



THE FUND RAISING SCHOOL

LILLY FAMILY SCHOOL OF PHILANTHROPY

Indiana University
Indianapolis

EDUCATION FUNDRAISING GOES LOCAL

By Bill Stanczykiewicz

Education fundraising is not just for universities and private schools anymore.

According to the newly-released *Giving USA 2016* report, an increasing number of K-12 public school districts are pursuing philanthropy to cover funding gaps caused by reductions in state and federal government appropriations.

“We’re starting to see more large gifts going to K-12 education as more public school districts start education foundations,” said Dr. Una Osili, director of research at the Indiana University Lilly Family School of Philanthropy, which researches and writes *Giving USA* for the Giving USA Foundation. Citing data from the school’s “Million Dollar Donor List,” Osili added, “In the last five to six years we’re starting to see some of the larger gifts going to K-12 education including traditional public schools.”

Giving USA data reveal that the education sector in 2015 received an estimated \$57.48 billion – a record amount even after adjusting for inflation. Of that total, approximately 30 percent – totaling more than \$17 billion – was donated to K-12 education as well as libraries and other educational support organizations.

An analysis of federal 990 forms conducted by Indiana University professor Beth Gazely found that local education foundations are being created 30 percent faster than the overall growth of the nonprofit sector.

“There has been a steady increase in the number and activity of public school education foundations following the government funding cuts of the Great Recession,” said Bill Hoffman, former board chair of the National School Foundation Association (NSFA). “Philanthropic dollars are never going to fully replace state funding, but education foundations can fundraise for a specific program or a specific teaching position.”

Megan Dzwonkowski sees room for growth by strengthening alumni relations. “I went to a private high school, and they track my every move and ask me for donations,” said Dzwonkowski, who leads the New Jersey Education Foundation Partnership. “My husband, however, went to a public high school, and we’ve never been asked for a donation.”

Dzwonkowski admits that prospective donors often wonder why a charitable gift is necessary when public education is funded by the government. “That’s the most often asked question we hear,” Dzwonkowski explained. “We help donors understand that even with our taxes, programs

are being dropped. We show them how our tax dollars no longer are enough to provide a quality education.”

While reaching individual donors remains important, local education fundraisers also are successfully developing private foundation grants. According to the Foundation Center, the nation’s 1,000 largest private foundations in 2012 made more than 31,000 grants to education totaling nearly \$5 billion. Elementary and secondary education received 39 percent of those grants and 37 percent of the grant dollars – more than \$1.8 billion – the highest of any education subsector. By comparison, higher education is next, receiving 31 percent of the grants and 36 percent of the grant dollars.

Jud Fisher, who leads the Ball Brothers Foundation in Muncie, Indiana, acknowledged that the foundation has increased the number and size of grants made to K-12 education, especially to help more students learn how to read by the end of third grade.

Fisher added that grants to education also fit into a larger community development strategy. “Good schools are key to improving the quality of place and the quality of life that are important to economic development. People want to live and do business in a community with a good quality of life, and good schools are a big key to that.

“In addition to higher education, we need to view K-12 education as an anchor institution that helps people prepare for opportunities in today’s fast-changing economy.”

That’s the message Dzwonkowski and her colleagues emphasize when making their case for philanthropic gifts. “Education affects so many aspects of your community,” she said, “not just educational attainment but the value of your home and the overall safety of your community.”

The NSFA serves 623 members, up from just 82 members five years ago. The increase in K-12 education foundations and the rise in philanthropic giving to the sector are creating more career opportunities for fundraising professionals.

“I would not want someone who knows nonprofit management or fundraising to be intimidated by the complexities of K-12 education,” Hoffman counseled. “The transition can be a smooth one, and we’re hoping more professionals consider working for public school district foundations.”

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