The public schools in America are having financial difficulties, and everyone knows it. The cost of providing a world-class education for students has gone well beyond what is available from taxpayer dollars. Budgets are strained paying for teacher salaries and fringe benefits; purchasing materials, books, and equipment; remodeling and maintaining buildings and grounds; keeping up with the latest innovations in school technology; and meeting state and federal testing mandates. The public schools are also being impacted by declining enrollments brought on by homeschooling, school vouchers, charter schools, attendance of more children in private and religious schools, failing tax overrides, and cuts in local, state, and federal funding. Worthwhile programs such as those for music, art, physical education, and foreign languages have been curtailed or eliminated. Sports and other extracurricular activities have also taken a hit, and neighborhood schools have been shut down. Most disturbing is that in many areas of the country, the ax is falling on core academic programs, and the trend is likely to continue.

THERE’S GOOD NEWS ON THE HORIZON

There are millions of people in America who are strong supporters of the public schools. While some don’t always agree with everything going on in the schools, they nevertheless want to see the schools succeed. They view the public schools as being truly representative of our democratic ideals and values as a nation. They see the public schools as a civic treasure that has taken almost 200 years to achieve. Most of these men and women are graduates of the public schools. They are our doctors, dentists, lawyers, professors, and teachers. They are our mothers, fathers, grandmothers, and grandfathers. They are our blue-collar workers, our police, our firefighters, and our postal workers. They are our homemakers, scientists, engineers,
pilots, mathematicians, musicians, artists, actors, and realtors. They are our writers, editors, secretaries, business owners, corporate and foundation executives, program officers, government workers, congressional representatives, senators, retirees, and philanthropists. These products of the public schools represent all ages, ethnic groups, colors, and religions. They represent everything that’s right with our schools and everything that’s right with America.

For years, colleges and universities—especially public institutions—have struggled under similar budgetary constraints. But they have found a way to keep class sizes down, hire and retain high-quality staff, add buildings and grounds, and expand important academic and nonacademic programs. How do they do it? By organizing highly sophisticated development offices, hiring experienced fundraisers, and raising billions of dollars. These entities see the development office as a profit center that goes after big grants and gifts to augment building programs, sports programs, academic programs, creative and performing arts programs, and other vital programs that make for world-class institutions. In essence, they have become big-time fundraisers.

While bake sales, candy sales, carnivals, and car washes create a sense of community for a school or district, these labor-intensive, time-consuming fundraising activities—used so effectively for more than 100 years—can no longer carry the burden for our financially strapped schools. If the schools are to compete for needed dollars, superintendents and their staffs, principals, teachers, parents, school board members, school foundation members, volunteers, and others must aggressively apply the fundraising strategies used so effectively by these other organizations. The public schools must turn their attention to more lucrative ways of raising extra money. They must become big-time fundraisers!

**CORPORATIONS, FOUNDATIONS, AND INDIVIDUAL DONORS ARE INTERESTED**

Corporations, foundations, and individual donors are becoming more and more interested in helping the public schools. The Foundation Center in New York City reported that in 2004, K–12 schools (including private schools) received more grant monies for education from corporations and foundations than colleges and universities. People like the late Walter Annenberg, Bill and Melinda Gates, Eli Broad, and others have poured millions of dollars into the public schools because they believe in the schools and because they have some of their own ideas on how to improve public education. The schools are beginning to listen.

**THE FEDERAL GOVERNMENT IS INVOLVED**

The federal government continues to give significant dollars to the schools in competitive and noncompetitive grants. More than $40 billion was provided to public schools in 2004 by the U.S. Department of Education, the Department of Health and Human Services, the Department of Agriculture, the Department of Energy, the Department of the Interior, and the Department of Defense. Go to the Web sites of these organizations to find out more about government grant opportunities. Also, go online to your state department of education’s Web site for information about funding opportunities in your state.
CONTRIBUTIONS TO WORTHY CAUSES ACROSS AMERICA HAVE INCREASED

According to the American Association of Fundraising Counsel, more than $248 billion was contributed to worthy causes across America in 2004 (see Figure 1.1). Of this amount, approximately $34 billion (13.6 percent) went to education, which was second only to religion in grants and gifts received. Most interesting is the fact that more than 80 percent ($197 billion) of all contributions, including bequests, come from individual donors, and more than $40 billion comes from corporations and foundations (see Figure 1.2). What does all this mean to public schools trying to bring in outside monies? It means that the schools need to learn how to pursue individual donors as never before. It also means that going after grants and gifts from corporations and foundations should also be a part of your overall fundraising strategy.

**Figure 1.1** 2004 Contributions: $248.52 Billion by Type of Recipient

![Pie chart showing contributions by type of recipient.]

**Figure 1.2** 2004 Contributions: $248.52 Billion by Source of Contributions

![Pie chart showing contributions by source of contributions.]

THE TRANSFER OF WEALTH IN AMERICA WILL HELP

When it comes to studying and understanding wealth in America, I have been excited about the research and writings of Paul Schervish and John Havens of the Center on Wealth and Philanthropy at Boston College. The materials coming out of their offices on the transfer of wealth in the United States have been truly mind-boggling. For example, Schervish reported in 2002 that within 50 years, $40.6 trillion will be inherited by many people living today, including mothers, fathers, children, grandchildren, friends, and relatives of past and present public school students. Schervish emphasizes that his figures are low estimates, basing them on a meager two percent growth rate. He indicates that with a growth rate of three percent, $73 trillion will transfer, and with a growth rate of four percent, $136 trillion will transfer. The people inheriting this wealth will be looking for causes to contribute to. Why not the public schools?

Schervish points out in his writing that an increasing number of wealth holders, at ever-younger ages, are no longer focusing exclusively on accumulating more money. They are recognizing that they have reached a certain financial level and now have enough for themselves and their families to achieve their desired standard
of living for generations to come. These new wealth holders are beginning to look at wealth as a tool to achieve higher purposes. They want to give to worthy causes like the public schools, but they also want to have a say in how the money is spent. Consider, for example, Bill and Melinda Gates. These billionaires, through their own foundation, have given more than a billion dollars to the public schools or to nonprofit organizations working with the public schools in areas that they are primarily interested in. These areas are mainly redefining the American high school and creating small high schools that offer the new 3R’s—rigorous instruction, a relevant curriculum, and meaningful, supportive relationships. If urban high schools want to buy into this approach and apply for funds, it appears that they have a chance of getting funded. If they don’t agree philosophically with the vision of the Bill and Melinda Gates Foundation, they probably won’t get funded.

Many new wealth holders are forming foundations and thinking very seriously about giving to the public schools. It is important to understand that there might be some strings attached to their giving. The way they look at it, it’s their money, and they want a say in how the money is going to be spent. I wouldn’t hesitate to accept their monies and allow them the opportunity to feel the joy of giving to a noble cause, provided that their interests mesh with my school’s or district’s needs.

The public schools are at the threshold of one of the biggest booms in the history of philanthropy, and we need to crank up our fundraising systems now. Many men and women who will be inheriting millions of dollars in cash, equities, real estate, and insurance are products of the public schools. They want to help the schools as never before. We need to learn how to involve these people in our schools and learn how to ask for big gifts. The time for action is now!