policies
 - Financial procedures

Steering Committee

- Committee members strategically chosen, charged with thinking critically and identifying potential issues
- Representative of different stakeholder groups
- Reviewed research and survey results and decided structure and processes for the Foundation

**NYSPHSAA
Executive
Director**

**NYSPHSAA
President**

**Section
Executive
Director**

**Section Finance
Staff Member**

**Athletic
Director
(Large School)**

**Superintendent
(Small School)**

**Coach
(Small School)**

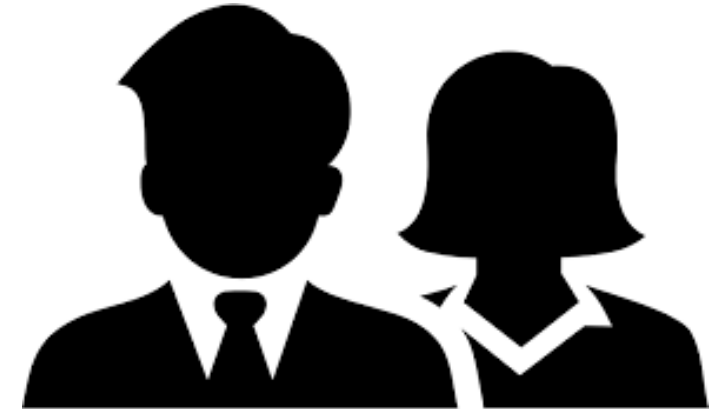
Board of Directors:

- One representative from each of the 11 sections
 - Can be anyone in their membership, but no members of NYSPHSAA committees
- 10 At-Large seats available by President appointment (none currently filled)
- NYSPHSAA Executive Director and President (ex-officio)
- 3-year terms, 2 term limit. Eligible again after skipping one term period.

- Board members sign expectations agreement at beginning of term and a conflict-of-interest form annually
- Initial terms were staggered, chosen by random draw
- Officer roles:
 - President, Vice President, Secretary, Treasurer
 - 2-year terms, paired as President/Secretary and VP/Treasurer

"Staff"

- Two members of Foundation staff
 - Director
 - Finance/Accounting
- Track number of hours per pay period spent on Foundation
- At end of fiscal year, NYSPHSAA “donates” salary allocation to Foundation to cover staffing expense



Timeline



October 2020:
Filed Articles of
Incorporation

October 5, 2021:
Received a letter from
IRS stating our rejection
due to a clerical error in
the application

January 13, 2022:
Received approval of
501(c)(3) tax-exempt status

Strategic Plan



Mission Statement:

***THE NYSPHSAA FOUNDATION'S PURPOSE IS TO PROMOTE
INTERSCHOLASTIC ATHLETIC PARTICIPATION BY PROVIDING
RESOURCES TO SUPPORT EQUITABLE AND INNOVATIVE PROGRAMS,
MAXIMIZING THE STUDENT EXPERIENCE.***

Strategic Plan

Three areas of focus:



Increase participation
opportunities



Professional
development for coaches



Recruitment and
retention of officials

Strategic Plan

Grant guidelines:

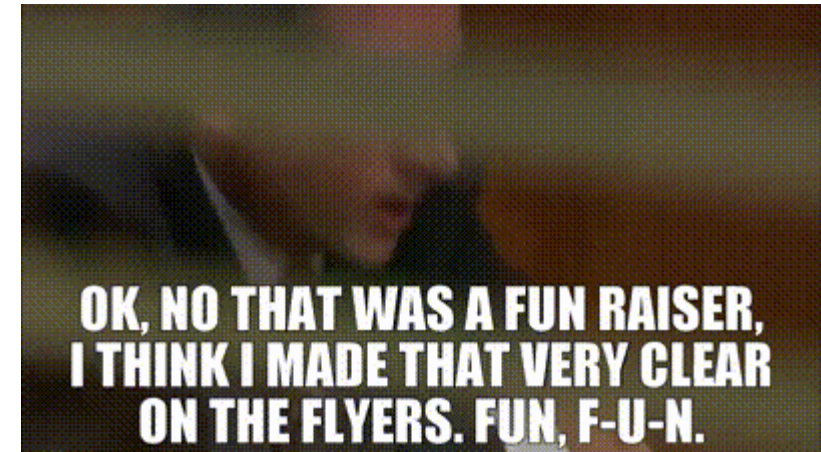
- NYSPHSAA member schools or partner organizations are eligible
- No recurring expenses (e.g. coach stipends, travel expenses)
- Startup funds for new programs require commitment of sustainability from Board
- Applications require Chief School Officer or Executive Director signature

Year 1 Planning

- Set up fundraising platform (Bloomerang)
- Promoted new Foundation at mandatory Athletic Director workshops and various communication outlets
- Secured \$5,000 contribution from long-time sponsor
- Annual Day of Giving on October 14 to commemorate founding day
- Organized Virtual 5k Fundraiser for spring
- Centennial Celebration Raffle

Year 1 Recap

Annual Day of Giving	\$800
Virtual 5k Fun-raiser	-\$300
Centennial Raffle	\$1,700
Individual Giving	\$500
TOTAL:	\$2,700



Year 1 Recap

Fundraising Total:	\$2,700
Interest Revenue:	\$150
D&O Insurance:	\$900
Bloomerang:	\$350
Miscellaneous:	\$400
Year End Total:	\$1,200



Year 1 Evaluation

- Many board members were inactive, happy to give feedback but hesitant to do the work we needed
- Public support not as robust as anticipated
 - Lack of awareness
 - Need to provide urgency/reason to give
 - Difficult to attract donations without proof of performance
- Need additional funding sources
- Enthusiastic support at in-person event



Year 2 Planning

- Require each section to host one fundraiser per year
- Add fundraising element to NYSPHSAA championship ticketing
- Evaluate fundraising platform needs
- Offer reimbursement scholarships for students that pursue officials certification
- Host golf tournament fundraiser as part of annual summer meeting



Year 2 (So Far...)

- Fundraising requirement caused several board members to step down, most sections did not conduct fundraisers
 - Some sections had the position turn over multiple times
- No takers on officials certification reimbursement scholarships



Year 2 (So Far...)

- Changed fundraising platform to Zeffy
 - No 'extras' but free to use and net 100% of donations, applies optional fee for donors
- Fundraising was added to ticketing for winter and spring championships, raised over \$5,000
- Golf tournament scheduled for July 29th



Future Plans (24-25 and beyond)

- Offering grants up to \$1,000 in 2024-25 school year
 - Any NYSPHSAA member school or partner organization is eligible to apply
- Sections that do not fundraise are ineligible for grants starting in 2025-26 school year
- Implement ticket fundraising at sectional level
- Seek grant funding through other organizations
- Find ways to engage individual donors more frequently

Considerations

- Explore incorporating separately from the main organization
 - Requires separate board and bylaws
- Governance structure and board selection process
 - Determine what level of control vs autonomy for membership
- Develop as many internal funding sources as possible
 - Ticketing, sponsorships, merchandise, etc
- You get out what you put in
 - Dedicate financial and staffing resources



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Applying for 501(c)(3) status

Form 1023:

Designed for larger organizations, required if collecting gross receipts over \$50,000 or total assets over \$250,000 at any point in first three years

Form 1023-EZ:

Simplified application, for smaller organizations expecting less than \$50,000 in receipts



* Ask a real adult when considering what's right for your organization

Tax-Exempt Status

- Possible to fundraise under 'pending' status while the IRS reviews your application
- After approval, status is backdated to application date and contribution become tax deductible
- Opted not to fundraise under 'pending' status due to uncertainty of when approval would be provided

