

**RESOLUTION OF THE
BOARD OF EDUCATION
OF THE OAKLAND UNIFIED SCHOOL DISTRICT
No 1314-0022**

**Directing Superintendent to Formalize Relationship With Oakland Schools
Foundation**

To strengthen the resource development of Oakland Unified School District (“OUSD”) through the recognition of the Oakland Schools Foundation (“OSF”) as the Oakland public education fund.

WHEREAS, on June 18, 2011, the Board of Education adopted the Strategic Plan (*Community Schools, Thriving Students*) for full service community schools; and

WHEREAS, the *Community Schools, Thriving Students* identified the coordination and support of efforts to secure additional resources (e.g., financial, human, material, and intellectual) from philanthropic, government, corporate, and other sources inside and outside of Oakland as essential to the successful implementation of the strategic plan; and

WHEREAS, for many years, the East Bay Community Foundation (“EBCF”) has played a significant and primary partner role to OUSD in that coordination and support, and is transitioning out of that primary role as of June 30, 2013; and

WHEREAS, a study undertaken by the East Bay Community Foundation identified the need to develop a public education fund for Oakland to partner with OUSD in developing, managing, and implementing the resource development strategy; and

WHEREAS, since 2003, the Oakland Schools Foundation has successfully raised over \$23 million dollars in funds to support teaching and learning across the District with an explicit focus on targeting resources to support equitable outcomes for students across the district; and

WHEREAS, OSF’s 2012 strategic plan committed the organization to expanding its partnership with Oakland Unified and focusing its work on serving as the public education fund for Oakland; and

WHEREAS, OSF staff have worked closely with key local funders and district leadership to assess and align its organizational capacity to successfully transition into this role; and

WHEREAS, school districts in neighboring and similar cities such as San Francisco, Berkeley, Emeryville, San Jose, and Los Angeles have local education funds that play a critical role in developing resources and partnerships to accelerate systemic improvements; and

WHEREAS, the intention of this Board is to develop sustainable funding strategies to ensure that OUSD has maximized its strategic use of private philanthropic resources to strengthen student achievement, and realize the vision to graduate all students, ready for college, career, and community;

NOW, THEREFORE, BE IT RESOLVED, that the Board recognizes OSF as its local

education fund partner in the development and management of philanthropic resources to support systemic outcomes; and

BE IT FURTHER RESOLVED, that the Board directs the Acting Superintendent of Schools, subject to Board final approval, to formalize District's relationship with the Oakland Schools Foundation.

PASSED AND ADOPTED on August 28, 2013, by the Governing Board of the Oakland Unified School District by the following vote:

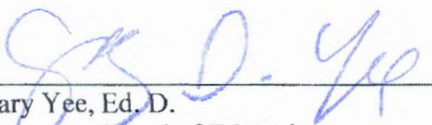
AYES: Jody London, Anne Campbell Washington, Roseann Torres, Christopher Dobbins, James Harris, Vice President Jumoke Hinton Hodge and President David Kakishiba

NOES: None

ABSTENTIONS: None

ABSENCES: None

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution adopted at a Regular Meeting of the Board of Education held August 28, 2013.



Gary Yee, Ed. D.
Secretary, Board of Education
Oakland Unified School District

August 2010

DOLLARS & SENSE:

Using Public-Private Partnerships to Help *Transform*
Public Education in New York City

A Closer Look at The Fund for Public Schools

■ **Lauren Morando Rhim**
Senior Consultant, Public Impact

With contributions from:

■ **Bryan Hassel**, Public Impact
■ **Chris Librizzi**, The Parthenon Group

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New York City is the nation's largest school district with more than 1,600 schools serving 1.1 million students who speak more than 160 languages.

INTRODUCTION

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The Fund for Public Schools (The Fund) commissioned this white paper to respond to requests from school districts, foundations, and other interested parties for information about the organization's unique model of public-private partnerships.

Assembled with the help of research and interviews, this paper documents the catalytic role that The Fund has played in New York City public education reform, and outlines key unique, strategic approaches that can inform how other school districts might use public-private partnerships to promote meaningful change. This paper draws from existing reports written by and about The Fund and more than a dozen interviews with key personnel at the New York City Department of Education (DOE) as well as corporate and philanthropic donors. This paper also makes use of data collected and analyzed by The Parthenon Group to quantify how private dollars raised by The Fund have been leveraged for the benefit of public initiatives.

With public education under a microscope and mounting concerns about the long-term implications of underperforming schools on America's future, public school districts nationwide are facing intense pressure to improve academic outcomes for all children. Identifying strategies to create meaningful systemic change while protecting the dollars intended for classrooms is a daunting challenge for district leaders.

One promising lever for change that has demonstrated notable success in New York City is The Fund for Public Schools. The Fund is a 501(c)3 nonprofit organization "dedicated to improving New York City's public schools by attracting private investment in school reform and encouraging greater involvement by all New Yorkers in the education of our children."¹ Although The Fund's financial contribution has been small relative to the DOE's annual budget of more than \$21 billion, it has played a critical role in driving change with its return on investment far surpassing the actual dollars raised and distributed. In both absolute dollars

raised – more than \$250 million since 2003 – and its success in catalyzing district-wide reforms, The Fund stands out as a vehicle for private investment in the public good.

No two public school districts are exactly alike; each is shaped by its own blend of demographics, local politics, and history. New York City is the nation's largest school district with more than 1,600 schools serving 1.1 million students who speak more than 160 languages. The city's high poverty rates (71.1%²), and significant number of English Language Learners (13.6%) and Special Education students (13%), demand more from educators.³ Despite its size and unique demographics, New York City grapples with many of the same challenges facing most large urban school districts; in particular, competition for limited resources and sometimes tense labor-management relations. Some in the business community have historically been hesitant to commit resources to what they saw as a dysfunctional system, making private fundraising for public education challenging. So while New York City is unique in many ways, The Fund's model of leveraging private dollars for the benefit of public schools can provide a strategic framework for other districts to do the same. This paper is intended to capture the relevant aspects of that model for the benefit of other districts, foundations, and others looking to energize public education reform through public-private partnerships.

1 Fund mission statement

2 Percentage based on the number of public school students receiving free and reduced-price lunch benefits

3 <http://schools.nyc.gov/AboutUs/data/stats/Register/SFormbyDistricts/default.htm> (accessed August 2010)

Public Education Funds

*Recommendations to Support
Public Education in Oakland*

April 2012





Public Education Funds

Recommendations to Support Public Education in Oakland

Commissioned by the

East Bay Community Foundation



**EAST BAY
COMMUNITY**
FOUNDATION

HTA

Prepared by
Hatchuel Tabernik and Associates

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Introduction

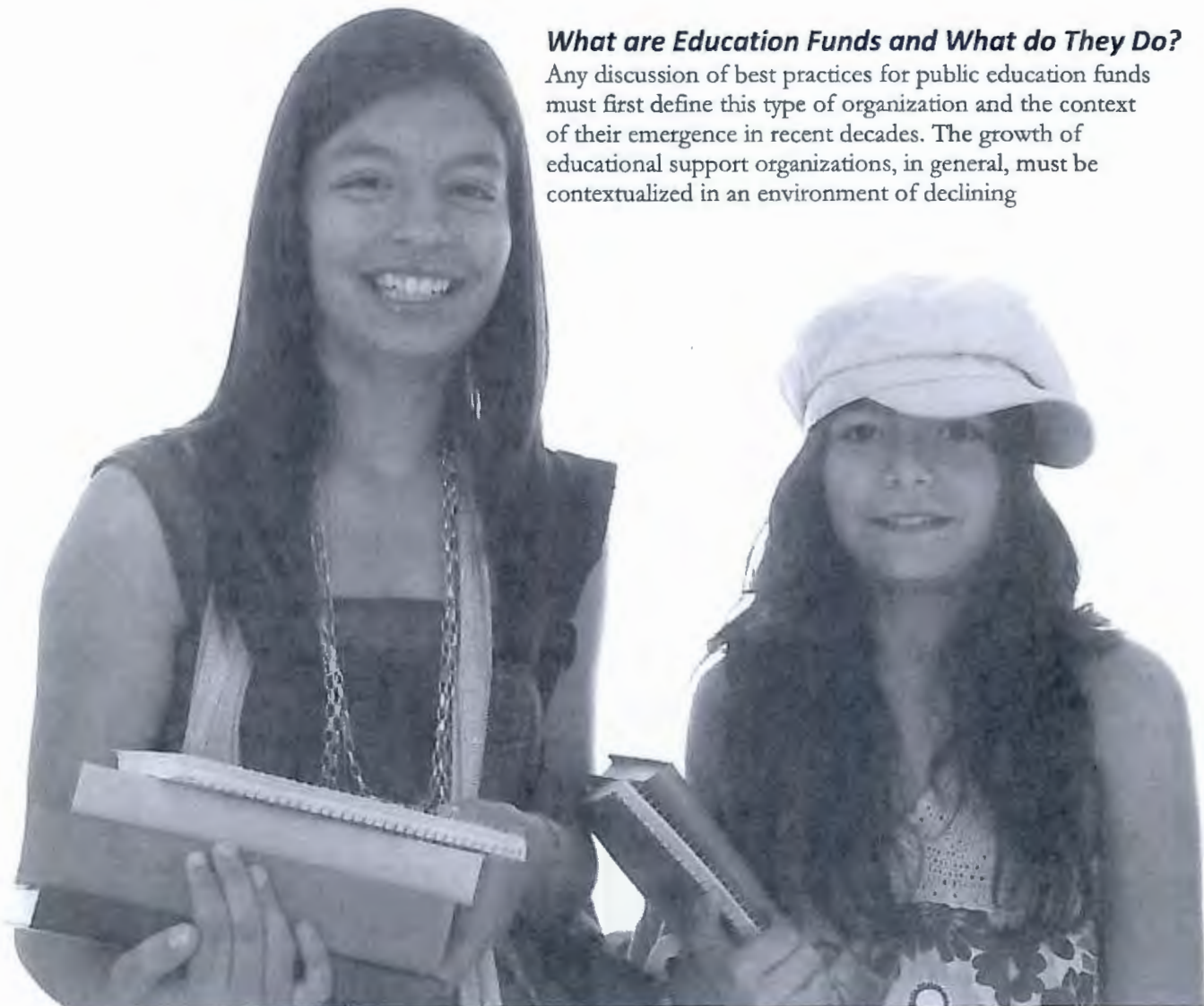
This paper reports on a scan of best practices, examining what education funds do and how they go about their work. This is a purposive scan that was commissioned by the East Bay Community Foundation to inform their decisions as they contemplate spinning off some of the education fund work they had been doing on behalf of the Oakland Unified School District. The questions we are attempting to answer relate to best practices regarding:

- Appropriate roles, relationships and related accountability of public education funds
- Fundraising, funders, convening, and coordination
- Ideal infrastructure for a public education fund

As such the scan relied on a small sample of public education funds from around the country that were identified for their comparability to Oakland, that is, funds of similar size, funds serving areas with similar diversity, funds serving areas with declining student populations, and funds in regions that support the full service community school approach. More methodological details can be found in Appendix B.

What are Education Funds and What do They Do?

Any discussion of best practices for public education funds must first define this type of organization and the context of their emergence in recent decades. The growth of educational support organizations, in general, must be contextualized in an environment of declining



education resources in California and around the country. Educational systems across the country have been buffeted by shifting and shrinking resources. At the same time these systems have had to grapple with and respond to numerous educational systemic reform efforts such as No Child Left Behind whose requirements have demanded larger proportions of classroom time and of the resources that government does provide. In response to these pressures, under-resourced schools and communities have looked elsewhere for resources with which to build and/or restore their capacity to meet the needs of the children they serve. Public education funds are one form of education support organization that has emerged to help take on this task and meet these needs.

The origins of public education funds can be traced at least as far back as the mid-1970s in California. In San Francisco, Gladys Thatcher responded to emerging needs and created the San Francisco Public Education Fund. What Gladys Thatcher saw was that teachers were struggling to implement creative ideas for improving classroom instruction amidst the financial challenges of the public schools. The growing needs of education were similarly being recognized in many other places as well, and the number of public education funds grew dramatically around the country thereafterⁱ.

In addition to this growth in public education funds per se, there was also dramatic growth in a wide variety of organizations that directly support education in myriad ways. Before discussing this any further, we should probably discuss the often confusing nomenclature that accompanies any discussion of education support organizations. The Public Education Network (PEN) , a national association for public education funds, advocates the use of a very distinct nomenclature wherein:

- Organizations that are tax exempt and have been established under the tax code to assist public schools are identified as “*education support organizations*”
- A subset of these education support organizations dedicated to assisting public schools and districts to raise funds are known as “*public education funds*” (PEF), a term often used interchangeably with school foundations
- A subset of the PEFs who are PEN members are identified as “*local education funds*” and PEN sets standards that they suggest distinguishes these local education funds from many of the other entities.

Although the organizations interviewed for this study were for the most part PEN members, we will use the term public education fund (PEF) to describe the focus of this exploration. This nomenclature should help to make it clear that this paper does not intend from the outset to be constrained by the definitions and/or best practices that are applicable to PEN membership. Indeed, since the many publications of PEN describe their standards in great detail, the reader is encouraged to consult these standards as needed. However, PEN members make up only a small fraction of registered educational support organizations (ESOs): in 2007 there were 19,306 ESOs of which 2,147 were PEFs and fewer than 100 of these were PEN membersⁱⁱ. We use the term PEF to acknowledge that the nomenclature around ESOs is somewhat fluid when used beyond the PEN membership.

PEFs, even those that are PEN members, are very diverse entities whose structures and functions vary across local contextsⁱⁱⁱ. Nevertheless, they do share some qualities, highlights of which include:

- A Focus on Public K-12 Education: PEFs focus on the local educational context, employing a wide range of strategies and programmatic functions.

- **A Local Focus and Footprint:** PEFs are distinguished by their support of a defined local area. PEFs do not usually fund in non-contiguous, disparate regions as a national or regional education funder might do.
- **A Role Providing Resources for Improving Education:** A core competency of PEFs is providing resources for education as a result of both fundraising and leveraging relationships with a variety of entities.
- **Complex Relationships with a Variety of Constituents:** The relationship with the school district is one of the most important, along with government, philanthropy, community and the business sectors.

A recent effort was made to identify some common standards for PEFs. These standards were developed by the National Commission on Civic Education in Education which drew on documents developed by Independent Sector. While these are of some value and should be considered in structuring a PEF, this study delves deeper, looking at key questions in relation to PEFs and Oakland in particular.

Roles and Relationships of an Education Fund

PEFs operate in complex local ecologies consisting of community organizations, businesses, donors, other ESOs, foundations, governments, school districts, parent/student groups, and much more. We sought to explore particular sets of relationships that our sample organizations maintained within their local ecology and the following discussion shares what we found.

School District Relationships

Respondents among the sample of education funds had a variety of thoughts and experiences in regard to the relationships that were needed between a PEF and its school district. Relationships with the district were the most remarked upon and ranged from being “joined at the hip” with the district to being “fiercely independent” of the district.

If we use a structural lens, we can more easily classify these organizational relationships according to the level of independence that exists between PEFs and school districts. The literature and our background research show that some PEFs have very little structural independence from the district, having district personnel playing key governance roles in the organization. For example, the New York City Schools Chancellor sits on the Board of the New York City Fund for Public Schools, and their website describes their focus as “driven by the needs of the Chancellor’s reform efforts.” At the other end of the spectrum, many PEFs operate with complete independence from the district and there is no role for the district in governance. These PEFs are able to respond to the needs of other constituents and to structure their goals and programs independent of district priorities if they so desire. This structural perspective provides a simple way to look at organizational independence. However, it omits the critical role of relationships.

All of the education funds we interviewed had clear structural independence from the districts they served, and this was often cited as critical to their effectiveness and their credibility with donors. At the same time, most of the PEFs who participated in this study claimed to have strong relationships

with their districts. These relationships were sometimes codified through formal and informal agreements that clearly established understandings about how the PEF would work with the district. A formal agreement might mean that there was an MOU in place, while an informal agreement might mean that there was a clear understanding developed through negotiation between key parties.

The PEFs we spoke with did not describe the relationship with their districts as either one of complete independence or district control. The reality in the cases we explored was much more nuanced. Moreover, these relationships had changed over time for many of the organizations. The relationships had to be somewhat fluid to respond thoughtfully as conditions changed on the ground or as difficult lessons were learned. One organization reported shifting their role from one where they were perceived as an “exiled district office of its own, promulgating policies and lobbying the district to adopt different approaches” to one where they worked in partnership with the district. They found over time that the former role was costly in terms of staff time and, ultimately, was ineffective in moving the district.

For many of the PEFs interviewed, being structurally outside of the district allowed them to play the role of the “critical friend” when that was necessary; that is, they were a trusted partner of the district with the ability to provide advice and push back on the district when needed. A PEF can work closely with the district as a key partner at the same time that they build the trust and confidence needed to be a critical friend.

Functionally, it is clear that one of the most important mechanisms to reflect an education fund’s independence is the selection of its funding priorities. On one end of the spectrum are PEFs that simply mirror district priorities; while on the other end, there are PEFs that develop their priorities completely independently of the district. Those in our sample who maintain that they are completely and even “fiercely” independent report that their funding choices and their programmatic activities are not strongly linked to district plans and priorities *unless* they are first aligned with community priorities. Indeed the PEN literature emphasizes that it is important for PEN membership to mobilize and give voice to community, though this did not emerge as a major function of most of the organizations interviewed.

As noted above, most of the funds we interviewed fell somewhere between these dichotomous roles of district agent and intermediary for community voice, in what might be called the “partnership zone.” In the partnership zone, priorities are identified in some sort of alignment with the district but with input from other sources as well, be it business, community, government, etc. Movements around collective impact¹⁷ and cradle to career initiatives such as STRIVE and Promise Neighborhoods are encouraging alignment and demonstrating some success when multiple education entities can align around common goals and purposes. This work in the partnership zone may reflect a historical shift. PEFs grew up in a situation where they were often fighting the district for data access, policies and practices that support reform, and therefore were defined by the struggle to spark reform. As the field of education and the many diverse organizations that inhabit it have matured, the need to be the outside voice seems less relevant in some communities than creating broad and allied movements toward educational improvement.

Business Community Relationships

The business community is often a key partner to PEFs. There are a number of cases, including some among our sample, where the business community provided the impetus and the critical

resources to launch a PEF. This link capitalizes on the reality that businesses benefit from a community where education is successful both in terms of access to a skilled labor market and the benefits that educated community can confer on a locality. In cases where the business community has played a critical role in launching the PEF, business leaders typically exercise more influence on the PEF's priorities. A baseline for most respondents was that the PEF should have at least as strong a relationship with the business community as it has with other civic leaders. This relationship with the business community enhances both the perception of accountability of the PEF and the identification of entities that may be potential funders and partners for the district.

The most dramatic example of the business role in a PEF among our interviewee organizations was the Chicago Public Education Fund which defines itself as a venture philanthropy organization. Venture philanthropies take concepts and techniques from venture capital finance and high technology business management and apply them to achieving philanthropic goals. Chicago Public Education Fund materials describe some similarities to venture capital, including:

- Expectation of a long term investment (of several years), usually until an initiative has achieved sustainability or until investments have met certain system improvement goals
- Clear articulation of strategy and established benchmarks for results^v
- Provision of management assistance
- Developing deep relationships with investee program including potentially holding a board seat
- When co-investing, usually seeking a lead investor position^{vi}



The Chicago Public Education Fund is majority-funded by a small number of individuals and corporations many of whom “invest in ideas and concepts and lend management support. They do not act as a flow through: they don’t take money in and redistribute it. They take bets on strategic issues in schools.” This might mean supporting the development of talent in the schools but not, for example, subsidizing salaries in schools. This fund invests in four year cycles, and the donors they raise money from are very results oriented providing day-to-day management guidance. In a venture philanthropy situation such as this, the business community is very involved and is one of the most critical relationships for a fund.

Relationships with the business sector, however they are structured, may go beyond local business support to include the support of corporations not located in the PEF’s geographic area, national and international corporations for example. Some interviewees suggested that a PEF was well suited to seeking such support in situations where a corporation’s philanthropic interests were a fit with the PEF’s and/or the district’s strategies. Connections of businesses and corporations to a PEF could take many forms, including: personal connections with business leaders or programmatic connections to the philanthropic efforts of a business. In 2010 Facebook Founder Mark Zuckerberg made a donation of \$100 million to Newark, New Jersey schools after meeting the Mayor, Corey Booker, at a conference and starting a dialogue about education^{vii}. Zuckerberg had no connection to Newark but has now formed a foundation, *Start Up: Education*, whose first programmatic effort is focused on New Jersey^{viii}.

Other Education Supporting Organizations (Including Other PEFs)

Our sample of education funds expressed the importance of working with other education focused organizations and other PEFs, observing that there were many opportunities for collaboration and alignment. When goals and issue areas of ESOs overlapped, there were some situations in which PEFs in our sample brought together a variety of PEFs/ESOs to collaborate. One district wide PEF played the role of managing the resources for a number of smaller school based funds and then distributing these funds based on an agreed upon formula designed to enhance equity district wide. This strategic role served to both support private fundraising by parent groups and to prevent private fundraising from furthering equity imbalance in the public schools.

In fundraising, collaboration can result in an efficient division of labor and more effective development that ultimately benefits local education. In one example shared by an interviewee, where the core competencies and strategies of two ESOs were recognized and distinct, one being a PEF and another being a community foundation, the solution was to agree that the community foundation would nurture the individual donor community and the public education foundation would seek foundation and corporate support. In this situation, the agreement to focus on areas of core competency attenuated perceptions of competition and strengthened collaboration between these organizations allowing for them each to do what they did best.

Some interviewee PEFs worked in alliances with other organizations when they were collaborating toward the same goals in their district. This occasionally meant sharing funds if they were co-investing or working under a shared grant. Alliances with other entities allowed them to “share resources, and act as a mutual accountability nudge to the district” when that supported their goals. In one case the PEF had taken on the role of convener of a cradle-to-career effort and was bringing multiple parties to the table serving as the “backbone” organization of that effort. These programmatic or initiative efforts at the system level can enhance a PEF’s impact if aligned with its

district priorities: this was not a simple mirroring of the district, but, rather this was an investment strategy that aligned both PEF and district perspectives. Other organizations did not have strategic fund raising plans but thought it a good idea. They reported that the reason they were without a plan was due to lack of capacity. There was a sentiment expressed by these organizations that a clear fundraising plan aligned with the district would further fundraising efforts and build donor confidence. It was suggested by some interviewees that a plan such as this could also work for diffusing potential tensions or perceptions of competition.

Certainly the potential is there for tensions to emerge as an education fund takes on various roles in supporting the district, be they programmatic or in efforts to develop funds. The tensions identified by our sample were varied and include:

- Tensions and perceptions of competition if the education fund is seeking funding for its own operating costs from sources that also support the district;
- Tensions within the district when higher level leadership disagree over what funding priorities should be;
- Tensions about different perceptions of the value of funding public education;
- Tensions with other education support organizations who are raising money in the same geography and often from the same donors;
- Tensions with community about how they are portrayed in making the case for fundraising, and;
- Tensions with community over influence with the education fund.

PEFs in our sample were leaders and conveners of broader initiatives such as cradle-to-career or programs for teacher capacity building. Programs and initiatives can significantly broaden the ability to leverage resources and bring other partners to the table. As one interviewee put it, “Outside of raising money for the district what do you want the fund to be? They want to be more than just a fund raiser for the district.” These programs and initiatives can significantly further shared priorities of both the district and the education fund.

Structure and Financing for a PEF

We concluded our interviews by asking our sample about the ‘nuts and bolts’ of PEFs: what was structurally appropriate and necessary to run an education fund. These questions focused on several areas of organizational capacity.

Board Structure

Regarding board membership, respondents agreed that this is very specific to the organization and the location. There is no one size fits all ideal board for PEFs. Our respondents posed a variety of “models” or frameworks of how to best structure the board. These ranged widely as demonstrated below. Factors that were important to various organizations in our sample include the following.

Representative Models

- Representative cultural diversity
- Community members
- Leaders that are not part of the district
- Some from the constituency representing parents
- Business leaders
- City leaders or policy makers
- Educators such as a retired teacher not representing the district per se

Sector Models

- For profit and nonprofit mix
- Good organizational partners like universities and libraries
- Foundation Representatives
- Corporate representative

Venture Capital Models

- Investors in the organization

Functional Models

- Those who can support program development
- Those who can support fund development
- Those who can support building the brand

Staffing

There seemed to be some basic requirements for staffing that most agreed upon: PEFs need, at the core, staff who both understand education systems, understand development and understand how nonprofits work. At the helm, PEFs do not necessarily want an education “expert” but rather someone who has immediate credibility in education while understanding how nonprofits and funding systems work. The leadership position requires someone who is incredibly skilled in building relationships and engaging with funders. It is critical to have staff who can manage finance and accounting issues expertly as there has to be confidence from the outset in the fund’s ability to manage money. If there are initiatives and programs, the PEF will need programmatic staff. And finally, PEFs require skills such as writing, project management, and communication.

Since most PEFs have lean operational budgets, they need to be careful about selecting and balancing staffing. Ideally there would be a strong mix of skills in a small number of staff that can support the work of the PEF. It is important to balance real world experience with educational experience and to balance programmatic and relationship needs. The PEF should also consider that strong strategic relationships and strategic thinking are a huge asset.

Process, Seed Money and Infrastructure

We also explored the basic requirements that a PEF must have to get off the ground, such as: infrastructure, seed money, technical assistance support, and the start-up process.

Respondents suggested that the start-up process might include a strategic fund development planning process early on, which would benefit from a skilled outside third party facilitator. This planning process could support the group to develop a credible plan for the future and to spell out initial directions by defining the organization's business plan, developing a roll-out plan, and operationalizing same. Some respondents indicated that strong facilitation support was important so that initial problem solving is productive. One of the benefits of planning would be the opportunity to include various voices from the local 'ecology' in the early discussions of the fund, thereby avoiding potential barriers and mitigating possible tensions. This type of engagement early in the roll out of the PEF allows for local players to work together to define roles and relationships.

Sufficient seed money to get the PEF off the ground was seen as important to its ultimate success, integrity, and sustainability. Securing initial funding would allow the organization to build its core capacities. Suggestions regarding seed money included:

- That seed money needed for year one if launching a new fund (suggestions ranged from \$100,000 to \$500,000) would go toward:
 - Building a staff and building the board;
 - Establishing operations and programmatic parameters;
 - Office space and infrastructure such as computer systems, furniture, office equipment and supplies;
 - Donor software and accounting infrastructure, including staffing.
- Guarantees of operating money for 2-4 additional years so that the PEF would not shift into survival fundraising mode early on in its existence. This would allow the organization to pursue financial sustainability and focus on fine tuning its core organizational infrastructure.

Sustainable Business Models for PEFs

Most of our sample of PEFs lamented the challenges of sustaining the operating costs of their organizations. Some emphasized the importance of having a realistic business plan. Most did not foresee a silver bullet that would provide for sustainability. Bringing in resources to cover operating costs for the organization was an ongoing task, and sometimes an ongoing challenge, for the organizations we spoke with. Elements of the business models our sample used include:

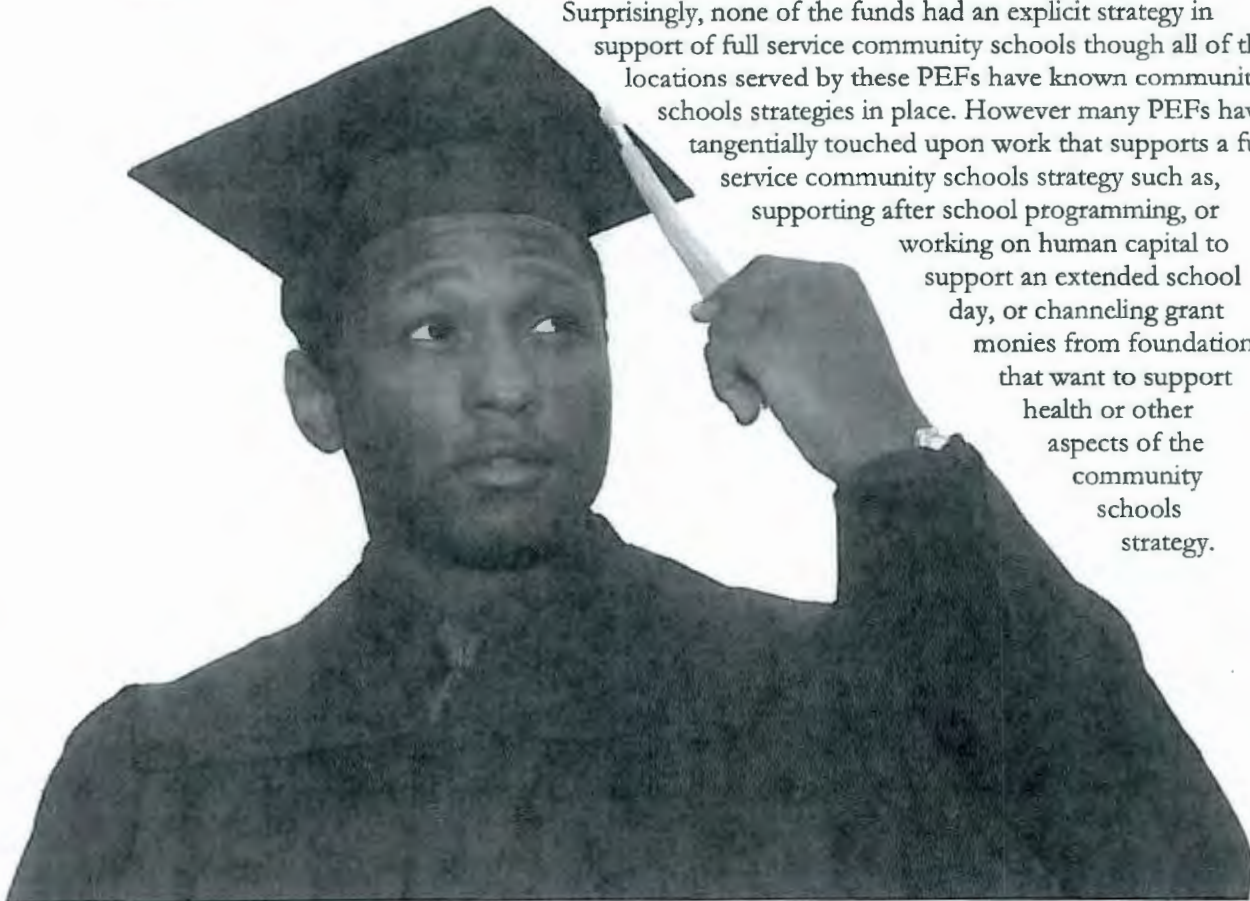
- Providing grantmaking services without charge and then independently raising operating costs from the community and funders;
- Fee for service activities and contracts;

- Grant management fees as a percentage of awards;
- Some mix of major donor, corporate, philanthropic and small donor contributions;
- Flat fee for managing school based donations;
- Reliance on small core group of major investors who fund the organization for limited cycles with no guarantee of renewal (venture philanthropy) but covering the costs of managing the fund and program portfolio; and,
- Endowments. Only one organization had a small endowment which did not cover a significant portion of operating costs.

Support for Charter Schools and Community Schools

One of the final areas we explored with our sample was advice on the types of schools an education fund supports, including charter schools and full service community schools. How the funds responded to the question regarding support for charter schools depended in part on the legal and policy position of charter schools in their area. Where charters were legally part of the district there was little variation of support strategy for charter schools. At least one PEF did not raise money for charter schools because they were perceived as better off and outside of the reform agenda. Another district focused most of its funding on non-charter schools but had some provisions for “alternative or charter” schools.

Surprisingly, none of the funds had an explicit strategy in support of full service community schools though all of the locations served by these PEFs have known community schools strategies in place. However many PEFs have tangentially touched upon work that supports a full service community schools strategy such as, supporting after school programming, or working on human capital to support an extended school day, or channeling grant monies from foundations that want to support health or other aspects of the community schools strategy.



Recommendations for Oakland

The above findings show that even within a small sample of PEFs, the variation is significant in what relationships they hold, the activities they undertake, and the way they operate. This is not surprising because PEFs are organizations that are very much linked to place and the local ecology of their place. As place based entities, they have to adapt their organization and their strategies to the distinct characteristics of their local community^{ix}. This would include their relationships to their district, their business community, the other education supporting organizations in their areas, funders, and so on. Adaptation to local conditions and its importance was a theme that ran through our interviews. With this theme in mind the following key findings and recommendations for Oakland are targeted to helping a local PEF in Oakland adapt effectively to local conditions.

Relationships

❖ ***Structural independence is important to managing change and building confidence***

Everyone agreed that a PEF required structural independence from the district. That independence and perceptions of that independence were very important to building trust and confidence of donors. The PEFs interviewed do not have formal participation on their board from the district or have a formal role within the organization for their districts. The consensus was that a formal agreement between a PEF and their district on key points of a partnership was ideal to codify the relationship and help to provide for stability when district leadership changes.

❖ ***Alignment with the district priorities is beneficial and will usually result in stronger outcomes than if the PEF were pursuing disconnected strategies.***

While many education organizations have had a role in holding districts accountable or pushing for school reform, the sample of organizations we interviewed found that there were benefits of aligning the PEF's work with the district's priorities and goals. This did not mean that the PEF would actively support every goal of the district, but that finding common ground and working with the district would result in greater impact for PEF priorities.

It will be advantageous to align the PEF work with district priorities in the current Oakland environment. In Oakland, the district is currently led by a visionary leader who has a clear strategic plan for education and who has undertaken extensive engagement efforts with the community. In this sense, there is significant alignment within the system and the community to the existing plan and the priorities it sets out. Ideally a PEF in Oakland would work in this partnership with the district.

❖ ***Relationships with business should be nurtured as key community stakeholders and supporters of quality education.***

In most PEFs we spoke to, business played a key role as a supporter and funder. Business relationships need to be nurtured and actively managed. These efforts should not necessarily restrict themselves to the local geography. Corporations and businesses throughout the Bay Area and beyond could be engaged effectively. Oakland is in proximity to large numbers of high tech corporations and because of the visibility of its current Superintendent, is well positioned to look to external business entities for support.

A business governed PEF model such as the venture philanthropy model in Chicago, might be difficult to launch. A commitment to be a venture philanthropy is an overarching philosophical and operational strategy which gives business leaders and business strategy a primary role in the workings of the PEF. This strategy would be difficult to execute in Oakland's business environment but not impossible. It would require recruitment of well-resourced business representatives who support the venture approach. However to be successful in Oakland, alignment with other ESOs in the local environment would be critical to success.

- ❖ ***Working with other education supporting organizations can be beneficial if there is collaboration based on core competencies and around shared objectives. Where collaboration and coordination are absent competition can lead to inefficiencies in the local ecology among education supporting organizations.***

Oakland has a uniquely diffuse organizational ecology that is rich with non-profit resources that are very active in the field of education. Coordination and communication with other ESOs can help the PEF to engage these organizations as assets. In some cases, the PEF may be able to significantly partner with and support the work of the organizations that in many cases are providing programs in service of the district and its students.

- ❖ ***Relationships with donors are core to the business of the PEF. The PEF has to maintain and grow these relationships in a way that builds confidence and provides a bridge of accountability to and from the district.***

The relationships with funders such as foundations and major donors were described as the "sweet spot" for a PEF. For a fund to work well with private foundations, the fund needs to have the confidence of those funders and to be able to provide accountability. This process of nurturing donors and stewarding resources will involve the district but should rely on a division of labor that reflects the core competencies of the PEF in donor and foundation relations.

At the same time, in Oakland the Superintendent is a figure who has many relationships with funders. In this case, close coordination and a shared division of labor for consistent cultivation of these donors will be essential.

- ❖ ***The PEF should work in partnership with other entities in addition to the district to manage relationships.***

An Oakland PEF will be working from a recent history of significant local success in nurturing and growing donor relations and corporate relations. The East Bay Community Foundation (EBCF) has been a key partner to the district in this work. Clearly, as EBCF transitions out of some of this work, it will be critical for the PEF to transition smoothly into that work. At the same time, lessons from the field show that it will be important for the PEF to coordinate with other PEFs and community foundations. Just as the district and the PEF will need to partner based on core competencies, the EBCF and the PEF should do the same. The EBCF in particular might logically continue to steward some of the relationships it has developed to support education in Oakland. For example, the EBCF has convened quarterly donor forums to boost the transparency and accountability being provided to the broad field of private donors and is a model of how one can work closely with both a district and funders. Ideally the EBCF will continue this practice, but the PEF

should be integrated into this process and work closely with EBCF in convening funders in close coordination with the district. The EBCF can have great influence ensuring that the PEF has an immediate role as a partner and a leader in education philanthropy in Oakland.

❖ ***Strong accountability mechanisms should be put in place from the outset and agreed upon between parties.***

A variety of accountability mechanisms were utilized by our sample of PEFs. Some of the core challenges were capacity of districts to report on grants, capacity of the PEF to adequately report on grants or provide quality control, the challenge of implementing data driven accountability mechanisms. PEFs are responsible for funds they receive from donors whether they spend these funds in programs they administer or pass them through to the district to directly fund shared priorities.

Best practices would suggest that outcomes be identified for monies that are received by the PEF and that the donor and the district (if the funds are being passed through to the district) should agree to these outcomes. Ideally, indicators and measurement mechanisms for these outcomes would be specified in advance. To the degree possible, measurement should rely on data that is already collected so as not to pose additional burden on the district which already collects extensive data. During the grant period and when reporting is due, the PEF should play a strong quality control role ensuring indicator information is being collected and that the reporting meets the standards of quality required by the PEF and the donor. The time invested in thinking this through so that outcomes and indicators line up with data collected by the district will ease reporting and build confidence in transparency of the PEF and the district both.

Funding and Fundraising

The funding and fundraising best practices and themes that emerged from our conversation include the following highlights:



- ❖ ***The PEF should consider all kinds of fundraising but ultimately should fill gaps in fundraising that the district does not have the capacity to do well.***

The PEF's fund raising focus for Oakland should complement fundraising capacities present in OUSD, EBCF and other key partners. Our sample agreed that districts were good at doing government fundraising. However, a PEF is potentially a complementary partner in raising match dollars or acting as the applicant where the district is precluded from applying directly. Most of our interviewees for this scan also indicated that business donors and private individual and foundation donors should be the core areas of PEF fund development.

However, given the unique capacities of current district leadership, it seems that donor cultivation in the Oakland context is ideally a shared and well-coordinated task among the PEF, OUSD, and EBCF. However, our interviewees indicated that more typically foundation monies and relationships should reside outside the district (i.e., with the PEF or EBCF) since districts typically do not manage these relationships and accountability requirements well. Since there is no long term guarantee that the current OUSD skill with philanthropy will remain at this level, it seems more sustainable that the PEF should take the lead on philanthropic fundraising from foundations and corporations and should partner with EBCF in the cultivation of major donors.

- ❖ ***PEFs should be thoughtful about the types of fundraising they take on that might consume an inordinate amount of staff time.***

As suggested by our sample, events-based development or parent-based fund raising may be financially challenging for the PEF given the amount of staff time required. Consensus was that the PEF is better off focusing its efforts at more major level foundation, corporate and major donor funding.

- ❖ ***PEFs are well positioned to develop infrastructure such as a fundraising plan that goes across the district and, using this mechanism, play some coordinating role in fundraising.***

The PEF can play a significant role in coordinating fundraising in a local area by building the infrastructure for coordination and playing a clearly defined leading role. A critical step in building this infrastructure would be to develop a fundraising plan that aligns with the district strategic plan. Indeed, a fundraising plan could provide an excellent mechanism to address the complex ecology of educational support organizations in Oakland. A fundraising plan could identify where PEF fund raising will support the work of various ESOs and mitigate potential tensions in the broader ESO community by identifying pathways for collaboration instead of competition. This role, however, requires extensive diplomacy and trust building.

- ❖ ***For PEFs to coordinate fundraising effectively requires partnership with the district and commitment to protocols that allow for management of multiple relationships.***

The PEF needs to meet regularly with a high level district team and other players such as the EBCF to create and implement the protocols and communications pathways that will support effective coordination and management of shared donor relationships. To meet common

fundraising goals for the children of Oakland, it is critical to ensure that key roles and responsibilities are clear and that donors are approached in a coordinated and effective way.

❖ ***Principles of coordination and partnership should apply to any programs or initiatives operated by the PEF.***

Most of the PEFs in our sample had programs that worked strategically across the district, e.g. principal capacity building initiatives or master teacher initiatives. One had even taken the lead in a collective impact effort coordinating multiple parties in a cradle-to-career initiative. In Oakland, with its dense network of ESOs, broader programmatic roles should be taken on carefully with attention to maintaining partnerships, aligning with the goals of the district, avoiding redundancy, and furthering strategic priorities in Oakland.

Structure and Financing for a PEF

The basics of organizational structure and development for a PEF in Oakland can take many forms. These include the following recommendations:

❖ ***Board membership: Board membership for a PEF in Oakland should ensure that members are both philosophically supportive of public education and sufficiently high level so that they are assets in large scale fundraising and in establishing the PEF brand. There should also be some membership from other key partners in the local ecology of organizations and some educational expertise unaffiliated with the district. This board could be complemented by an advisory group that is more representatively structured.***

The Board of a PEF in Oakland should work toward sustainability of the organization and helping to establish its credibility. The primary responsibility of this Board is to strengthen the PEF's capacity to raise money, spend it effectively in partnership with the district and ensure accountability for results. A more representative advisory board should also be created as a complementary structure. Enabling parent voice is not necessarily a key function of the board membership since that is integrated into district planning and the many ESOs in Oakland. However, additional members of the advisory board should ideally include a parent of a local student as well as representatives from another function, i.e. business, etc.

❖ ***Staffing: In staffing the PEF form needs to follow function of stewarding funds, developing donor relationships, and strategically structuring and coordinating the work.***

Staffing requirements would include that staff have excellent people and donor relationship skills, some significant understanding of Oakland and the district, and a strong experience with the nonprofit and foundation sectors. In addition, top level financial management infrastructure will be essential. Some program staff functions could be built if/when operational programs come on line. The staff should be lean, highly skilled and grow with the PEF.

❖ ***Funding: Seed money should stabilize a PEF initially so it is able to grow its work and move quickly toward sustainability. Multi-year commitments for operating costs will contribute to the probability of success.***

A significant amount of seed money, ideally over several years, would allow the PEF in Oakland to develop its work in a sustainable way. If the PEF is immediately in survival mode related to its operating costs, it is unlikely to establish its role in an effective way.

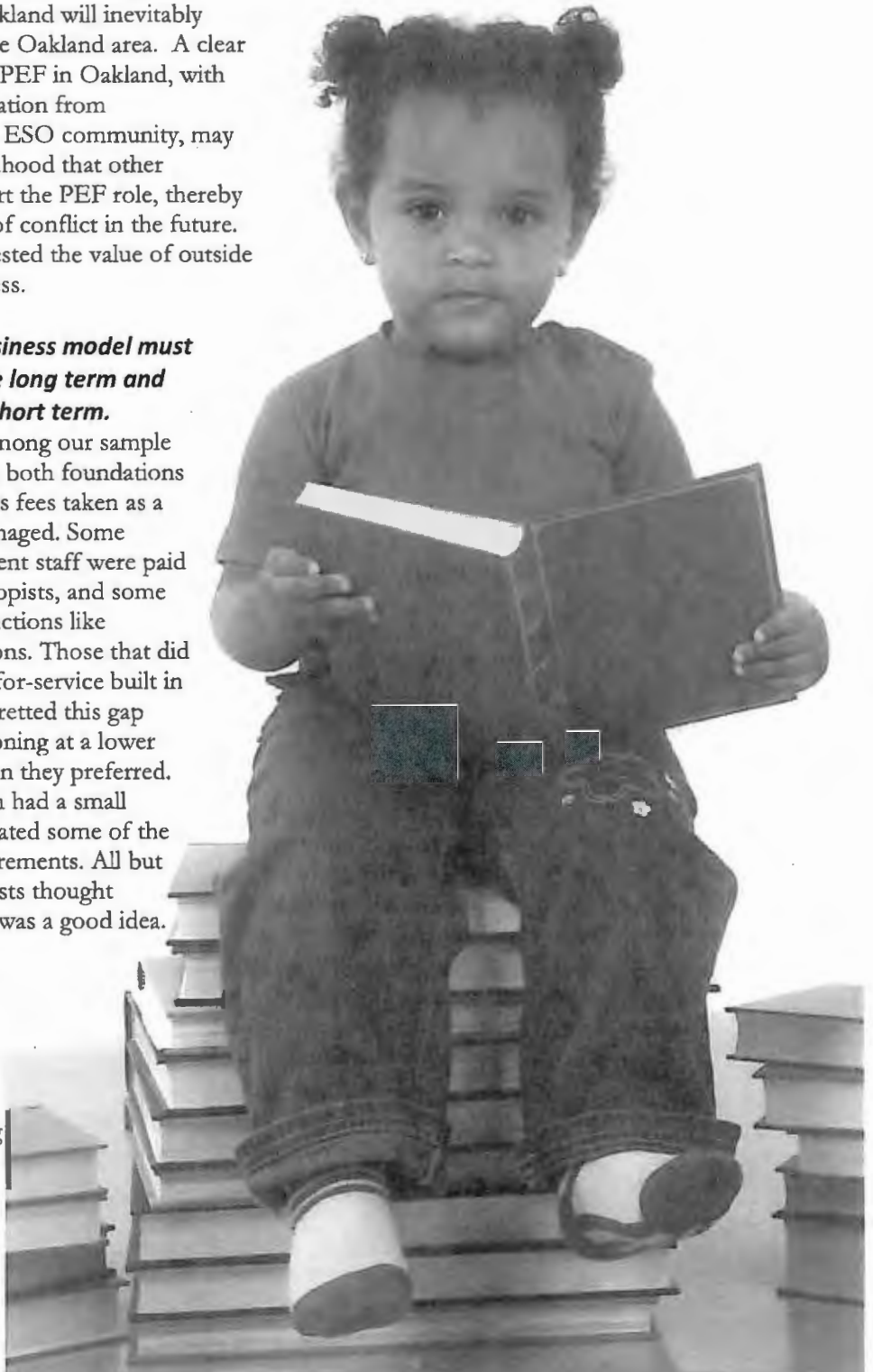
❖ **Process: Communicate and gather feedback as the PEF rolls out, using an outside facilitator. This will build buy-in and reduce tensions later.**

Decisions regarding the role, structure, and function of a PEF in Oakland will inevitably impact other ESOs in the Oakland area. A clear process for rolling out a PEF in Oakland, with some structured participation from representatives from the ESO community, may help to increase the likelihood that other organizations will support the PEF role, thereby reducing the possibility of conflict in the future. Some interviewees suggested the value of outside facilitation for this process.

❖ **Business Models: A business model must be sustainable over the long term and manageable over the short term.**

Most business models among our sample relied on private donors, both foundations and individuals, as well as fees taken as a percentage of grants managed. Some organizations' management staff were paid for by venture philanthropists, and some had flat fees paid for functions like managing parent donations. Those that did not have sufficient fees-for-service built in their business model regretted this gap which resulted in functioning at a lower level of effectiveness than they preferred. At least one organization had a small endowment which alleviated some of the annual fundraising requirements. All but the venture philanthropists thought building an endowment was a good idea.

There is no silver bullet when it comes to sustainability and a model that will consistently cover operating costs. It is recommended that a PEF be realistic about the costs of doing this work and manage toward sustainability including charging a realistic fee for managing grants and building a long term endowment to support annual operating costs.



Conclusion

This paper has summarized the findings of a scan of Public Education Funds conducted on behalf of the East Bay Community Foundation. It has summarized some best practices and lessons learned that emerged from those interviews and attempted a first brush at their application to Oakland. One of the most important takeaways from this research has been the degree to which successful local education funds effectively tailor their structure, their function, and their core competencies to the local context. It must be stressed that the organizational ecology in Oakland is both unique in its richness of organizational resources committed to supporting public education and well positioned with capable current leadership whose vision for moving forward has significant support. This unique mix should be considered as the next steps are taken towards establishing a public education fund. It is hoped that this will be useful as further thought is given to the development of a public education fund in Oakland.



Appendix A: Endnotes

ⁱ Susan V. Berresford, “A story of Civic Investment in Public Education”, Voices in Urban Education. No. 32: Winter 2012: Annenberg Institute for School Reform, Brown University, Providence Rhode Island.

ⁱⁱ E.K De Leon, Roeger, DeVita and Boris, 2010, Who Helps Public Schools? Public Education Support Organizations in 2010. Washington DC: Urban Institute; Linda Lampkin and David Stern, 2003. “Who Helps Public Schools: A portrait of Local Education Funds, 1991-2001”, The Urban Institute, Washington DC; Wendy Puriefoy, “The national Commission for Civic Investment in Public Education”, Voices in Urban Education. No. 32: Winter 2012: Annenberg Institute for School Reform, Brown University, Providence Rhode Island.

ⁱⁱⁱ Elizabeth Useem, *From the Margins to the Center of School Reform: A look at the work of local education funds in seventeen communities*, The Public Education Network Research Series, No. 1, 1999.

^{iv} John Kania & Mark Kramer, *Collective Impact*. Stanford Social Innovation Review: Stanford University, Winter 2011.

^v *Grantmakers in Education, Linking Resources to Results: The Chicago PEF’s Master Teacher Initiative, Case in Brief No 1: Principles for Effective Education Grantmaking*.

^{vi} David Messick *The Chicago Public Education Fund (B), Case Study, Kellogg School of Management 2004*, pp 13-17.

^{vii} Richard Perez-Pena, *Facebook Founder to Donate \$100 Million to Help Remake Newark’s Schools*, New York Times, September 22, 2010.

^{viii} *Startup: Education is a new foundation launched by Facebook founder and CEO Mark Zuckerberg with \$100 million in September, 2010. Our mission is to take a startup approach to building a better education system for all students. From Start Up: Education web site.* <http://www.startupeducation.org/aboutus.html> (accessed 3.16.2012)

^{ix} Diane Brown, Jolley Christman, Tracey Hartman, and Elaine Simon, *Locating Local Education Funds: A Conceptual Framework for Describing LEFs’ Contribution to Public Education*, Research for Action for the Public Education Network.

Appendix B: Methodology

This paper was commissioned by the East Bay Community Foundation (EBCF) to assist the Oakland Unified School District Superintendent with next steps in forming the appropriate entity to financially support public education in Oakland. The paper is based on the review of relevant literature, interviews with local individuals who are knowledgeable about the needs of the Oakland Unified School District, and interviews with a select group of leading Public Education Funds around the United States.

The interviews explored best practices and lessons learned for PEFs related to three areas: their roles and relationships; their programmatic funding and fundraising practices; and their structural and operational requirements. These interviews were then analyzed and integrated with the literature to formulate the results and recommendations above.

Appendix C: List of Interviewees

Public Education Funds

John Dreeszen, Chief Financial Officer
Portland Schools Foundation ♦ Portland, Oregon

Dr. Carol Fixman, Executive Director
Philadelphia Education Fund ♦ Philadelphia, Pennsylvania

Lisa Spinali, Former Executive Director
San Francisco Education Fund ♦ San Francisco, California

Roger Schulman, President and Chief Executive Officer
Fund for Educational Excellence ♦ Baltimore, Maryland

Tracy Dell'Angela, Director of Strategic Partnerships
The Chicago Public Education Fund ♦ Chicago, Illinois

Derek Mitchell, Chief Executive Officer
Partners in School Innovation ♦ San Francisco, California

Pam Costain, President and Chief Executive Officer
Achieve!Mpls ♦ Minneapolis, Minnesota

Foundation and District Staff

Nicole Taylor, President and Chief Executive Officer
East Bay Community Foundation

Darien Louie, Director of Public and Private Partnerships
East Bay Community Foundation

Curtiss Sarikey
Associate Superintendent,
Family, Schools, and Community Partnerships
Oakland Unified School District

Madeleine Clarke
Director of Development
Oakland Unified School District

Perry Chen
Strategy and Development Consultant for Oakland Unified
School District

Appendix D: Interview Questions

Sampling of education funds will include a mix of comparables: newer funds, funds of similar size, funds serving areas with similar diversity, funds serving areas with declining student populations, and funds that support full service community school models. Interviews will be from 60-90 minutes by telephone.

Questions regarding roles of an Education Fund

1. What types of roles and relationships (and accountability) should exist between an education fund and the Superintendent of Schools, the School District; the business community; other education funds, and; donors (including philanthropy, corporations, public donors, etc.)?
2. What are the most important roles that education funds can play in providing accountability and transparency? Probing Questions: How will the education fund write reports? Will their role be more one of quality assurance with personnel at the district writing reports?
3. What kind of independence and authority should the education fund have?

The Education Fund and Fundraising

4. What types of funding should an education fund pursue (corporate, foundation, individual, federal and state grants, etc.)?
5. Are there education funds that are playing a broader role in coordinating some of the fund seeking between multiple schools and programs? For example, are there education funds providing information about grant opportunities and tracking what entities are applying for those grants in order to serve schools? Follow up: Does the education fund centralize all fund raising activity?
6. Should the education fund be developing the strategic fundraising plan that aligns with other plans of various partners and agencies? Is this something that other ed funds are doing?
7. Where are there potential tensions between parties regarding fundraising and accountability? Is there a way to avoid perceptions of competition with ed fund and personnel at the school who might be seeking grants?
8. Is the fund development work of the education fund for all types of schools, including charter schools, or just regular schools? If the fund raising is for charter schools, does this include both district and non-district charter schools?
9. What are the challenges and benefits of using an education fund as a vehicle to fund full service community schools?

Structure and Financing

10. : Who should be represented on an education fund's Board?
11. How are education funds best staffed? What are the skill sets needed at an education fund?
12. What is needed to start an education fund in terms of process, seed money, and other technical assistance support?
13. Do education funds build endowments? Is there an example of one that has done so successfully?
14. What are the ways that resources can effectively leveraged by an education fund?
15. What are proven and sustainable business models for education funds?
16. What are the benefits of being an independent 501(c)3 for education funds? What are the drawbacks?

priorities. The role of convener makes sense for PEFs that have strong local networks, sufficient capacity, and who can act as the “ambassador” for the district in their local ecology.

Of course, some interviewees expressed concerns about competition with other ESOs. Often local service areas of the PEFs overlapped, and/or multiple organizations were seeking funds from the same donors. The absence of any effective coordination between these organizations in these cases resulted in competition taking precedence over collaboration.

Donor Relationships (including foundations and major donors)

Managing donor relationships is a critical role and function for PEFs. PEFs must nurture and develop donor relations, and to do this effectively they need to provide accountability for results emerging from donor investments. Major donor and foundation relationships, in particular, require a great deal of skill and staff energy to nurture and maintain. The coordination of this work with the district is of critical importance.

The degree of complementarity between the PEF and district core competencies was a critical consideration for our sample when it came to managing donor relationships. For example, if the district has a strong centralized fund raising function that engages local philanthropy, perhaps focusing on state and national philanthropy becomes the role of the PEF. The PEF should not do what the district is already doing well on its own.

One of the most important roles that the PEF plays is providing accountability vis-à-vis donors. PEFs play such an important role in their regions not only because they bring extra strength to the task of supporting education, but also because they can act as an intermediary between educational systems and their funders. This can improve accountability and, with the right procedures in place, improve the effectiveness of funder investment in the district. Accountability and transparency in relation to those donors, and indeed in regard to the PEFs portfolio of investments, are important assets in building donor relationships. Overall it is important that the donor has confidence in the PEF and its integrity. At the same time, donors should understand that philanthropy involves risk taking, and things are not always going to function perfectly with every grant a PEF makes.

The process for writing reports and supporting quality assurance for donors varied dramatically in our sample. All agreed that this role was “mission critical”, but implementation varied with the capacity of the PEF, the types of donors, district relationships, and history. The most effective accountability mechanisms involved joint development of benchmarks and clear reporting of accomplishments. The least effective practices included specific pass-through grants, whereby funds from an external grant were moved through the PEF, but the PEF did not exercise any oversight in the reporting process. Some ways that education funds in our sample provided accountability for donors included:

- Providing financial statements to small donors, thus providing clarity about how their donated funds had been distributed. This was an effective strategy for an organization relying on small donors;

- Working closely with major individual donors, involving them in the process of the program investments, and providing frequent feedback to let them know what the investments are achieving; and
- Implementing consistent and strong processes to articulate expectations, measure successes, and report findings.



Funding and Fundraising

As discussed briefly above in regard to donor relations, the fundraising role of a PEF is a critical one and helps to define these organizations. PEFs in our sample reported raising funds from a wide variety of sources using a number of different approaches. The local organizational ecology and history, again, play important roles in fund raising.

Some of the fundraising approaches (customized to local conditions and history) among PEFs that we interviewed include:

- Foregoing efforts to secure federal and state grants but supporting the districts to do this in ways that aligned with their respective core competencies – for example, stepping into the applicant role if a district needs a 501(c) 3 for a particular funding opportunity, or raising matching grants to support applications the district is making.
- Raising money in partnership with parents in local schools. One PEF that raises money this way partners with school-based parent groups who do the actual work of the fundraising for their school while the PEF processes and allocates the donations.
- Raising money from high wealth individuals and corporations who are interested in entrepreneurial strategies for the district.
- Focusing primarily on the cultivation of high wealth individuals and corporations when this capacity was perceived as absent in the core competencies of the district.
- Maintaining a diversity of approaches and pursuing every form of fundraising.

PEFs and Coordination

One of the questions explored in our study was whether PEFs do or should play a coordinating role with the district in relation to some of the fund seeking in their local area. In this sample, the

respondents included PEFs who were opposed to taking on this role, those who thought it was a good idea or were trying to do it, and those who already were doing it quite well.

For those opposed to playing some sort of coordinating role, the opposition came from a deeply held organizational belief that playing a direct fundraising role in partnership with the district was not part of their mission. Their commitment and accountability was to parents and students in the community, and they maintained programming that would support the education reforms desired by the community without funding the district directly.

Those who thought it was a good idea or were trying to play this role saw the potential benefit, particularly in multi-district locations, to providing some “glue” and overarching clarity regarding the funding opportunities to multiple stakeholders. Some had experienced shifts in leadership in their districts. Some noted that this challenge was critical to shaping opportunities for coordination, since new leadership can require the rebuilding of important relationships and strategic alignments needed for any sort of effective coordination.

Those PEFs that were playing a successful coordinating role created an effective system involving a well-defined role in coordinating multiple aspects of development in partnership with the district. This involved regular meetings with an appropriate group of people who each had clearly defined roles in the development process and who also had authority in priority areas of district work. These coordination mechanisms were established in partnership with the district and, because of clear commitment and buy in from all parties, they function well.

It is important to define how deep that PEF coordinating role should go. In the cases we explored, the coordination role was a “peak level” relationship with the PEF coordinating with district leaders. They were not, for example, engaging in fundraising conversations at the school level unless it was limited to processing funds raised or passing through a grant. The coordination at the school level was seen consistently as the role of the district. It was also the role of the district to identify and manage situations where a school might be doing fund seeking that was at odds with the strategic fundraising that was happening at the district level.

Good planning work was seen as a strong asset in guiding the work of a PEF and indispensable to playing a coordinating role. Most organizations in our sample agreed that it was very valuable for PEFs to maintain strategic fundraising plans that align with their district priorities or plans. A good strategic funding plan would show what priority areas for investment were available in the district and how these investments would achieve particular goals and priorities.

Ideally, this coordinated plan should go beyond just the district and the PEF by complementing what other entities might be doing in the district and filling gaps where needed. An ideal strategic fundraising plan will help to align the work of development personnel at the district, at other ESOs, and at the PEF itself. Furthermore, a strategic fundraising plan can help to build the transparency of the PEF and allow them to work more closely and communicate more effectively with a broad range of donors and organizations in a way that identifies opportunities for effectively working together.

Some of the organizations in our sample had strategic fundraising plans (though in one case the plan was not aligned with the district). Those who reported aligning their fundraising priorities with the district’s strategic priorities suggested that this led to a better probability of the work being implemented. They also noted that their strategic fundraising plans did not necessarily adopt all

Stepping Up:

The Top Education Foundations in the Nation



A National Study of Education Foundations in January, 2012 conducted by



dewey & associates inc.

The unfortunate thing about education

foundations is that in many school districts most parents have never heard of the local education foundation, yet nearly all students are positively impacted by the foundation's work.

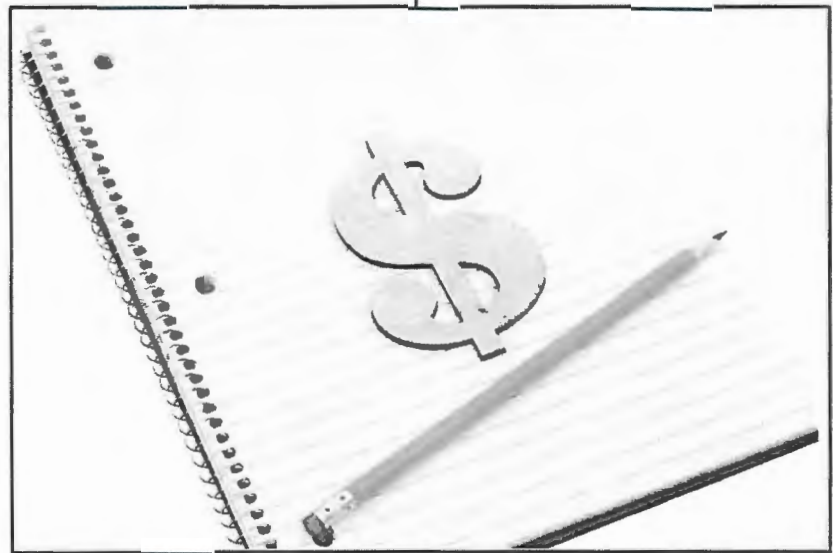
Education foundations raise money – some millions of dollars per year – to support their local school districts. This money helps teachers and students through grants and programs that otherwise would not exist. Scholarships that send low-income students to college; dropout prevention efforts that keep students from quitting; grants for teachers who need more resources to inspire children; arts and music programs that open children's minds to more than a high-stakes test.

Some of the nation's most effective efforts to improve student performance started as an idea in an education foundation office – which probably needs redecorating because improving student performance is the top priority and office furnishings last. In some parts of the country, education foundations are innovating their local education systems, which are struggling to compete against other nations' with education systems that outperform the dilapidated U.S. model.

Even in a good economy, the role of the education foundation is important. In this economy – nearly the worst in a century -- the role of the education foundation is critical. School districts need higher performance from education foundations so school districts can elevate their performance with students.

To bring attention to the importance of education foundations and highlight those who do it best, dewey & associates conducted a study of education foundations in the 50 largest school districts, ranking the Top 20 in the nation.

Stepping Up: The Top Education Foundations in the Nation



Duplicating the same study done in 2005, this year's study used school year 2009-2010 data (most recent year available) from the Form 990 (page one) that nonprofits use to report financial information. It also assessed and compared most of the same performance categories as the 2005 study results included below.

First, the study analyzes the effectiveness of an education fund/foundation at generating and sustaining financial resources to serve the students of its school district. "The rationale is that the more financial resources a foundation can generate the more services and programs it can provide to enhance the public school experience for students," said Dewey Caruthers, president of dewey & associates, a 13-year-old firm that conducts occasional studies in education, juvenile justice and public health. Second, the study assessed the effectiveness of distributing financial resources, taking into consideration the number of students in its school district. "We wanted to see the amounts of financial resources these organizations distributed through programs to help students," Caruthers said.

Stepping Up: The Top Education Foundations in the Nation

The Top 20 Education Foundations

1. Pinellas Education Foundation (FL)
2. Denver Public Schools Foundation (CO)
3. Clark Co. Public Ed. Fnd. (NV)
4. Hillsborough Education Foundation (FL)
5. Brevard Schools Foundation (FL)
6. Polk Education Foundation (FL)
7. The Fund for Public Schools, (NY)
8. Albuquerque Public School Foundation (NM)
9. Children's First Trust Chicago (IL)
10. Broward Education Foundation (FL)
11. Philadelphia Education Foundation (PA)
12. Northside Education Foundation (TX)
13. New Visions for Public Schools, (NY)
14. Granite Sch. Dist. Foundation (UT)
15. Cy-Fair Education Foundation (TX)
16. Foundation of Lee Co. Public Schools (FL)
17. PENCIL Foundation (TN)
18. Dallas Education Foundation (TX)
19. Jefferson Co. Public Education Foundation (KY)
20. Austin Partners in Education (TX)

Stepping Up: The Top Education Foundations in the Nation

Performance Categories:

1. Total Revenues
2. Revenues per Student
3. Total Assets
4. Assets per Student
5. Total Program Expenses
6. Program Expenses per Student
7. Investment Income
8. Total Volunteers

A new topic added to this recent study was the role of volunteers. “The ability to grow and sustain large numbers of volunteers is an asset for a foundation, which can be leveraged many different ways to improve public schools,” Caruthers said.

More specifically, the recent study compared the following variables (Top 20 Performance Category Rankings at the end of this document):

- Long-term financial sustainability (total assets, assets per student, investment income)
- Fundraising/revenues (total revenues and revenues per student)
- Program expenditures (total program expenses and program expenses per student – both less salaries and benefits)
- Volunteers (total volunteers)

The overall Top 20 was the collective scoring of all eight performance categories. The foundations that appeared in the Top 20 in the most categories were ranked highest, emphasizing the importance of being well-rounded. “We wanted to weigh all categories equally so that if a foundation had an extremely high score in a single category it did not skew the results.” Caruthers said, noting there were a few instances this could have occurred.

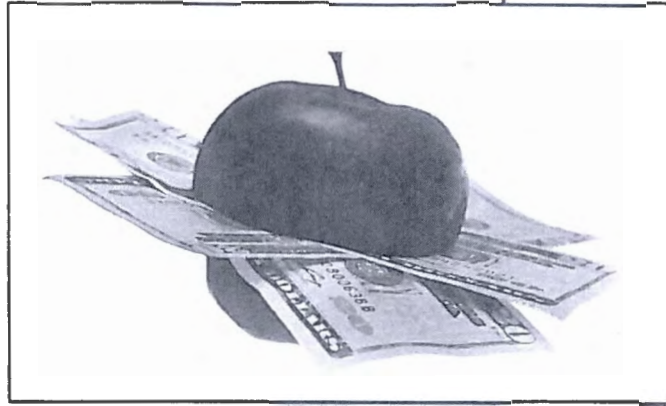
“There are a lot of ways to measure the success of an education foundation, but we chose these performance categories because it is objective data reported in the 990s,” Caruthers said. “Program effectiveness would be an excellent addition to the criteria, but there are no consistent programs or program measures used by foundations throughout the nation.”

California, New York, Texas, Florida, Colorado and Maryland are large states and all have four or more education foundations in the Top 50 largest school districts, giving those states more opportunities to appear in this Top 20 List. This seems to be part of the reason Texas, Florida and New York have multiple education foundations in the Top 20 List. “But it is only part of the reason. The Top 20 Foundations are sustainable in the long-term, raise lots of money, and put significant funding into programs,” Caruthers said.

Stepping Up: The Top Education Foundations in the Nation

The top 10 education foundations on this Top 20 List are particularly well-rounded, with six of those foundations placing in all eight performance categories, and four placing in seven of the eight performance categories. “To appear in most or all of the performance categories means an education foundation isn’t just doing a few things right, it is doing a lot of things right,” Caruthers said, noting 19 of the Top 20 appeared in at least five or more performance categories.

Pinellas also ranked number one in the 2005 study, which used similar ranking criteria. The Denver Public Schools Foundation, Brevard Schools Foundation, Polk Education



Foundation, Albuquerque Public Schools Foundation, and Broward Education Foundation were all newcomers to this recent study’s top 10, but absent in the 2005 study’s top 10. “The jump into the top 10 by these foundations is impressive, particularly considering the economy during the 2009-2010 school year.” Additionally, Clark Co. Public Education Foundation moved from sixth in the 2005 study to third in this recent study, while Hillsborough Education Foundation moved up six spots from the 2005 study, from tenth to fourth.

dewey & associates, a Tampa Bay-based management and strategy consulting practice, conducted the study. dewey & associates has worked with local education foundations and school districts throughout the nation, including many in the 50 largest in the nation, on topics including teen tobacco prevention, obesity prevention, juvenile justice reform and education reform. The firm also has consulted with corporations on how to best invest into these issues to achieve meaningful and measurable outcomes. www.deweyandassociates.com

Stepping Up: The Top Education Foundations in the Nation

Performance Categories:

Top Revenues and Revenues per Student

Top 20 Revenue

1. The Fund for Public Schools (NY)	\$23,279,245
2. New Visions for Public Schools (NY)	\$ 7,768,710
3. Denver Public Schools Foundation (CO)	\$ 7,219,367
4. Clark Co. Public Education Foundation (NV)	\$ 5,628,347
5. Pinellas Education Foundation (FL)	\$ 5,384,290
6. Children First Fund Chicago (IL)	\$ 5,131,324
7. Hillsborough Education Foundation (FL)	\$ 4,766,758
8. Dallas Education Foundation (TX)	\$ 2,700,579
9. Albuquerque Public School Foundation (NM)	\$ 2,543,178
10. Philadelphia Education Foundation (PA)	\$ 2,529,118
11. Detroit Public School Foundation (MI)	\$ 2,204,991
12. Brevard Schools Foundation (FL)	\$ 2,029,953
13. Austin Partners in Education (TX)	\$ 1,978,628
14. Broward Education Foundation (FL)	\$ 1,953,677
15. Foundation of Lee Co. Public School (FL)	\$ 1,701,943
16. PENCIL Foundation (TN)	\$ 1,682,342
17. HISD Foundation (Houston, TX)	\$ 1,671,102
18. Polk Education Foundation (FL)	\$ 1,503,496
19. Education Foundation of Palm Beach (FL)	\$ 1,493,513
20. Jefferson Co. Public Education Foundation (KY)	\$ 1,479,969

Top 20 Revenue per Student

1. Denver Public Schools Foundation (CO)	\$93.43
2. Pinellas Education Foundation (FL)	\$51.16
3. Brevard Schools Foundation (FL)	\$28.03
4. Albuquerque Public School Foundation (NM)	\$26.33
5. Hillsborough Education Foundation (FL)	\$24.66
6. Detroit Public School Foundation (MI)	\$24.36
7. The Fund for Public Schools (NY)	\$23.46
8. Austin Partners in Education (TX)	\$23.37
9. PENCIL Foundation (TN)	\$22.41
10. Foundation of Lee County Public Schools (FL)	\$21.15
11. Granite Sch. Dist. Foundation (UT)	\$19.95
12. Clark Co. Public Education Foundation (NM)	\$18.33
13. Dallas Education Foundation (TX)	\$17.19
14. Polk Education Foundation (FL)	\$15.90
15. Philadelphia Education Fund (PA)	\$15.26
16. Jefferson Co. Public Education Foundation (KY)	\$14.98
17. Children's First Trust Chicago (IL)	\$12.60
18. The Jefferson Foundation (CO)	\$12.26
19. Cy-Fair Education Foundation (TX)	\$11.28
20. Northside Education Foundation (TX)	\$10.86

Revenues determine the scale – large or small – that education foundations can impact a school district.

SOURCE: page 1 of 990s 2009-2010 school year
(latest year available)

Stepping Up: The Top Education Foundations in the Nation

Assets address long-term sustainability.

Performance Categories: Top Assets and Assets per Student

Top 20 Assets

1. The Fund for Public Schools, (NY)	\$35,312,909
2. New Visions for Public Schools, (NY)	\$31,321,536
3. Pinellas Education Foundation (FL)	\$30,506,028
4. Children First Fund Chicago (IL)	\$13,717,164
5. Clark Co. Public Education Foundation (NV)	\$11,989,689
6. Philadelphia Education Fund (PA)	\$ 9,554,121
7. Broward Education Foundation (FL)	\$ 7,998,038
8. Hillsborough Education Foundation (FL)	\$ 7,730,435
9. Denver Public Schools Foundation (CO)	\$ 6,456,897
10. Albuquerque Public School Foundation (NM)	\$ 6,298,737
11. Cy-Fair Education Foundation (TX)	\$ 4,708,075
12. Polk Education Foundation (FL)	\$ 4,095,776
13. Montgomery Co. Pub. Sch. Ed. (MD)	\$ 3,417,744
14. Brevard Schools Foundation (FL)	\$ 2,779,483
15. Northside Education Foundation (TX)	\$ 2,603,524
16. Los Angeles Un. Sch. Ed. Foundation (CA)	\$ 2,565,130
17. Dallas Education Foundation (TX)	\$ 2,408,431
18. Pub. Sch. Of Hawaii Foundation (HI)	\$ 2,278,457
19. The Education Fund (Miami-Dade Co., FL)	\$ 1,981,078
20. HISD Foundation (Houston, TX)	\$ 1,913,763

Top 20 Assets per Student

1. Pinellas Education Foundation (FL)	\$289.88
2. Denver Public Schools Foundation (CO)	\$ 83.57
3. Albuquerque Public Schools Fnd. (NM)	\$ 65.22
4. Philadelphia Education Fund (PA)	\$ 57.66
5. Cy-Fair Education Foundation (TX)	\$ 45.17
6. Polk Education Foundation (FL)	\$ 43.33
7. Hillsborough Education Foundation (FL)	\$ 40.00
8. Clark Co. Public Education Foundation (NV)	\$ 39.05
9. Brevard Schools Foundation (FL)	\$ 38.38
10. The Fund for Public Schools (NY)	\$ 35.59
11. Children First Fund Chicago (IL)	\$ 33.69
12. New Visions for Public Schools (NY)	\$ 31.57
13. Broward Education Foundation (FL)	\$ 31.23
14. Northside Education Foundation (TX)	\$ 28.20
15. Montgomery Co. Pub. Sch. Ed. (MD)	\$ 24.12
16. Jefferson Co. Pub. Ed. Foundation (KY)	\$ 18.20
17. The Detroit Pub. Sch. Foundation (MI)	\$ 17.77
18. Virginia Beach Public School Fnd (VA)	\$ 15.75
19. Dallas Education Foundation	\$ 15.33
20. PENCIL Foundation (TN)	\$ 15.26

SOURCE: page 1 of 990s 2009-2010 school year
(latest year available)

Performance Categories:

Top Program Grant Expenses and
Program Grant Expenses per Student

Top 20 Program Expense

1.	The Fund for Public Schools (NY)	\$24,581,885
2.	Children First Fund Chicago (IL)	\$14,173,329
3.	New Visions for Public Schools (NY)	\$ 8,003,557
4.	Denver Public Schools Foundation (CO)	\$ 6,515,966
5.	Clark Co. Public Education Foundation (NV)	\$ 4,906,975
6.	Pinellas Education Foundation (FL)	\$ 4,026,052
7.	Hillsborough Education Foundation (FL)	\$ 3,344,283
8.	Philadelphia Education Fund (PA)	\$ 2,626,409
9.	Los Angeles Un. Sch. Ed. Found. (CA)	\$ 2,247,948
10.	Broward Education Foundation (FL)	\$ 1,972,221
11.	Albuquerque Pub. Sch. Found. (NM)	\$ 1,867,749
12.	Brevard Schools Foundation (FL)	\$ 1,826,935
13.	HISD Foundation (TX)	\$ 1,736,153
14.	Polk Education Foundation	\$ 1,587,321
15.	Granite Sch. Dist. Foundation (UT)	\$ 1,277,064
16.	Jefferson Co. Pub. Ed. Fnd. (KY)	\$ 1,161,332
17.	Foundation of Lee Co. Pub. Sch. (FL)	\$ 1,093,358
18.	Dallas Education Foundation (TX)	\$ 992,049
19.	Montgomery Co. Pub. Sch. Ed.	\$ 988,988
20.	The Education Fund (FL)	\$ 983,984

Top 20 Program Expense per Student

1.	Denver Public Schools Foundation (CO)	\$84.33
2.	Pinellas Education Foundation (FL)	\$38.26
3.	Children's First Fund Chicago (IL)	\$34.81
4.	Brevard Schools Foundation (FL)	\$25.23
5.	The Fund for Public Schools (NY)	\$24.78
6.	Albuquerque Pub. Sch. Foundation (NM)	\$19.34
7.	Granite Sch. Dist. Foundation (UT)	\$18.09
8.	Hillsborough Education Foundation (FL)	\$17.30
9.	Polk Co. Education Foundation (FL)	\$16.79
10.	Clark Co. Public education Foundation (NV)	\$15.98
11.	Philadelphia Education Fund (PA)	\$15.85
12.	Foundation of Lee Co. Pub. Sch. (FL)	\$13.58
13.	Jefferson Co. Pub. Ed. Foundation (KY)	\$11.75
14.	Northside Education Foundation (TX)	\$ 9.36
15.	HISD Foundation (TX)	\$ 8.56
16.	The Jefferson Foundation (CO)	\$ 8.45
17.	New Visions for Public Schools (NY)	\$ 8.07
18.	Broward Education Foundation (FL)	\$ 7.70
19.	Memphis City Sch. Foundation (TN)	\$ 7.09
20.	Austin Partners in Education (TX)	\$ 6.98

Stepping Up: The Top Education Foundations in the Nation

Program Expenses (less salaries and benefits) show the amount of funding put into programs to impact students and teachers.

SOURCE: page 1 of 990s 2009-2010 school year
(latest year available)

Stepping Up: The Top Education Foundations in the Nation

Investment Income shows the length of time a foundation can survive if it does not raise another dime.

Volunteers are an asset that can be leveraged many different ways to improve public schools.

Performance Categories:

Top Investment Income and Number of Volunteers

Top 20 Investment Income

1.	Albuquerque Public School Foundation (NM)	\$794,288
2.	Cy-Fair Education Foundation (TX)	\$437,224
3.	The Fund for Public Schools (NY)	\$302,587
4.	Broward Education Foundation (FL)	\$186,228
5.	Clark Co. Public Education Foundation (NV)	\$147,527
6.	Northside Education Foundation (TX)	\$ 73,516
7.	Hillsborough Education Foundation (FL)	\$ 63,636
8.	Pinellas Education Foundation (FL)	\$ 62,310
9.	The Jefferson Foundation (CO)	\$ 54,952
10.	Denver Public Schools Foundation (CO)	\$ 45,612
11.	Granite School Dist. Fnd. (UT)	\$ 43,608
12.	Polk Education Foundation (FL)	\$ 43,017
13.	Children's First Fund Chicago (IL)	\$ 33,400
14.	Public Schools of Hawaii Fnd. (HA)	\$ 33,153
15.	Brevard Schools Foundation (FL)	\$ 29,275
16.	Virginia Beach Public Schools Fnd. (VA)	\$ 25,454
17.	Montgomery Co. Public School Ed. (MD)	\$ 24,560
18.	PENCIL Foundation (TN)	\$ 20,858
19.	Ed. Foundation of Palm Beach (FL)	\$ 14,562
20.	San Diego Education Fund (CA)	\$ 13,391

Top 20 Volunteers

1.	Clark Co. Public Education Foundation (NV)	11,614
2.	PENCIL Foundation (TN)	3,000
3.	Austin Partners in Education (TX)	1,631
4.	Pinellas Education Foundation (FL)	1,250
5.	Granite School District Foundation (UT)	997
6.	Foundation for Orange Co. Public Schools (FL)	600
7.	The Education Fund (Miami-Dade, FL)	525
8.	Hillsborough Education Foundation (FL)	518
9.	Foundation for Lee Co. Public Schools (FL)	459
10.	Brevard Schools Foundation (FL)	283
11.	Northside ISD (TX)	250
12.	Cobb Co. Public Schools Education Fnd. (GA)	150
13.	Broward Education Foundation (FL)	130
14.	Prince Wm. Co. Public School Ed. (VA)	125
15.	Polk Education Foundation (FL)	120
16.	Cy-Fair Education Foundation (TX)	115
17.	Denver Public Schools Foundation (CO)	87
18.	Virginia Beach Public Schools Foundation (VA)	46
19.	The Jefferson Foundation (CO)	45
20.	Alliance for World Class Education (Jacksonville, FL)	30

SOURCE: page 1 of 990s 2009-2010 school year
(latest year available)

Top 50 Largest School Districts:

Based on Student Populations Listed

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1.	New Visions for Public Schools	New York City, NY	992,149
1.	The Fund for Public Schools	New York City, NY	992,149
2.	Los Angeles Un. Sch. Ed. Fnd.	Los Angeles, CA	670,746
3.	Children First Fund Chicago PS	Chicago, IL	407,157
4.	The Education Fund	Miami-Dade, FL	345,804
5.	Clark Co. Pub. Ed. Fnd.	Las Vegas, NV	307,059
6.	Broward Education Fnd.	Ft. Laud., FL	256,137
7.	HISD Foundation	Houston, TX	202,773
8.	Hillsborough Education Fnd.	Tampa, FL	193,265
9.	Pub. Sch. Of Hawaii Fnd.	Honolulu, HI	180,196
10.	Fnd. For Orange Co. Pub. Sch.	Orlando, FL	173,259
11.	Ed. Fnd. Of Palm Beach	W. Palm Beach, FL	172,897
12.	Fairfax Co. Pub. Sch. Fnd.	Fairfax Co., VA	171,956
13.	Philadelphia Ed. Fnd.	Philadelphia, PA	165,694
14.	Gwinnett Co. Pub. Sch. Fnd.	Suwanee, GA	159,296
15.	Dallas Education Foundation	Dallas, TX	157,111
16.	Montgomery Co. Publ Sch. Ed.	Rockville, MD	141,722
17.	Wake Education Partnership	Raleigh, NC	140,558
18.	Charlotte-Mecklenburg Fnd.	Charlotte, NC	136,969
19.	San Diego Education Fund	San Diego, CA	131,417
20.	Excellence in Ed. Fnd. For PG	Upper Marlboro, MD	127,039
21.	Alliance for World Class Ed.	Jacksonville, FL	122,586
22.	Memphis City Sch. Foundation	Memphis, TN	109,300
23.	Cobb Co. Pub. Sch. Ed. Fnd.	Marietta, GA	107,245
24.	Pinellas Education Foundation	Largo, FL	105,238
25.	Cy-Fair Education Foundation	Cypress, TX	104,231
26.	Baltimore Co. Publ. Sch. Fnd.	Baltimore, MD	103,324
27.	Dekalb Co. Pub. Sch. Fnd.	Stone Mt., GA	99,406
28.	Jefferson Co. Pub. Ed. Fnd.	Louisville, KY	98,808
29.	Albuquerque Pub. Sch. Fnd.	Albuquerque, NM	96,572
30.	Polk Education Foundation	Bartow, FL	94,530
31.	Northside Education Fnd.	San Antonio, TX	92,335
32.	Detroit Pub. Sch. Fnd.	Detroit, MI	90,499
33.	Fulton Co. Pub. Sch. Fnd.	SW Atlanta, GA	90,399
34.	Long Beach Education Fnd.	Long Beach, CA	86,283
35.	The Jefferson Foundation	Lakewood, CO	86,282
36.	Austin Partners in Education	Austin, TX	84,676
37.	Ed. Opportunity Program	Baltimore City, MD	82,866
38.	Milwaukee Pub. Sch. Fnd.	Milwaukee, WI	82,096
39.	Fnd. Of Lee Co. Pub. Sch.	Fort Myers, FL	80,484
40.	Fort Worth, TX has no education foundation listed		80,209
41.	Denver Public Schools Fnd.	Denver, CO	77,267
42.	Prince Wm. Co. Pub. Sch. Ed.	Manassas, VA	76,861
43.	Fresno, CA has no education foundation listed		75,468
44.	PENCIL Foundation	Nashville, TN	75,080
45.	21 st Century Ed. Fnd.	Annapolis, MD	74,776
46.	The Enrichment of Guilford Co.	Greensboro, NC	72,758
47.	Brevard Schools Foundation	Viera, FL	72,412
48.	Virginia Beach Pub. Sch. Fnd.	Virginia Beach, VA	71,182
49.	Greenville Co. Sch. Foundation	Greenville, SC	70,969
50.	Granite Sch. Dist. Foundation	Salt Lake City, UT)	70,595

Stepping Up: The Top Education Foundations in the Nation

SOURCE: page 1 of 990s 2009-2010 school year
(latest year available)

Top 10 Education Foundations: 2005

1. Pinellas Education Foundation (FL)
2. New Visions for Public Schools (NY)
3. Fund for Public Schools (NY) - tied for third
3. Philadelphia Education Fund (PA) - tied for third
3. Fund for Excellent Educational Excellence (MD) - tied for third
6. Clark County Education Foundation (NV)
7. Schools of the 21st Century (MI)
8. Chicago Public Education Fund (IL)
9. Wake Education Partnership (NC)
10. Hillsborough Education Foundation (FL)

**Stepping Up:
The Top
Education
Foundations
in the Nation**

SOURCE: dewey & associates Study, 2005

