

Private Investments in Public Education

School districts are looking to the private sector for support, and they are finding success.

By Bill Hoffman



The Great Recession has challenged state policy makers' efforts to maintain—never mind increase—funding for K–12 education. Tax revenues have only started to return to prerecession levels in most states, and the intervening years of lower funding have stressed schools' infrastructure, transportation, and investment in technology.

The silver lining is that more school districts are looking to the private sector for support, and they are finding success. According to Giving USA, there has been a sustained increase in charitable giving during the past four years, with total contributions increasing 12.3% since the recession ended in 2009. Giving to education has increased at an even greater rate: more than \$53.5

billion in 2013 alone! No data exist on how that amount breaks down between higher education and K–12 or between private and public education; however, the National School Foundation Association indicates that its members bring over \$100 million of private support to school districts annually.

All that begs the question, how would your school district use an extra \$1.85 million in private support? Would you renovate a media center, establish computer labs, improve sports facilities, bring in extra resources to help early literacy efforts, or create a support system for graduating high school students to pursue postsecondary education?

Well, the Williamsport Area School District Education Foundation in Pennsylvania raised \$1.85 million in just 18 months, and it is only one success story of how education foundations are bringing in private resources to help their school districts. Such real-life success stories have played out again and again across the country over the past 30 years that education foundations have been active.

How would your school district use an extra \$1.85 million in private support?

Much like how higher education began recruiting private resources to help with capital and program costs more than 50 years ago, education foundations are doing the same for K–12 school districts. And much like higher education, it's not just the "big players" who are getting the big checks. Philanthropists recognize that investments in our youth are necessary for them to enroll in postsecondary education. The public is realizing the economic impact that successful graduates can have and is looking for opportunities to provide structured support, with education foundations filling that role.

What Makes an Education Foundation Successful?

Effective education foundations share critical success factors, such as strong volunteer boards composed of

There's Help Available

The National School Foundation Association (NSFA) was established as a nonprofit organization 10 years ago to help create, develop, and support local education foundations. The NSFA accomplishes that mission by training foundation leaders, sharing and publishing best practices, and offering a certification program for foundation directors (in association with National University). A foundation director who has completed that program has the expertise necessary to successfully lead an education foundation.

Fellow foundation leaders are often sources of the best ideas on how to more effectively bring in private resources to help local schools and districts. The NSFA provides many opportunities for sharing best practices and networking among professionals in the field, including the 10th Annual National Conference in Chicago, April 22–24, 2015. For more information, visit the NSFA's Website (www.schoolfoundations.org).

community leaders and professional staff (even if just a part-time executive director) with nonprofit experience, and the active support of their superintendents. What is not critical to their success is a large district, big city, or high concentration of wealth. Many potential organizations have been kept from tapping the resources in their community by the perception that without “Zuckerbergs or Gates to support us locally,” it’s not worth forming an education foundation.

The key is the foundation’s leaders and their ability to make the community connections.

Community members, parents, and local businesses want to support K–12 education, but many are baffled when they try to help because they don’t understand the education system. They need to understand the case for providing support and to have a structured means to provide that support. An education foundation can make those connections between private individuals,

community organizations, or businesses and their local schools and districts. The results are as creative as each community is unique.

The key is the foundation’s leaders and their ability to make the community connections. Many underperforming education foundations appoint a school district employee to work part-time coordinating the education foundation. Although that “checks the box” of having someone in charge of the foundation, it rarely leads to the foundation’s potential success. Only professional teachers should be in the classroom, and only professional fundraisers should run the foundation.

What Does It Take to Get Started?

Interestingly, when starting an education foundation from scratch, the most important success factor is the commitment of the school board and superintendent. They must be committed to engaging the community, not just providing a laundry list of needs that they hope can be funded. That commitment means a willingness to communicate the needs of the education community and, just as important, to listen to the community’s thoughts and views. Many well-intentioned efforts have failed because of a mismatch between the district’s needs and the community’s willingness to support what may be a narrowly defined list of needs.

I’ve been in hundreds of meetings with potential donors, and it’s obvious that they don’t want to be considered simply a source of money—the “ATM effect.” They want to be part of a solution to a problem that they feel strongly about. When the district’s needs and the donor’s desire to meet those needs intersect, there is often generous support beyond expectations.

Certainly other elements must fall into place, such as the proper nonprofit structure, the right volunteer foundation board members, appropriate programming, and a visionary strategic plan for the foundation. A skilled nonprofit foundation leader can put those pieces together with proper support.

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