

Raising Financial Support

Funding the Career & Technical Education Program Your High School Needs



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City of Hutchinson, Minnesota

Raising support to provide new equipment for your High School's Career & Technical Education (CTE) area can certainly seem daunting.

Before we began the process here in Hutchinson we sought the advice of fund development experts at the Southwest Initiative Foundation (SWIF). Their guidance was invaluable.

With some very good coaching points from SWIF in mind, we were able to raise more than \$1.37 million from 25 area partners and we're still going!

It should be noted that Hutchinson is a community of about 14,000 and we're very fortunate to have several very large manufacturers in town, so our results are probably atypical. Even so, communities of nearly any size should be able to raise significant support for modernizing their High School CTE classrooms. It can be done!

Here are the steps we followed (along with sample documents):

1. **Visit employers / determine community needs for skilled workforce:** In the course of annual Business Retention & Expansion (BR&E) visits with local manufacturers it was learned that just about every single company was having difficulty finding qualified, skilled people to hire. We had the jobs, but not the qualified people needed to fill them.
2. **Start the Discussion:** At the monthly Board meeting of our Economic Development Authority, we discussed the need for skilled workforce. Over the course of 2-3 months we developed six strategies to address the problem. These are:
 - Re-align high school education
 - Build educational pathways
 - Change stereotypes of manufacturing
 - Cultivate school-employer relationships
 - Upgrade high school Career & Technical Education facilities
 - Implement Tiger Manufacturing (a student run, school-based business)
3. **Create a List & Set a Goal:** We started by going to our high school tech-ed instructors and asked them to create a list of equipment they would need to establish a "really nice" technical education facility. A couple of weeks later they emailed a list of equipment totaling just over \$600,000. That was our initial goal.
4. **Allocate Seed Money as a Matching Grant:** Our EDA got the ball rolling by committing \$300,000 to establish a "matching grant." We had revolving loan fund dollars that were just not being used. Rather than let those dollars just sit there, we decided to put them to work.

Later, when we spoke with employers we were able to tell them that every dollar they donated to the project would be matched by another dollar – they liked that. It turns out that the "2-for-1 match" is a common fund development technique.



5. **Create a list of potential partners:** With matching grant money in hand, we put together a list of local companies that we thought would have the means and the interest to participate. This was greatly facilitated by the fact that most everyone on the Board of Directors was personal friends with one or more of the owners.
6. **Start with a letter explaining the need:** Letters were sent out to potential partners (see sample letter).
 - a. State the need (very first sentence) and that you're asking for help
 - b. Show what you're doing about it, outline the plan
 - c. Make note of the 2-for-1 match
 - d. Ask for their help
 - e. Outline how gifts can be made (a flexible giving schedule is very helpful)
 - f. Indicate you'll be calling to set up a time to visit.
 - g. Enclose a generic sample of the **Gift Commitment Form**
 - h. If possible, enclose pictures of what you'd like to achieve. We included "before & after" photos to vividly illustrate what our goal was.
7. **Follow up with a phone call:** You're only calling to ask for a visit. *Do not ask for money over the phone.*
8. **Make a personal visit & ask:** When visiting we outlined our skilled workforce development plan, asked if they had any questions and if they like to participate. Most often they would have to think about it, so we just left a **Gift Commitment Form** along with a stamped self-addressed envelope. Typically we'd get the completed form in a week or two. On occasion it would be necessary to phone to see if they had a chance to complete the form – most often they had simply forgotten.
9. **The Gift Commitment Form:** We wanted to make it as easy as possible for partners to contribute so we indicated that gifts could be given over a three-year period and that we would invoice them on whatever schedule they chose: quarterly, semi-annually, annually – whatever they wanted.

NOTE: It's very important to keep the pledge amount from your partners confidential to avoid any potential embarrassment. If they want to share their contribution amount that's fine, but you need to keep it strictly under wraps.
10. **Invoice promptly on their schedule:** At the beginning of each month we mailed invoices to our partners based on the schedule they indicated. Make it easy for them by sending along a pre-addressed, stamped envelope.
11. **Track everything carefully:** All donations came to the EDA office and tracked on an Excel spreadsheet. Once I had them recorded, I hand-delivered checks to the offices of the School District. My popularity soared.

12. **Thank the partners / provide recognition:** In addition to a thank you card we send out a periodic newsletter updating our partners on our progress. In addition, we've begun hosting an annual "Manufacturers' Summit" where we provide updates on the project. At our summit events we're intentional about providing our partners with a first-class meal. We don't want to cut corners when we're saying "thank you."



Other things we're doing to recognize our partners:

- We include their company logos on a lot of our Skilled Workforce Development Plan materials.
- Company logos are on the walls of the CTE area of our High School.
- We have a **Partners** page on our TigerPath Academies website: www.HutchTigerPath.com
- We are putting up a partner "Recognition Wall" in the High School.

Some lessons learned:

- ✓ It was actually a lot easier than we thought it would be.
- ✓ Once we got started, momentum seemed to build on itself: the more pledges we received the more people wanted to participate!
- ✓ Relationships are critical.
- ✓ Donations come from unexpected sources. More than once we thought a company would not participate only to have them come through in a big way. Ask even if it seems like a long-shot.

Another Funding Mechanism:

Eleva-Strum School District in Wisconsin has done a brilliant job of creating a first-class CTE program by establishing a student-run, school-based manufacturing business. In 2017 **Cardinal Manufacturing** had more than \$100,000 in sales – a portion of which was allocated toward upgrading their equipment. More information about this amazing program, along with contact info can be found on the **RESOURCES** page of the www.HutchTigerPath.com website.

Questions:

If you have any questions or need additional information, please feel free to contact me anytime.

Phone: (320) 266-7320

Email: mseppelt@ci.hutchinson.mn.us

Sample Forms: (following pages)

Feel free to use whatever you like.

February 11, 2016

Mr. Luke Skywalker
Light Saber Manufacturing
Hutchinson, MN 55350

Dear Luke,

The Hutchinson Economic Development Authority is launching a major initiative to address the need for skilled workers in our community, and we are asking for your help.

The Hutchinson EDA and the Hutchinson School District have partnered to develop a plan to provide the skilled workforce our local companies need.

Central to this plan is to inspire more young people to pursue manufacturing and technical careers. To accomplish this we have four strategies:

1. Re-align high school education (the “**TIGERPATH** Academies”).
2. Change the stereotype of manufacturing.
3. Bring “*school into industry and industry into school.*”
4. Dramatically upgrade the equipment for Career & Technical Education at the high school.

All of these strategies are in various stages of implementation. At the moment the EDA is working to implement Strategy #4, and we’re seeking the assistance of the Hutchinson manufacturing community in this effort.

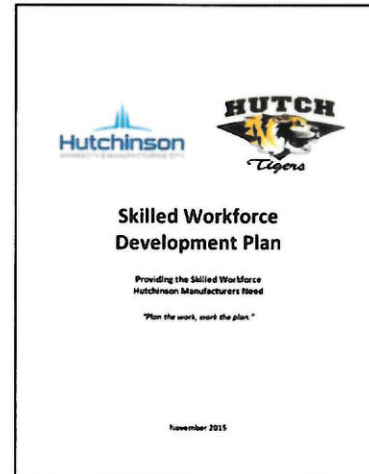
By upgrading the Career & Technical Education (CTE) center at Hutchinson High School we hope to: (A) get students, and parents, excited about manufacturing & technical careers; (B) change the perception and stereotype of manufacturing; and, (C) provide state-of-the-art equipment for students to train on. (The enclosed photos illustrate our vision).

The cost to fully re-equip the career & technical education center at Hutchinson High School will be approximately \$700,000.

To fund this, the Hutchinson School District has already committed \$100,000.

In addition, the Hutchinson EDA will match all other contributions up to \$300,000.

We’re looking for local industry partners to help bridge the gap. Would your company consider participating in this important effort?



Gifts can be made either all at once or annually over the next 2-3 years and contributors will be prominently recognized in the Career & Technical Education (CTE) Center of the new high school. We want to get students thinking early about careers with local manufacturers.

By working together local industry, the school district and the Hutchinson EDA will take very significant steps to help provide the skilled workforce you and all of our local manufacturers need.

Sometime in the next week I'll give you a call to see if we can schedule a time to meet and discuss this initiative in greater detail.

In the meantime, if you have any questions or need additional information, please contact Miles at (320) 234-4223.

Thank you for your time and consideration.

Sincerely,

Miles Seppelt
Economic Development Director

Enclosures

Mr. Luke Skywalker
Light Saber Mfg, Inc.
123 Tatooine Street
Hutchinson, MN 55350



GIFT COMMITMENT FORM

Hutchinson High School Career & Technical Education Center (CTE) Equipment

YES! I (we) will partner with the Hutchinson Schools and the Hutchinson Economic Development Authority to develop our local skilled workforce.

I (we) pledge a total of \$_____ to be paid as follows:

YEAR	AMOUNT
Immediately	\$ _____
2016	\$ _____
2017	\$ _____
2018	\$ _____

All gifts up to \$300,000 will be matched dollar-for-dollar by the Hutchinson Economic Development Authority.

GIFT PAYMENT PLAN (for 2016, 2017 and 2018 gifts)

- Quarterly (1/4 of pledge amount invoiced by the end of each Quarter)
- Semi-annually (1/2 of pledge amount invoiced in June and December)
- Annually – please specify month: _____

Acknowledgement Information

Please use the following name(s) in all acknowledgements:

_____ I (we) wish to have our gift remain anonymous.

Signature(s)

Date

Thank you! Please return Gift Commitment Form to the Hutchinson Economic Development Authority in the enclosed envelope. If you have any questions or need additional information, please contact Miles Seppelt, Economic Development Director at 234-4223.



Hutchinson High School
Career & Technical Education Center Project

INVOICE

DATE: December 1, 2017

TO: **Mr. Luke Skywalker**
Light Saber Manufacturing
111 Tatooine Street
Hutchinson, MN 55350

Thank you for your help in building the skilled workforce of tomorrow by partnering to re-equip the career & technical education center at Hutchinson High School. To ensure the project remains on schedule, please process this invoice upon receipt or at least no later than January 26, 2018.

DETAILS:	AMOUNT:
Hutchinson High School Career & Technical Education Center (December 2017)	\$5,000.00

Checks can be made payable to **ISD 423** and returned to Miles Seppelt, Hutchinson Economic Development Director, using the enclosed envelope.

If you would like to make your gift payment using another method, please contact me at mseppelt@ci.hutchinson.mn.us or (320) 234-4223.

Thank you for your generous support of this important project!

