

Marketing Your SGO

Convincing individuals in your community to direct up to \$1,700 in their federal income tax liability to your SGO



FORMATION



COMPLIANCE



GOVERNANCE



BEST PRACTICES



SUSTAINABILITY



SCAN TO EXPLORE
RESOURCES



THE SCHOOL LEADERS ASSOCIATION

You've created an SGO or you are operating under one of the umbrella SGO entities.

**Now comes the harder part –
Convincing individuals
to participate.**



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Drop into the chat: Where are you today?



- A** Exploring whether to participate
- B** Establishing our own SGO
- C** Planning to work through an umbrella SGO
- D** Ready to begin recruiting participants
- E** Still trying to figure all of this out

What You'll Gain from This Webinar



1



Understand the Tax-Credit Advantage

Learn why and how a tax-credit differs from a charitable donation — and why that expands who can “donate.”

2



Discover Your Participation Potential

See how your community has untapped participation potential, regardless of concentrated donor wealth.

3



Build Your Participant Strategy

Learn how to build and prioritize your participant map, estimate its potential, and identify your first ask.

Common Concerns to Delaying an SGO Decision

These concerns are real — and we'll address each one.



Only a few big donors can move the needle, so asking everyone isn't worth the effort.



Only the wealthy will contribute to an SGO.



Our community is too rural or too low-income to have a donor base.



This is not the kind of fundraising superintendents, principals, teachers or parents do.



We already tried a fundraising campaign, and it fell flat. This will too.



People will feel like we're asking them to pay more, on top of taxes.



Retirees or fixed-income folks can't participate.



Businesses only care about PR-sized gifts, not a \$1,700 credit.

It Costs Donors Nothing to Contribute \$1,700



	Do not Participate	Participate
Federal tax liability/withholding	\$10,000	\$10,000
Check to SGO (2027)	—	\$1,700
Total out-of-pocket	—	\$11,700
Paid to IRS	\$10,000	\$8,300
Net	\$10,000	\$10,000 + \$1,700 tax credit

Direct up to **\$1,700** of your federal tax liability to an SGO.



Payroll Deductions

	No participation	Payroll deduction, withholding unchanged, credit results in refund potential	Payroll deduction + withholding adjusted; zero impact
	 Owe \$10,000 to IRS as usual.	 Elect \$65/pay SGO deduction; withholding stays the same; credit claimed at filing.	 Elect \$65/pay SGO deduction; withholding reduced by \$65/pay to offset it.
Per-pay federal withholding	\$384.62	\$384.62 <i>(unchanged)</i>	\$319.24 <i>(reduced by \$65.38)</i>
Per-pay SGO deduction	—	\$65.38	\$65.38
Take-Home Pay Impact	\$0	-\$65.38 <i>(take-home drops each check)</i>	\$0
Total Tax Liability	\$10,000	\$10,000	\$10,000
Tax Withheld	\$10,000	\$10,000 + \$1,700 credit	\$8,300
Net to IRS	\$10,000	\$8,300	\$8,300
Net to SGO	\$0	\$1,700	\$1,700
Total	\$10,000	\$10,000 <i>(refund +\$1,700)</i>	\$10,000

Who Might Be Your **Participants?**



Name It. Size It. Scale It.

Highlander County Schools			Year 1		Year 2		Year 3	
Channel	Audience	Qty	Convert	Donors	Convert	Donors	Convert	Donors
 Educators & Administrators	Employees	600	10%	60	25%	150	50%	300
 Families	Parents	1,200	0%	—	5%	60	10%	120
	Grandparents	2,400	0%	—	5%	120	10%	240
 School Board	Board Members	7	10%	1	25%	2	40%	3
 Business/Community Leaders	City/County Govt	500	5%	25	10%	50	20%	100
	Contractors	100	2%	2	10%	10	35%	35
 Communities of Faith	Parishioners	1,000	0%	—	5%	50	15%	150
 Social Service Agencies	Children's Services	50	0%	—	5%	3	15%	8
 Higher Education	Ed Professors	20	5%	1	10%	2	60%	12
TOTAL DONORS			89		446		967	
Revenue (@ \$1,700)			\$150,790		\$758,625		\$1,644,410	
Admin (10%)			\$15,079		\$75,863		\$164,441	
Student Benefit (@ \$1,530)			\$135,711		\$682,763		\$1,479,969	

\$2,298,443 Cumulative Student Benefit (3 Years)

**Now that you've mapped
out your potential donors,
who is your first ask?**



Turning conversation about your SGO into donor commitment



CONVERSATION



**COMMITMENT
= A CHECK\$**

SGO Conversations: Start with **what they value.**

People participate in a cause because a trusted leader connects the opportunity to participate to something they already care about.

For example: After-School Tutoring



"You've always cared about helping students succeed. You can direct up to \$1,700 of federal taxes you're already paying to support after-school tutoring right here in our community."



"That's something I want to support."



Trusted
Relationship



Their
Personal
Value



Local
Student
Impact



Clear Ask
(Up to \$1,700)



After School Tutoring:

Same investment. Different audience.

Different reason to care.

Audience		Reason to Care
	Educators & Administrators	Give students the additional time and support they need without asking classroom teachers to solve every unfinished-learning challenge during the school day. Create additional learning opportunities for teachers as tutors and homework/team project facilitators.
	Families	Make sure a child who needs extra help can get it, regardless of whether their family can afford private tutoring. Alleviate some daycare.
	Business & Community Leaders	Strengthen the math, literacy and problem-solving foundation your future workforce will depend on. Provide opportunities for employees to focus on work knowing their kids are in school care.
	Social Service Partners	Give students consistent academic support while reducing one of the pressures facing families already navigating multiple challenges. Integrate after/beyond school programming.

Donor to Participant

- There is one “do” in **DOnate**.
- Participants have multiple options.
 - Donation is a form of participation.
 - There are multiple forms of donation (monetizing without penalizing).
 - All at once
 - Incremental
 - Payroll Deduction
 - Incremental
 - Modified Withholdings
- What are other forms of participation?

**Tell all your
friends and
family
to participate!**

Rule of 250

Three Takeaways

1 It's participation, not a donation.

A contribution of up to \$1,700 per year is not a traditional donation. It allows the taxpayer to keep taxes they are already paying in their school district rather than sending them to Washington.



2 People in every district have tax liability.

Your community includes individuals, families, seniors, and businesses with state and federal tax liabilities that can now be redirected — up to \$1,700 per year — to your SGO.



3 Map, estimate, and make your first ask.

Identify your potential participants, estimate the opportunity, and decide on your first ask. This is a learn by doing process — the more you do, the more confident and prepared you will be to build participation in your SGO.



Let's Continue the Conversation

We want to hear from you and learn where you are in the process.



Share Your Status



Where are you in the process?



What questions do you have?



What support would be helpful?



What's your next step?



THE SCHOOL LEADERS ASSOCIATION

Scholarship Granting Organization RESOURCE CENTER

Everything you need to establish and operate a Scholarship Granting Organization (SGO) in Kentucky. Browse the resources below to guide your organization from formation through ongoing compliance.



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Prepared by your
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THANK YOU



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