

RAISE YOUR HAND



**The Endowment Campaign for
Academy Prep Center of Tampa**



**Academy Prep Center of Tampa
Endowment Case Statement**

Mission

To inspire and empower students qualifying for need-based scholarships to be future community leaders through a rigorous middle school program coupled with ongoing graduate support.

RAISE YOUR HAND AND SUPPORT OUR SUCCESS

As Ralph Waldo Emerson said, “the future belongs to those who prepare for it.” We believe this at Academy Prep Center of Tampa and that is why we educate students who have the least among us.

Academy Prep, a private, non-profit middle school only accepts students who live at or below the poverty line. Therefore, all of our students receive a full financial aid package to attend Academy Prep.

Many students come to us lacking even the basic skills necessary to escape the bleak realities that grip them. Our dedicated, enthusiastic, tireless staff, and loyal community volunteers help Academy Prep students learn to be successful. Academy Prep students learn how to learn. Academy Prep students learn how to respect themselves and others in their community. These skills form the foundation they will use to take responsibility for their own lives.

RAISE YOUR HAND AND CHANGE THEIR FUTURE

Academy Prep teaches, strengthens and then reinforces the pivotal connection between academics, social skills, careers and life paths. To achieve this the days, weeks, and years are demanding: up to 11 hours daily, 6 days weekly, and 11 months yearly. The small gender-separated classes, combined with a tough curriculum, respectful atmosphere, and regular exposure to new ideas and possibilities lay the groundwork for future success.

Many students begin Academy Prep with reading and math skills below grade level; however, within two years they are performing two or three grade levels ahead. Outside of the classroom, Academy Prep students compete and excel against other middle schools in chess

“The presence of Academy Prep students enhances our school, breaks down stereotypes for our students and positively impacts our educational environment.”

--Independent schools Admissions Director

At 97%, Academy Prep’s attendance rate is the highest in Hillsborough County.

tournaments, debates, and athletic matches. Our students also shine while performing Shakespeare on our stage, when displaying their art in community galleries, and singing as a choir at major events throughout the Bay area.

Although graduation from Academy Prep demonstrates success, it is only the first major step toward achievement for our students. After graduation, our students continue their education by attending premier high schools, both public and private, in the Tampa Bay area and across the country. During high school we maintain a relationship with each student and their family to monitor academic and social progress and provide a continuing source of accountability. We also help guide their selection of a college or university and continue our mentoring program.

“A permanent source of financial backing and stability will ensure Academy Prep continues to develop leaders who will transform our community for generations to come.”

*--Lincoln Tamayo,
Head of School,
Academy Prep Tampa*

RAISE YOUR HAND AND INVEST NOW

Our students cannot break the cycle of ignorance and poverty without you. To create a new cycle of knowledge and achievement for themselves, their families, and future generations it takes the concerted efforts of the parents, teachers, staff, volunteers, Board members, and our donors.

Endowment funds are critical to our vision. As we celebrate our 10th anniversary and initiate the *Raise Your Hand: Campaign for Endowment*, please consider a generous endowment contribution.

This campaign will:

1. Support the financial aid package given to all of our students;
2. Reduce the current dependency on the annual fund to satisfy all operating and program expenses; and

3. Help with immediate and future needs and wants.

Our goal is to raise \$5 million dollars to provide permanent access to the tools and resources our students need to develop into well-educated, talented, and service-minded young leaders. Please make an investment in Academy Prep and its students so that they will continue to thrive and excel.

“It is estimated that a one percent increase in high school graduation rates would save the US economy nearly \$2 billion from reduced costs associated with criminal activity.”

--Lochner and Moretti (2004) The Effect of Education on Crime. American Economic Review v94,155-89.

For additional information about how you can contribute to *Raise Your Hand: The Endowment Campaign for Academy Prep Center of Tampa*, please contact Ryan Gonzalez, Development Director, at 813-248-5600.

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Appendix A

WHAT ARE ENDOWMENTS

There are three types of endowments: true, term and quasi.

A **true or permanent endowment** consists of funds that are permanently set aside to generate income. The investment income but not the principal of the endowment may be used to help meet the daily financial obligations of the school. Generally the donor does not specify how the income will be used, thus allowing Academy Prep the most flexibility in providing for the needs of the institution. These gifts are “unrestricted.”

Of course donors, at their discretion, may restrict how the income on their gift(s) may be used. For example, the donor may require that all investment income from the gift be used for scholarships, or to provide for a specific program. These gifts are “restricted.”

A **term endowment** is a gift where the donor restricts its use until the occurrence of a specific period or an event, or the fulfillment of a stated purpose. Upon the passage of the event or date specified, all or part of the donation may be expended as originally provided by the donor.

A **quasi-endowment or board-designated endowment** is when the Board of Trustees, through a resolution, places funds into endowment. These funds include surplus funds at the end of the year, unrestricted planned gifts, term endowments that have met their objectives, or other money designated by the Board. Since the Board controls the quasi-endowment it has the ability to lift any restriction it has placed on these funds.

Appendix B

ACADEMY PREP ENDOWMENT FUNDS

At the donor's discretion, a contribution to the *Raise Your Hand: Academy Prep Center of Tampa Endowment* may be placed in one of several funds. These funds have been established to focus on scholarship needs and to support the Academy Prep experience.

The **Unrestricted Fund** allows for income to be used for various reasons. Unrestricted giving is encouraged and is the most helpful in supporting the general needs of Academy Prep.

In addition to or instead of making a gift to the Unrestricted Fund, a donor may also choose to have your gift allocated to one or more of the following **designated (or restricted) funds**. Money directed to one or more of these funds will only be used for its stated purposes.

Academy Prep Scholarship Fund Income from the Scholarship Fund is only used to satisfy tuition costs.

Academy Prep Graduate Support Fund This fund offsets the costs associated with high school and college prep courses and counseling, consistent guidance in developing an education plan for each student, and supporting the alumni network to further expand opportunities.

Academy Prep Centers of Excellence Fund Currently, for example, the Centers of Excellence program at Academy Prep places special emphasis on music, art, and chess. This program provides the students with focused skill building in these areas. Income from the Centers of Excellence Fund will only be used to support the areas designated for this purpose by Academy Prep Center of Tampa's Board of Trustees.

Establishing a new endowed fund in someone's honor or memory, whether restricted or otherwise, requires a gift equal to or greater than \$50,000.

Appendix C

FUND MANAGEMENT AND STEWARDSHIP

Outright, planned, and bequeathed gifts are needed to reach the \$5 million dollar endowment goal. In accordance with the donor's wishes, gifts can be placed at either the Academy Prep Foundation or with the Community Foundation of Tampa Bay.

Academy Prep Foundation, Inc.

The Academy Prep Foundation, Inc., is the custodian of restricted and unrestricted funds for the benefit of Academy Prep Tampa. The Foundation provides support and acts as a funding vehicle to support the overall financial health of Academy Prep Center of Tampa.

Community Foundation of Tampa Bay

The Community Foundation of Tampa Bay manages and administers permanent endowment funds for many non-profit organizations, foundations, and individuals. The Community Foundation helps serve these agencies and donors so they do not have to incur the legal and administrative costs of setting up and running their own foundation. Money from the many groups placed at the Community Foundation are aggregated and invested to yield greater returns while leaving the corpus intact for continued growth.

Matching Opportunity

The Academy Prep Endowed Scholarship Fund at the Community Foundation of Tampa Bay is offering a 3 to 1 challenge match. The challenge works as follows: when Academy Prep raises \$300,000 for its Endowed Scholarship Fund, the Community Foundation will then contribute an additional \$100,000 to our fund for a total of \$400,000. This challenge match is an exceptional way to further the impact of your gift and help us reach our \$5 million dollar goal.

Appendix D

INVESTMENT AND SPENDING POLICIES

The following policies are consistent with the Florida Uniform Prudent Management of Institutional Funds Act, which governs endowments in this state.

Investment

Endowment funds may be placed at the Community Foundation of Tampa Bay or at the Academy Prep Foundation. The endowment funds at the Academy Prep Foundation are invested in accordance with the Investment Policy of the Academy Prep Foundation. The overall investment objective is to maximize the return on invested assets while minimizing risk and expenses. This is done through prudent investing and planning, as well as through the maintenance of a diversified portfolio. The Academy Prep Foundation ensures that any investment advice is consistent with the investment objectives, policies, guidelines, and constraints as established in its Investment Policy.

The Academy Prep Foundation provides reports to the Finance Committee of the Academy Prep Center of Tampa for its oversight and review. In addition, the Board of Trustees of Academy Prep Center of Tampa has a responsibility to review the endowment investment reports as provided annually by the Finance Committee. The Academy Prep Foundation Board and Academy Prep Center of Tampa Finance Committee are made up of members with particular investment expertise who follow policies and procedures that are later reviewed by the entire Academy Prep of Tampa Board of Trustees.

Funds placed with the Community Foundation of Tampa Bay are invested and monitored in accordance with the stated objectives of the Community Foundation of Tampa Bay Investment and Spending Policy. The investment reports provided by the Community Foundation are reviewed by the Academy Prep Finance Committee and reported to the Board of Trustees

Spending and Reinvestment

The spending guidelines as set forth in the Investment Policy of the Academy Prep Foundation are structured to maintain the purchasing power of endowment funds to provide a reasonable, predictable, stable and sustainable level of income to enhance the support of current operations. The target-spending rate for endowment funds at the Community Foundation of Tampa Bay as well as for any funds held by the Academy Prep Foundation is currently 4 percent. Market fluctuations and realities are also taken into account in these guidelines.

Any earnings that are not distributed to Academy Prep Center of Tampa by either Foundation, in any given year, will be reinvested as part of the principal of the endowment fund from which it originated.