



MEMO

TO: Policy Committee

FROM: Jonathan Garcia, Chief of Staff

DATE: May 7, 2021

SUBJECT: District Foundation Policy 7.10.030-P and School-based Groups and Fundraising at Portland Public Schools 7.10.020-P

The purpose of this memo is to inform the May 10 discussion related to parent fundraising in our schools and The Fund for PPS. As Chief of Staff and supervisor of this team, my intent is to facilitate a respectful conversation in which, regardless of any individual's strong feelings about an issue, we all can listen respectfully and prioritize finding a path forward that best serves our students.

PPS Strategic Partnerships

The Strategic Partnerships team at PPS works closely with central office departments, individual schools, and with the broader community of stakeholders, including business and philanthropic partners, and parent groups. The team exists to advance high-impact involvement and investment that will create meaningful transformation for our students and school communities. This is the group that also supports the strategic priorities of the 501(c)(3) fundraising entity, The Fund for Portland Public Schools, which is led by its own Board of Directors. All of the team's work is in service of advancing the district's vision and emerging strategic plan, and utilizes the Racial Equity and Social Justice (RESJ) lens.

When the COVID-19 pandemic hit, impacting PPS students and families, with a disproportionate impact on our families of color, those receiving special education services, and other "historically underserved" groups, this team *raised and distributed over \$1 million* via The Fund for PPS in direct support to PPS families.

The Fund for PPS

The Fund for PPS is the fiscal agent for the dollars raised by parents in the more than 30 active "affiliated" local school foundations and administers the PPS Parent Fund awards that are generated from both the affiliated foundations and the 8 independent school foundations, who operate under individual tax IDs ([list of current foundations](#)). The Fund inherited this work from All Hands Raised, and, indeed, inherited the landscape of parent-led fundraising that has existed in Portland since the 1990s when state funding for public PK-12 education faltered. While The Fund plays this role of fiscal agent, it is important to consider that this is not the sole or primary purpose of the nonprofit. **Rather, The Fund seeks to play a pivotal role advancing the district's vision through an array of initiatives, partnerships, and relationships with individual donors and foundations.** How the Board chooses to transform this one aspect of The Fund's work with local school foundations will impact The Fund's ability to be successful in other arenas. The community of parents and local businesses who contribute to schools on behalf of their children is a part

of the broader community we're actively seeking to bring on board as we work to reimagine public education in Portland.

Policy Related to "District Foundation"

Let me clarify up front that the policy in question, 7.10.030-P, was initiated to give permission for the district to establish a foundation. Attached is a redlined version that delineates the governance structure between the school district and the district foundation, The Fund for PPS. Therefore, we recommend the following revised 7.10.030-P District Foundation policy for the Policy Committee to put to a vote.

Policy Related to Fundraising by Parent Groups

Please note that 7.10.030-P District Foundation guides neither the spirit nor the operational aspects of parent fundraising that I believe are the focus of the community-proposed policy change. The subject of parent fundraising in PPS is also one that the Strategic Partnerships team and I continue to give a great deal of energy and careful consideration. This memo and a May 10 conversation is an opportunity to share with you work to date, and a commitment to revise the actual policy that serves to guide parent fundraising: 7.10.020-P Parent Groups and the Schools.

Strategic Partnerships and I share a commitment to ensuring that any philanthropic dollars that come to PPS schools advance, rather than detract, from Racial Equity and Social Justice. Please consider that reaching this goal might not be as simple as merely doing away with fundraising by the "local school foundations." Rather, we must consider *all* fundraising groups (*i.e.*, Portland Interscholastic League Foundation, Athletic Booster Clubs PTAs, PTOs, DLI program foundations, and other 501(c)(3) organizations). We must also consider unintended consequences of prohibiting fundraising for FTE or other purposes. Here we outline some of the complexities and nuances involved with school-based fundraising in the district and the body of work that this team has been undertaking to identify improvements needed. **The plan is to, over the next eight months (by February 1, 2022), revise the policy 7.10.020-P with community engagement.**

Our Approach

We are neither defending the status quo nor proposing eliminating parent fundraising. We truly believe that parent fundraising for schools can be one of several ways to involve parents, businesses, and community members in our schools, and we believe equity can be at the center of how we all operate. We welcome Board and community input into how we can build a more equitable framework that genuinely welcomes all Portlanders who wish to contribute (time, ideas, resources) to a more excellent education for our students—rather than turning away philanthropists, volunteers, or thought partners. This is more productive than blaming one another, our leaders, or "the system." Our state has chronically underfunded public education, and we must advocate for change at the political level; but we must also work together, creatively, to lift each other up rather than pitting groups against one another.

Engaging in a Data-Driven Examination of Parent Fundraising in PPS

Over the past two years Strategic Partnerships has been deliberately examining the impact of parent fundraising in schools—including *but not limited to* foundations. To gain a better understanding of the impact parent-raised dollars have on our schools, the Strategic Partnerships team has engaged with PPS staff, school communities, PTAs, and parent fundraisers. Working with PPS Systems Planning & Performance and Budget departments they have analyzed data related to the expenditure of foundation dollars, talked with administrators from schools with active foundations and those who receive PPS Parent Fund grants, and held three community engagement sessions with school foundation leaders and parents (4/2019, 9/2019, 10/2019). We have also met individually and in small groups with parents from multiple schools to hear different perspectives. While public engagement events were paused during the

pandemic, as the team shifted their fundraising efforts to Coronavirus Relief, I can assure you that they haven't abandoned this issue.

Though we share here some information related to parent-raised dollars via school foundations, note that while The Fund for PPS has knowledge of funds raised by foundations, less is known about (and we do not have an accounting of) the multiple groups actively fundraising in schools (e.g., PTAs, boosters, PIL, DLI Foundations). It is important to remember also that the foundation monies, and all privately raised dollars, are one small piece of an overall budget context in the district. As you know, Superintendent Guerrero has prioritized traditionally underserved communities and RESJ in his budget process. Therefore, in addition to the incoming dollars via parent fundraising, there are many other ways that school budgets vary on a dollar-per-pupil level. For instance, differentiated (i.e., higher) supports are offered at Title I and schools identified in the following categories: Comprehensive School Improvement (CSI) and Targeted School Improvement (TSI).

[Foundation Fundraising and Expenditure: Current Practice](#)

As a reminder of current practice: The PPS Parent Fund requires a 33% contribution from schools on:

- monies above the first \$10,000 their affiliated local school foundations raise, and
- monies above the first \$10,000 independent school foundations raise *and* spend on FTE*

To see foundation dollars raised and their contributions to the PPS Parent Fund, refer to:

[2019-20 LSF Financial Information](#)

[2009-2019 LSF Financial Information \(shared by All Hands Raised\)](#)

**Note: since independent foundations do not operate under The Fund, we do not currently have data on total dollars raised and the only monies we can directly account for are the funds spent on staffing. This is another reason for a new registration requirement for fundraising groups (see below).*

[PPS Parent Fund: Current Practice](#)

Grants from the PPS Parent Fund are awarded based on a two-criteria eligibility devised by Strategic Partnerships and approved by the Board of Directors of The Fund for PPS. The criteria are:

1. At least 40% students identified as Historically Underserved
2. At least 15% students eligible for free meals (Direct Cert.)

[In 2020 this resulted in awards to 53 schools and PPS programs.](#)

[In 2021 this resulted in awards to 61 schools and PPS Programs.](#)

[Data on Foundation Dollars](#)

The PPS Systems Planning and Performance has prepared some additional information for your review. They have taken school-level data used by the district for budgeting, and added the FTE positions funded by school-based foundations and PPS Parent Fund dollars. The list of schools are sorted by type (K-5, K-8, MS, HS) and socio economic status as measured by Free Meals by Direct Certification. On the last line of the table it shows that 42 FTE were paid for with school-based foundation dollars and the PPS Parent Funds. While the schools with the lowest number of students qualified for free meals are also the schools who pay for the highest number of FTE with foundation funds, they are also the schools that receive the lowest dollars per student.

Please see: [2019-20 Budget Data by School + Foundation FTE](#) in the Policy Committee meeting materials.

[Changes to Rules Governing Foundation Expenditures on FTE](#)

Our examination of available data around school foundations and use of funds (though no data is available on non-FTE dollars in schools with independent foundations or other fundraising groups, like DLI, boosters, etc.) has led to incremental steps to increase transparency and accountability. For example, the team supported the PPS Finance Department in developing new administrative rules regarding school-based foundations and expenditures on FTE, as follows:

- Beginning 2021-22, School Administrators are responsible for ensuring that their school-based foundation dollars are paying for the *actual* FTE position that is being added to their staffing plan. This will ensure increased consistency and tracking of staffing positions supported by school-based foundation dollars.
- Beginning 2022-23: Independent School Foundations will need to provide funding to cover staffing (FTE) *at the beginning of the school year*, rather than being invoiced at the end of the school year. The district is giving one-year's notice to the Independent School Foundations so they can plan accordingly for this change in financial practice.

Registration of Fundraising Groups

February 2021: Strategic Partnerships worked with school administrators to request that ALL groups fundraising in schools complete an annual registration, so that we can gain a broader understanding of philanthropic/private dollars in schools. This simple [REGISTRATION FORM](#) requests basic information of all school-based fundraising groups (name, leadership names, basic financial information). While the Portland Council PTA discouraged their member PTAs from complying with this request, some of the information is available on all public charities on the Oregon Department of Justice website. With a more formal policy, we hope to gain an accurate view of funds flowing into schools, particularly if they are being used for facilities or contracts (i.e., arts enrichments, tutoring, etc.).

RESJ and Parent Fundraising Groups

Strategic Partnerships and The Fund for PPS have engaged in communications and conversations with parent fundraisers about ways to advance racial equity and social justice when operating within their own school communities and considering not only the use of dollars raised but who is included in decision-making:

- Fall 2020: Created and shared a set of slides on Racial Equity and Social Justice as part of the asynchronous [Local School Foundations Training](#), which outlines how LSF dollars should be used to increase educational equity within their own school communities.
- Winter 2020-2021: Met with Portland Council PTA Board Members to discuss the purpose of the registration process.

Case Study: Using Parent-raised Dollars to Advance Equity

We are aware that some schools are considering the impact of their school's fundraising on equity. Bridlemile Foundation is one example. Using the RESJ framework, as their new principal, Jerome Townsend worked in collaboration with the Bridlemile Foundation to develop a plan to fit their school's needs. While the percentage of historically underserved students is relatively low in the school, the principal is relying on these foundation dollars to add an instructional specialist to his staff in 2021-22 that will work with all classroom teachers to better serve students who are not meeting benchmarks. This is an example of how looking at aggregate data of student populations does not tell the whole story, and we have students in every school in PPS who need extra support, while we continue to work on system shifts on multiple fronts to address systemic inequities.

Some Additional Considerations When Proposing Changes in Policy Guiding Parent-Led Fundraising

Many factors need to be considered before making policy or procedure changes affecting fundraising for schools (LSFs and all other groups). These include but are not limited to:

- Foundation dollars and paying for FTE
 - Type of positions typically funded
 - Comparison of staffing levels between schools receiving differentiated supports (through Title I, TSI or CSI status, recent addition of Student Success Acts dollars, etc.) and other schools
 - Result if paying for FTE is prohibited
 - In a “cuts budget” biennium, impact to FTE
- Parent Awards
 - Type of positions typically funded
 - Other uses of award money
 - Result if awards are cancelled
- Analysis of dollars raised by other groups (PTAs, PIL, DLI, etc.) and potential to require contribution to PPS Parent Fund
- Adherence to other PPS policies with expenditure of parent-raised dollars (e.g., playground and facilities policies or guidelines, travel policy)

NEW DIRECTIONS: reImagining Parent-Led Fundraising in PPS

The pooling of dollars from individual school foundations into the PPS Parent Fund is an acknowledgement that different school communities have different levels of access to philanthropic dollars. Like the existence of the foundations, the PPS Parent Fund predates the current administration at the district and The Fund for PPS. While we know that the PPS Parent Fund awards are not on parity with the amounts that some schools raise, the model of pooling funds and regranteeing them has positioned PPS as a national innovator when it comes to equity in parent fundraising. We know—and the community knows—we can do even better. We want to build on this reputation, making further innovations to our practice—innovations that will unite the entire PPS family in service of students. The Spirit of Portland has shown us again and again that Portlanders overwhelmingly support public schools, from passing Bond measures to, yes, parent-led fundraising. Rather than turning away from good intentions, volunteerism, and financial support, we seek instead to increase the broader community’s connection to our schools and its sense of responsibility for our students as they shape their futures. Just like our vision states, we must be “Grounded in the Spirit of Portland” if we’re going to be able to have communities all over this city rally with a new sense of purpose. Rather than ask our parents “What are you willing to give up?” we are instead asking, “What are you willing to give—ideas, time, resources?” All are welcome. Each has value. What are you willing to give so that every student in PPS has an inspired, excellent PK-12 public education?

Proposal

We propose the following policy revisions:

- Revised 7.10.030-P District Educational Foundation- This could be voted on today.
- Revised 7.10.020-P School-based Groups and Rules Governing Fundraising at Portland Public Schools - This is just a starting point and we recommend community engagement on this policy with a final version going to the Board of Education by February 2022.