SUPPLEMENTING ANNUAL SCHOOL DISTRICT BUDGETS: PARTNERSHIPS, FUNDRAISERS, FOUNDATIONS, AND LOCAL SUPPORT VENUES

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School finance is the topic of numerous research studies; printed in newspapers and magazines, heard on the radio and television, and frequently spoken among educators throughout the nation. Anyone dealing with education is searching for methods of obtaining additional funds for projects and supplies; and even adding money directly to school districts' budgets. To better understand the importance of searching for additional funds to supplement the annual school districts' budgets, this study examines four sources for obtaining financial assistance: partnerships, fundraising, foundations, and local source venues. Participants include 10 school districts in the state of Texas having only a single high school campus; five Chapter 41 school districts and five Chapter 42 school districts. Two school districts are selected from each classification level: A, AA, AAA, AAAA, and AAAAA. One Chapter 41 (wealthy) district will be compared with one Chapter 42 (poor) school district within the same classification level. The five selected Chapter 41 school districts are above the equalized wealth limit of $305,000 per weighted average daily attendance.

Data gathering procedures utilize a purposive case study by interviewing administrators in each of the school districts; studying Texas Education Agency's School Report Card, each school district's Actual Financial Data Report; sending a survey to a district administrator within each school district; gathering data from the directors of partners-in-education or adopt-a-school programs; reviewing financial

records from booster clubs and education foundations; and studying financial audits for each of the school districts. This study looks at the dependency on outside financial assistance to further educational endeavors, whether they are for enrichment purposes or for extended educational pursuits.

The study examines how each school district utilizes some combination of supplements to obtain additional funds for their annual budgets, whether the district is classified as Chapter 41 or 42. Using the actual financial data records for each school district, per-pupil revenue is determined. Not all school districts have access to education foundations, and not all school districts rely on business partners in education. Yet, all school districts receive assistance from local parent-teacher organizations and booster clubs and allow fundraising efforts among the various campuses. All school districts have access to local support venues, even though some are quite limited. Overall, these four areas of obtaining additional funds make only a small percentage of impact upon the majority of the school district's budgets. Yet, some of the school districts are impacted by these revenue sources as much as the percentage of federal aid received.

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I would not be where I am today, however, if it had not been for the influence of my parents, Ollie and Hilda Tatum. Dad always poured out love for all ten children, letting each of us know that one can accomplish whatever dreams we set for ourselves. Mom pounded into us from an early age the importance of education if we intended to make something of ourselves. Little did I consider such an undertaking, but she sold her “bill of goods” quite well for me to continue to reach this aspiration.

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CHAPTER 1

INTRODUCTION

School districts are feeling the financial pinch in their annual budgets, and administrators are interested in finding financial areas to supplement their existing budgets. Budgeted allotments come from local, state, and federal sources; but the total level of support does not meet demands. While the primary revenue for districts continues to come from three sources - local property taxes, state funding, and federal supplements; a fourth area, local support revenues is taking on increasing importance. Local support revenues, the focus for this study, refer to revenue obtained by the school districts from sources within general locales. Such sources include partnerships with businesses, booster clubs, civic organizations, and parent-teacher organizations. Other revenues are obtained from fundraising efforts and from local education foundations. Another area, local support venues, include revenue from mineral royalties, sale of property, interest income, rental income, gate receipts, concession stands, vending machines, naming rights, parking fees, campus publications, textbook sales, transportation, and tuition fees. The purpose of this study is to examine methods school districts use locally to add funds to their current budgets through partnerships, fundraisers, foundations, and local support venues; and to determine if the wealth and size of the district impacts the ability to generate revenue from these four areas. Limited research currently exists that focuses on adding revenue to the existing school districts' budgets through these four methods.

Background

Local revenue refers to all funds collected within school districts' boundaries. The primary source of these funds is property taxes, which are levied based on rates set by the Board of Trustees of each school district. Local revenues also include a category in a school district's actual financial data report, titled *other local and intermediate revenue*. These funds are acquired from a variety of sources and are deposited in the district's general fund. Sources such as partnerships, fundraising efforts, foundations, and local support venues are included in the *other local and intermediate revenue* category in the actual financial data report.

In 1993, the Texas Legislature passed Senate Bill 7. This bill established the wealth level of a district and determined that taxes could be recaptured on any wealth obtained above that level (Reinlie, 2007). Wealthy school districts exceeding the $305,000 per weighted average daily attendance send a portion of local property tax funds collected from the district to other less wealthy districts in Texas or directly to the state (Texas Education Agency, "Chapter 41 Wealth Equalization," 2004).

State revenues are funds provided by the state of Texas for education. Taxes provide the most important source of general revenue for the state. As in years past, sales and use tax collections continue to dwarf all other tax revenue sources, with motor vehicle sales tax revenues a distant third. The state's general business tax, the franchise tax, is the fourth largest general revenue source and the largest state tax not levied directly on consumption. The natural gas tax ranks a close fifth (Strayhorn, 2006). School districts receive funds from the state which consist mainly of foundation grant

money with several special allocations (Texas Education Agency, “Foundation School Program,” 2004).

Federal education resources are programs for schools funded by the United States government. The largest programs are usually administered by state departments of education under the authority of the U.S. Department of Education. Almost 40 years ago, the United States Congress enacted legislation that allowed the federal government to begin its program to help educationally disadvantaged students in schools with large concentrations of low-income children. In the early 1960s, President Kennedy took an interest in educational problems associated with urban poverty, particularly the problem of inadequate reparation for schools that serve economically and culturally deprived young people (Ambach, 2003).

Since then, additional programs have been initiated by Congress to provide help to students with extra educational needs or to low-income students. Early in his tenure, George H. W. Bush declared his intent to be an *education president* and began to raise expectations for elementary and secondary achievement. In April 1991, he presented *America 2000*, which included several programs related to implementation of the goals and ideas for the creation of national standards and voluntary national tests. President Clinton's first legislative proposal, called Goals 2000: The Educate America Act, was introduced in 1993. Three days after President George W. Bush's inauguration in January 2001, his first legislative proposal was the No Child Left Behind Act (NCLB) (Ambach, 2003). Although the federal government contributes about eight percent of the costs of public elementary and secondary education, its policy effects on both state and

local education are much greater than the proportion of federal funds might indicate (Hill, Campbell & Manno, 2000).

In 1983, a report to the Secretary of Education, *A Nation at Risk: The Imperative for Education Reform,* caused many of our nation's leaders to feel that America's schools were failing. The report gave the perception that our education system was in dire trouble, and the United States was quickly falling behind other nations. Now, states have set ambitious performance goals for their students, and the federal No Child Left Behind Act of 2001 demands that all children achieve specific standards in reading and mathematics by 2013-2014. Historically, states have focused on how to allocate aid across school districts with widely different tax bases to achieve fiscal parity. Even though state legislators are currently debating new and better ways to finance public education, educators are forced to look at creative methods for supplying much needed revenue to supplement the already tightly stretched budgets. Educators “face increased pressure not only to make do with the money they have, but to do more with that money than ever before” (Olson, *Quality Counts 2005,* p.3). Hart and Teeter (2004) stated, "confidence that money will be spent efficiently, effectively, and without waste in education is the most significant factor in explaining what Americans are willing to bear for education funding" (p. 7). Most school districts rely on the state for at least half of their funding, and revenues in most states look grim, according to Reeves (2003). A report from the National Conference of State Legislatures indicated that states were going into a third straight year of budget shortfalls, closing a cumulative $200 billion budget gap. During 2003 alone, states faced a $49 billion gap between revenue and reality (Reeves, 2003).

School district administrators argue that it is the responsibility of the state to provide an *adequate* level of resources to ensure that each child receives a satisfactory education (Bryson, 2003; Picus, 2000). "Schools and districts educating poor students do not get enough resources, and they do not make the best use of the resources they have" (Carey, 2004, p. 16). According to Rudo and Smith-Hansen (2002), America's public school districts spend more than $350 billion to educate the nation's children. Johnston (2005) stated that figure rose to $500 billion in 2004. Hanushek and Rivkin (1997) emphasized that quality educational programs cost money, and available resources were limited. Educators dealt with new academic standards and increasing student populations in a time when available education dollars were not growing (National Center for Education Statistics, 2000). Even private foundations and numerous states began banning together to address financial needs throughout the nation.

In a two-day summit in February 2005, six philanthropies, including the Bill and Melinda Gates Foundation, announced a $42 million initiative to help states raise high school graduation and college readiness rates. During this summit, 13 states joined a new coalition, The American Diploma Project Network, and committed to transforming high schools. Texas was one of those thirteen states. This coalition joined with Achieve, a nonprofit group of governors and business leaders, to promote standards-based education. Tom Vander Ark, the Executive Director of Education at the Seattle-based Gates Foundation, stated at the summit, "We want to make sure that states have the resources to do this right and to build support for higher expectations" (Olson, *Education Week*, 2005, p. 3). Other foundations joining the effort were the Michael and

Susan Dell Foundation, the Carnegie Corporation of New York, the Wallace Foundation, the Prudential Foundation, and the State Farm Foundation. U.S. Secretary of Education Margaret Spellings spoke at the summit and outlined the details of President Bush's proposed $1.5 billion High School Initiative (Olson, *Education Week*, 2005).

With tighter public school districts' budgets and higher expectations for academic performance continuing to rise, additional strains are being placed upon the school districts' annual budgets. The Education Trust took its first look at the difference in school funding between the highest and lowest poverty school districts in 2001. That report found a gap of more than $1,000 per student nationwide, with similar gaps existing between white and minority students (Carey, 2004). The Education Trust took the stance that the logical conclusion was that schools need more resources than they have to complete the task the state has assigned to them (Carey, 2004). Throughout the twentieth century, public K-12 school expenditures rose steadily at an annual rate of about three and one-half percent (Hanushek, 1998). But recently, United States school enrollment grew and academic standards rose, but revenue growth for school districts began to flatten (Clark, 2002). Texas, experiencing the same problems, also lost revenue. Texas's share of approximately $30 billion a year dropped from 43% to 38% in 2002, leaving local taxpayers saddled with covering the difference. By 2004, most of the state's 1,227 operating public school districts (Strayhorn, 2006) could no longer generate new tax revenue to meet the growing student enrollment since they reached the $1.50 per $100 of valuation tax cap for operations and maintenance (Scharrer, 2004).

According to Johnston (2005), Texas spent $7,183 per pupil in the 2001-2002

school year, below the national average of $7,734, and ranked 38 of the 50 states on the wealth neutrality score, with moderate inequities in state and local funding for education based on property wealth of districts. According to Johnston (2005), only about seven percent of students in Texas were enrolled in districts spending at least the national average. Varying figures from the National Education Association are noted in Table 1, which compared Texas's average per-pupil expenditure to the national average over a seven-year period.

Table 1

Texas vs US Average Expenditure Per-Pupil 1999-2005

Fiscal Year	Texas Ranking	Texas Average Expenditure Per Pupil	U.S. Average Expenditure Per Pupil	Difference
1999	25	$5,970	$6,251	($281)
2000	29	$6,325	$6,824	($499)
2001	32	$6,581	$7,296	($715)
2002	32	$6,850	$7,548	($698)
2003	34	$7,210	$8,065	($855)
2004	36	$7,214	$8,308	($1,094)
2005	40	$7,142	$8,618	($1,476)

(National Education Association, 2006)

Texas was the only state in the nation to cut the average per-pupil expenditures in fiscal year 2005, resulting in a national ranking of 40, dropping from 25 in 1999 (Strayhorn, 2006). With per-pupil expenditures being cut, Texas's financial support for education showed a continual loss over the seven-year period when compared to the rest of the states' per-pupil spending. With the United States' average per-pupil

expenditure being $1,476 more than the amount Texas spent on its students in 2005, it was imperative that public school districts look at potential areas for obtaining additional financial sources to augment their annual budgets.

Purpose of the Study

Public schools are open systems, relying on and allowing other organizations to assist them with resources from their environment. School districts operate within communities of families, businesses, and individuals who all share an interest in the preparation of their youngest citizens. Schools that have the support of their stakeholders have a powerful advantage in carrying out their mission. Tapping these community organizations may allow both wealthy and poor school districts to find additional financial assistance.

The purpose of this study is to examine methods school districts utilize locally to add additional funds to their current budgets and to determine that impact on their yearly budgets. The ability of diverse schools and school districts to generate revenue from non-traditional sources will also be assessed. Specifically, four areas will be addressed that do not fall in the primary local, state, and federal categories within the structure of the school districts' budgets -- partnerships, fundraisers, foundations, and local support venues. Overall, it is estimated that these four sources add less than 8% of revenue to a school district's total budget.

Rationale of the Study

The problem with K-12 public school funding in the United States is that schools

are expected to do more -- educate more students, increase performance standards, offer more diverse and needs-appropriate curricula and programs -- with less funding (Rothstein, 2002; Olson, *Quality Counts 2005*). According to the National Education Association, at least 44 states face severe budget cuts (Axtman, 2002). While teachers scramble to meet ambitious new academic targets, school district spending patterns have changed little in the past three decades (Bryson, 2003). “A Cost Analysis for Texas Public Schools,” a study covering the 2003-2004 school year, found that 76 percent of Texas school spending is for instruction or instruction-related staff and services. Non-instruction spending critical to the school day includes paying for student transportation, school cafeteria lunches, and building maintenance. Overall, per-student spending over the past three years increased more slowly than the inflation rate (Smith, 2005). A study released in 2004 by The Education Trust, a Washington-based research and advocacy group, found that in half the states, the funding gap between districts in high-poverty and low-poverty areas was widening, "a striking reversal of progress made during the better economic times of the middle to late 1990s" (Olson, *Quality Counts 2005*, p. 3).

Since funding between high-poverty and low-poverty areas is widening, perhaps looking at the four areas -- partnerships, fundraisers, foundations, and local support venues -- will provide an insight into this pattern to assist schools. A per-pupil comparison of property wealthy school districts, known as Chapter 41 schools, will be made with school districts having lower property wealth, known as Chapter 42 schools. Some of the Chapter 41 school districts have little or no low-poverty students while the Chapter 42 school districts have a high percentage of low-poverty students. Examining

these four areas will determine whether they impact financial changes within the school districts.

Research Questions

This study is designed to determine the impact of locally-generated supplemental revenues upon 10 Texas school districts. Four major categories – partnerships, fundraisers, foundations, and local support venues – will be researched. Specifically, the study will address the following questions by researching revenue sources that impact the category referred to as other local and intermediate revenue from actual financial data reports school districts submit annually to the Texas Education Agency. A per-student amount and the percentage of total revenue raised in relation to each school district's total budget will determine if any differences exist among the ten school districts.

1. Do the 10 identified Texas school districts participate in partnerships, fundraisers, foundations and local support venues to add revenue to their existing budgets?
2. What level of revenue is added to the school districts' general operating budgets from partnerships, fundraisers, foundations, and local support venues during 2003, 2004, and 2005?
3. Does the school district's wealth influence the acquisition of funds from partnerships, fundraising, foundations and local support venues based on a per-student ratio?
4. Does the school district's size influence the acquisition of these funds based on a per-student ratio?

Design of Study

Ten school districts, five Chapter 41 (wealthy) and five Chapter 42 (poor), from Education Service Centers VII, IX, X, and XI were selected including two from each high

school classification, A through AAAAA. Financial data covering the three-year periods 2002-03, 2003-04, and 2004-05 was collected from each of these ten school districts and from parent-teacher organizations, booster clubs, Partners-in-Education, and the education foundations within these locales. Revenue generated by these organizations and amounts donated to the school district and/or individual campuses were obtained. A per-pupil comparison of the amounts of funds raised from partnerships, fundraising, foundations, and other revenue sources for the ten districts was made. Also, a per-pupil comparison was made to determine differences in funding based on the size and wealth of the ten school districts.

Definition of Terms

- Average daily attendance (ADA) is the total hours of student attendance divided by the sum of the total hours of student attendance and total hours of absence for the regular school term.
- Chapter 41 school districts are considered property wealthy when its property value (the taxable value of all of the homes, apartments, businesses, land, and other taxable property in the district) divided by the number of students in the district using the "weighted average daily attendance" (WADA) formula, exceeds a state set threshold, currently set at $305,000. Local tax values above that amount become subject to equalization.
- Chapter 42 school districts refer to those districts that do not reach the per-student property value threshold of $305,000. These districts may receive supplemental

state funds directly from Chapter 41 districts or from the state to offset the school districts' lack of wealth.

- County Education Districts (CEDs) were formed by legislative action in 1991 and abolished in 1993. CEDs levied and collected taxes during the 1991-92 and 1992-93 school years. The assets, liabilities, and records of the former CEDs were assigned to successors-in-interest, agents who were responsible for the collection and distribution of delinquent taxes and related penalties. If a district received funds from a CED, state funding was lowered accordingly.
- Education support organizations (ESO) are defined as groups exempt under Section 501(c)(3) of the Internal Revenue Code and set up to aid local public schools. Formed by groups of citizens, they support and advance the quality education by serving as catalysts and change agents in communities across the country. They help bring together diverse stakeholders, work with school districts and communities, and strive to improve educational outcomes.
- Fundraising activities are students' efforts to raise money through multiple student organizations within the various campuses of the school districts. These funds are normally used by the different student organizations and/or campuses for enrichment activities.
- Local education foundations are organizations formed by school districts or local individuals to assist schools in improving the academics of the school district. A foundation normally has its own executive director, whose sole function is to raise money. Foundations are separate entities from school districts. When funds are donated to school districts, these sources of revenue are normally in the form of teacher

and/or student scholarships for enhancing the school district's academic focus.

- Local revenue refers to funds collected from individuals and businesses within the school districts' boundaries, primarily from property taxes.
- Local support venues are sources of funds that a school district generates through its own effort and/or agreements. Examples of this type of revenue would be sources such as mineral royalties, sale of property, interest income, rental income, gate receipts to sporting events, concession stands/ vending machines, naming rights, parking fees, campus publications, textbook sales, and tuition fees.
- Miscellaneous revenue from intermediate sources, Account Code 5769, is used to classify revenues realized from city, county, or other non-school district local government or administrative units, excluding state and federal governmental entities. These generally include the county, local municipalities, utility districts, hospital districts, or other local government subdivisions.
- Partnerships are businesses and organizations closely tied to the school district that donate money, scholarships, physical items, and personal time to school districts and/or individual campuses. Their efforts are primarily toward raising money for enrichment activities, not academic endeavors.
- Recapturing is the process designed to equalize wealth for educational spending by redistributing tax dollars from property wealthy districts to property poor districts. The recapture payments submitted by Chapter 41 school districts become part of the state's revenue flow used to fund education in Texas.
- Robin Hood funding system obligates the state's wealthy school districts, those that exceed $305,000 per weighted average daily attendance, to select one of five

methods for sending a portion of local property tax funds to property-poor schools or directly to the state's coffers prior to 2006: 1) merging its tax base with a poorer district, (2) sending money to the state to help pay for students in poorer districts, (3) contracting to educate students in other districts, (4) consolidating voluntarily with one or more other districts, or (5) transferring some of its commercial taxable property to another district's tax rolls.

- Senate Bill 7 of 1993 is known as the wealth equalization school finance law that equalizes wealth for educational spending by recapturing tax dollars from property-wealthy districts and redistributing the money to property-poor districts.
- Single high school districts are those school districts that have only one high school within the school system.
- State revenues are funds provided by the Texas Legislature for education. These funds consist of foundation grant money and several special allocations.
- Successor-in-interest means any person or organization that acquires assets and continues the business operations has to assume all rights and liabilities of the predecessor entity.
- Tax Increment Fund**,** authorized under Chapter 311 of the Texas Tax Code, allows subdivisions to create TIF zones in order to use the increased tax value of land from a proposed development toward financing public improvements in the reinvestment zone. TIF districts assist in financing development of unimproved land by dedicating the real estate property taxes to be generated by the built project to a TIF fund for payment of the principal and interest on TIF bonds. Under a TIF, the property owner pays taxes on the full value of the property, and the taxing entities pay into the

TIF fund the taxes attributed to the added value of the land due to the new development. A school district will forego some of its property value to the TIF, In return it will receive payments from the TIF and also compensation from the state for loss of revenue. It is still in use; however, few districts participate in TIFs.

- Weighted average daily attendance (WADA) is used by Texas to determine state funding. The buying and selling of WADA is classified as state funding, not local revenue. This formula gives additional weight to specific student populations, and the cost of these programs reflects the difference in meeting the needs of these students. State aid disappears when the taxable assessed value (TAV) per weighted average daily attendance (WADA) reaches $305,000.
- Wealth neutrality score refers to moderate inequities in state and local funding for education based on the property wealth of districts.

Limitations of the Study

Limitations are encountered in every aspect of this study. First, not all ten districts participated in all four areas of research. As a result, a per-pupil impact could not be determined for each of the four areas for the ten school districts. Second, even though all 10 school districts rely heavily upon parent-teacher organizations and booster clubs, these organizations are responsible for their own money, not the school district. In numerous instances, financial estimates given by the organizations' presidents or treasurers are substituted when actual financial data are not available. Third, due to reassignments and/or resignations of personnel, both at the district and campus levels, some data are not known by the currently assigned individuals. Another limitation

encountered with some school districts is their unwillingness to “dig in the archives” to find actual data for the earlier years, and, instead, make estimations of revenue received from these areas of research. Finally, the biggest limitation is that some administrators are not willing to share actual financial information even through the use of the questionnaire, phone calls or email attempts. Therefore, I can not use the actual school districts’ budgets, which would have broken down revenue by account codes. Instead, I was forced to rely heavily upon the actual financial records each school district annually submits to the Texas Education Agency.

Delimitations

This study considers only 10 Texas schools, two from each classification, A-AAAAA. Each of the school districts has only a single high school campus within its organization, and all districts are located in the north central portion of the state. These school districts are selected based upon their regional location and upon their Chapter 41 and Chapter 42 financial status. School districts having multiple high schools are not selected as different high schools might produce different results among the same school districts as well as among the case studies. Consistency among school districts’ campus arrangement makes the case studies more equal for evaluation purposes.

Case study methodology was chosen since some data could only be obtained through personal interviews. For instance, methods by which the funds are obtained would not have been uncovered. Studying archived data reported only revenue totals. Therefore, personal explanations were necessary in obtaining financial allocations associated with partnerships, fundraising, foundations and local support venues.

Summary

In an effort to find financial areas to supplement existing school districts' budgets, this investigator researched four options to raise additional resources locally. To begin with, a cursory glimpse into the background of school finance was shared. Four methods for generating local revenues, in addition to property taxes, were suggested as a means for finding locally-generated sources of revenue that could possibly alleviate the problem of the widening funding gap between high-poverty and low-poverty school districts. Additionally, the rationale of the study, research questions, design of study, definitions of terms, limitations and delimitations were clarified within this chapter.

Organization of Study

This dissertation is organized in the following manner. Chapter 1 presents the introduction to the paper with a background explaining funding procedures for the public school system and the shortfall of funds experienced statewide. The purpose and rationale of the study are explained, along with research questions and the design of the study. Definition of terms, and limitations and delimitations of the research, are shared. Chapter 2 presents a review of literature, focusing on the areas of partnerships, fundraising, education foundations, and local support venues. Chapter 3 outlines the methodology by which the research will be conducted. Research questions, selection of participants, research design, data collection procedures, and data analysis procedures are outlined. Chapter 4 presents in-depth data gathered from the 10 school districts involving the four areas of interest, along with various tables and figures for a more concise look at the data. Chapter 5 outlines a summation of findings and discussions

from the 10 school districts. Future areas for research are suggested and recommendations for public school financial personnel will be shared based upon the findings.

CHAPTER 2

REVIEW OF LITERATURE

Many schools have the same sources of local revenue: participation and parking fees, interest on investments, local education foundations, booster clubs, and private-public partnerships. Some schools even allow advertisements on school buses, customized or personalized license plates, and non-monetary incentives. Although the list of imaginative ways to find new support is growing, the percentage of contribution is still quite small. In 1992-1993, private payments, including fees for items such as field trips and lunches, amounted to just 2.7% of all elementary and secondary school revenues (Howell & Miller, 1997). Even though the percentage that these sources of income provide to the overall school district's budget is quite small, these sources make a significant impact upon the students. These sources are sometimes the methods by which students attend enrichment activities conducted outside the classroom and outside the school campuses. Administrators are always considering sources to obtain funds for such activities.

Need for Additional Revenue Sources

The rising demands on public schools, a fluctuating economy, and successful lawsuits forced states to search for new ways to make their tax systems fairer and more reliable (Hoff, 2005). Nearly $500 billion in combined federal, state, and local money was spent on pre-collegiate education in the United States each year, with nearly half the total coming from state sources (Olson, *Quality Counts 2005)*. A study released by The Education Trust, a Washington-based research and advocacy group, found that in

half the states, the funding gap between districts in high-poverty and low-poverty areas are widening, "a striking reversal of progress made during the better economic times of the middle to late 1990s" (Carey, 2004, p.3). The issue of school finance is especially important for schools because their needs are projected to grow along with enrollment, particularly of children who are poor, lack fluency in English, or are otherwise among the hardest and costliest to educate (Hoff, 2005). Federal revenues are specifically meant to supplement, not supplant, state and local resources, accounting for funding inequities found both within and between states (Carey, 2004). Hoover (2005) outlined a detailed and expensive agenda for ways the federal government could help improve high schools for the National Association of Secondary School Principals. The plan involved about $5 billion annually in new federal spending for high schools. The costliest recommendation was the creation of a separate funding stream of $3.6 billion to address the academic needs of low-performing high school students. The group noted that high schools received less federal aid than middle schools and far less than elementary ones. High schools receive about 5% of federal aid under the Title I program for disadvantaged students, even though they enrolled about 28% of K-12 students nationwide (Robelen, 2005).

According to Carey (2004), federal funding for No Child Left Behind (NCLB) increased by roughly $6 billion since 2001, but still represented a small piece of the overall school funding pie from the federal government. Although the NCLB increased federal education funding by more than 40%, the increased federal funding was not enough to counter the growing budget cuts many states faced. Carey (2004) also reported that the education's budget problems were the worst since the depression.

According to the National Education Association, at least 44 states faced severe budget cuts (Axtman, 2002).

Schools have become dependent on the state economy and must compete with other demands for state resources. Overall, fiscal 2001 revenues for states grew by an estimated 5.4% (Pound, 2002). But even with that improvement, many states still did not collect enough money to keep up with the current levels of services. According to Carey (2004), 36 states had a funding gap, with a nationwide disparity between high-poverty and low-poverty districts of $1,348 per student. In the 1999-2000 school year, states paid 49.5% of K-12 costs, up by 2.4 percentage points from 10 years earlier (National Center for Education Statistics, 2005). Over the decade, local funding for schools dropped from 46.8% to 43.2%. The wide range of annual expenditures per student within each state, charted by the U.S. Department of Education's National Center for Education Statistics, revealed that in 2001-2002, the District of Columbia led the states by spending $11,269 per pupil while Utah spent only $5,132. Texas ranked 38 at a rate of $7,183 (Zehr, 2003). State aid for elementary and secondary education, defined as per-pupil spending adjusted for inflation, fell by 3.6% from fiscal 2002 to fiscal 2004 (Hoff, 2005). Table 2 shows the negative impact of the funding gap between states for individual schools, teachers, and students is severe. Using public opinion research, Hart and Teeter (2004) shared that:

> Americans are sure about a few things regarding education: they agree public education should be a national, state, and local priority; and Americans overall affirm that the nation's schools, especially schools in low-income areas, need changes to improve. (p. 4)

Reschovsky, Professor of Applied Economics and Public Affairs at the University of Wisconsin-Madison, analyzed student achievement data and district spending in Texas.

Table 2

Funding Gaps for Low-Income Students

For example, when you consider the cost-adjusted per-student funding gap for low-income students in …	Between two typical classrooms of 25 students, that translates into a difference of …	Between two typical elementary schools of 400 students, that translates into a difference of …
New York	$65,375	$1,046,000
Illinois	$61,625	$986,000
Virginia	$35,750	$572,000
Pennsylvania	$32,700	$523,200
Texas	$23,400	$374,400

(Carey, 2004)

He estimated that the state needed to double its current funding to boost student learning in the worst performing districts (Hoff, 2005). Quoted in an interview with Hoff (2005), Reschovsky said, "The results ... seem to be pretty consistent in showing that high concentrations of poverty matter a lot, and substantially more resources will be needed to achieve whatever the standard in the state is" (p. 6).

Another study conducted by Sharp, Malone and Walter (2003) documented superintendents' observations regarding the financial condition of their school districts. Overall, these three researchers found that 58.4% of the superintendents in a three-state area contended that the financial condition of their own state was worse at the time they filled out the survey than it was a few years previous. An additional 41.1% stated that it was the worst they could recall in their career. Even today, superintendents want to implement programs so that their students attain the highest academic performance possible. However, funding for innovative academic programs, after-school

tutorials, credit recovery, and attendance recovery, for example, quickly drain the instructional portion of funds in the school districts' annual budgets.

Most Americans say they support equal funding for public schools, but affluent and powerful Americans often oppose efforts to correct funding inequities (Biddle & Berliner, 2002). A wide discrepancy in the 2002-2003 property wealth per student was evident in Texas's school districts. Most border districts, lacking large oil and gas reserves or massive petrochemical or manufacturing complexes, traditionally had relatively poor property tax bases. The 155 public school districts in the 43-county border region were considered some of the poorest public schools in Texas (Combs, 2006). For example, shown in Table 3, school districts in the El Paso area averaged $80,965 property wealth per student in 2004 while the state average was $242,809 (Texas Education Agency, 2004).

Table 3

Property Wealth Per-Student in El Paso Area Districts Compared to State Average, 2002-03

Districts	Property wealth per-student
El Paso ISD	$141,109
Anthony ISD	$131,334
Canutillo ISD	$118,266
Socorro ISD	$99,058
Ysleta ISD	$93,786
Clint ISD	$50,336
Fabens ISD	$37,686
Tornillo ISD	$32,798
San Elizario ISD	$24,310
State Average	$242,809

(Texas Education Agency, 2004)

One local superintendent put the numbers in perspective when she stated, “Any school district having less than $100,000 property wealth per student is quite poor” (J. Pfeifer, personal communication, January 26, 2007).

Table 3 clearly shows the lack of property wealth among the El Paso area districts, resulting in many poor school districts along the Texas - Mexico border. The school finance trial, *West Orange-Cove Consolidated ISD vs. Alanis* (107 S.W.3d (Texas 2003)), encompassed 268 poor districts in Texas collectively known as the *Alvarado* plaintiffs, including the El Paso school districts listed above. San Elizario is one of the original school districts that filed the 1984 *Edgewood* suit (679 S.W.2d 484, 485 (Texas1984)), which resulted in the present-day Robin Hood funding system, forcing the state's wealthy school districts to distribute a portion of their local revenue with property-poor schools (Scharrer, 2004). Due to such low property wealth per-student, some Texas school districts must lay off teachers, cut programs, and increase class sizes making it essential for school leaders to search for additional sources to supplement their annual budgets (D. J. Faltys, personal communication, February 21,2007; L. B. Coker, personal communication, February 27, 2007).

According to Biddle and Berliner (2002*),* districts reporting higher levels of local funding were more likely to come from communities where student poverty was minimal, whereas those reporting lower levels of local funding more often came from communities where student poverty was sizable. Biddle and Berliner (2002) stated, "America has by far the highest rate of poverty among children of any advanced, industrialized nation" (p. 4). Numerous studies cited a link between inadequate school funding and high levels of childhood poverty (Ellinger, Wright, & Hirlinger, 1995; Payne

& Biddle, 1999; Wenglinsky, 1997; Biddle & Berliner, 2002). Wenglinsky (1998) also found that when funding for instruction and capital expenditures was high, achievement gaps between students from rich and poor homes were reduced; but when it was low, achievement gaps were greater. These results suggested that students from impoverished and minority families were likely to suffer, particularly when forced to attend poorly funded schools.

Prior to 1979, California state law set a base rate of property taxation to support public education. Voters in local school districts could increase the rate if they wished to provide additional funding for their schools. These revenues were far from equal on a per-pupil basis. The amount of revenue that could be raised for a given tax rate varied enormously between areas with high property values and areas with low property values. In 1968, John Serrano, the parent of a child in a district with low property wealth, pursued a legal claim that the lower quality of education his child was receiving due to the lower amount of revenues per pupil generated through property taxes in his school district violated the state's constitutional provisions guaranteeing equal protection of the laws. In response to *Serrano v. Priest*, (5 Cal.3d 584 (1971)), a revenue limit was legislated on the maximum amount of general purpose state and local revenue that each district could receive. The basic education amount per average daily attendance (ADA) was intended to be equalized among districts over time by slowly *leveling up* low revenue districts by using higher inflation rates in recalculating their limits each year, while simultaneously *leveling down* high revenue districts by using lower inflation rates in recalculating their limits. In 1974, a state trial court in Los Angeles County ruled that the revenue limit recalculation formula was inadequate to equalize the delivery of public

education across the state. Finally, legislation was enacted in 1977 that, through a comprehensive series of equalization formulas, was aimed at meeting the *Serrano* mandate (20 Cal.3d 25 (1977)). But the effect of this legislation was supplanted by a successful 1978 ballot initiative still referred to as *Proposition 13* (McMahon, 2000).

The Jarvis-Gann proposition, better known as Proposition 13 because of its place on the 1978 ballot (Chapman, 1988), did not result in an immediate change in the total amount of money received by school districts, since revenue limits survived. However, it did result in a dramatic increase in the amount of education funding provided by the state's general fund and an equally dramatic reduction in the amount provided by local property taxes to meet that same revenue limit. More importantly, after Proposition 13, the state's constitutional promise of free public education was delivered largely with state-controlled money -- a statutorily restricted combination of state general fund dollars and local property tax allocations (McMahon, 2000).

In California, Proposition 13 and the *Serrano* decisions greatly limited the ability of districts to raise additional dollars locally. Proposition 13, officially titled the *People's Initiative to Limit Property Taxation*, was a ballot initiative to amend the constitution of the state of California. Its passage resulted in a cap on property tax rates in the state, reducing them by an average of 57% (Krop, 1996). School districts in California found some opportunities to raise revenues locally, but those opportunities were very limited. Wealthier communities provided various opportunities to raise alternative, flexible resources, and they used those additional resources to boost spending on classroom personnel and materials, school administration, other school expenditures, and district operations (Krop, 1996).

Budgeted revenues and expenditures of public school systems are constantly scrutinized in an effort to improve and expand funding. Williams, Protheroe, and Cooke (2003) researched budgeted revenues and expenditures in public school systems as a reference tool for school administrators. Their research utilized data gathered from the Educational Research Service National Survey of School Districts in Public Schools, 2002-2003. They looked at sources school districts relied upon for funds as well as how much each source contributed. Table 4, based upon data from The Education Trust (Carey, 2004), outlines the decrease in local funding for high poverty school districts as compared to the increase in funding for low poverty school districts. These calculations were based on U.S. Department of Education school district revenue data from the 1996-1997, 2000-2001, and 2001-2002 school years. The revenue amounts were not adjusted for inflation or other factors.

Table 4

Average Annual Increase in Per-Student Funding Comparing High and Low Poverty School Districts

	State & Local Funding 1997 to 2001	State & Local Funding 2001 to 2002	State Funding 2001 to 2002	Local Funding 2001 to 2002
High Poverty School Districts	5.9%	2.7%	2.8%	2.5%
Low Poverty School Districts	5.5%	3.5%	2.8%	4.0%

(Carey, 2004)

Biddle and Berliner (2002) believed the achievements of disadvantaged students were more likely to suffer in response to American inequities in school funding for two

reasons. Those students were more likely to attend poorly funded schools, and they were more likely to be hurt by lack of academic resources when schools were under funded.

School administrators are quite aware of the steady decline in state and local funding. Sharp, Malone, and Walter (2003) documented superintendents' observations regarding the financial condition of their school districts within a three-state territory. The option chosen by the largest number of superintendents (75.7%) for reducing costs was to reduce staff by attrition. The second most-chosen option for reducing costs was to increase class size. When asked how optimistic they were that the current economic conditions would improve in the ensuing two years, 3.7% reported they were *very optimistic*, 21.7% said *somewhat optimistic*, 56.1% said *not very optimistic*, and 18.5% said *not optimistic at all* (Biddle & Berliner, 2002). With the financial condition perceived as this gloomy during 2002, it became imperative to find additional revenue sources to expand the annual budget.

Partnerships

Business interest and involvement in education has become more active and has assumed a long-term role in education since the early 1980s, when the United States faced a crisis in productivity and international competition (Mickelson & Haynes, 1999). Over the last two decades, commentators expressed their concerns over the progressive commercialization of public education in the so-called “Cola-isation” of schools, where income was derived from vending machines, displays of sponsors’ logos, and the advent of TV advertisements streamed at students via U.S. Channel One

television (Fitz & Beers, 2002). Yet, in today's school districts, school administrators are capitalizing on such ideas to add money into their budgets to offset their stringent allocations.

One of the most frequently used instruments for finding additional local revenue sources is to turn to some form of partnership in the community or school setting, whether it is a local business, the campus parent-teacher organization, or booster clubs. Whatever organization is targeted, developing partnerships is time consuming. Egodigwe (2004) discovered that many administrators spent much of their time and energy developing partnerships with businesses and nonprofit organizations in their communities in order to provide services to students that their schools could not otherwise deliver. Although many of the organizations were nonprofit, tax-exempt third parties; they supplied schools with needed money, equipment, and services donated by generous businesses and community members (Rylander, 1999) with no educational agenda attached to their financial support. Because no educational agenda is attached, a majority of schools rely heavily on parents, local businesses, corporations, and community-based organizations for financial support.

Based on the national PTA standards for parents and family (Gary, 2000), the importance of parental involvement in all aspects of a child's life cannot be overstated. According to the national PTA, the responsibility ultimately falls to each parent to keep children safe and healthy. The campus PTAs provide the link between parents and educators, between parents and government, and between parents and the legal system (Gary, 2000).

Just as important as the campus-level PTA, PTO, or PTSA organizations are the

districts' athletic booster clubs and the band booster organizations**.** The North American Booster Club Association (NABCA) provides all youth clubs and organizations with the most comprehensive resources to build and manage a successful club. These organizations fill the financial void for school programs sometimes caused by school district leadership turnover and the increasing decline in government funding (Beden, 2006). These types of involvement allow students to see a worthwhile connection between their present classroom and their future community and workplace because community organizations and businesses play meaningful roles in the school (Maynard & Howley, 1997).

Educational partnerships may be implemented in a variety of ways. Whether the partnership has developed due to a shared interest or has been developed through an official Adopt-A-School or Partners in Education arrangement does not matter, as long as the businesses or organizations are willing to provide resources or monetary support to a specific school for a specific purpose. The most common connection between a school district and organizations relies upon parent-teacher organizations and booster clubs.

Freeman (2001) discovered that community organizations benefited when they worked with schools. By collaborating with and supporting schools, businesses gained access to school facilities and expertise. Schools and school districts also developed a culture of collaboration in order to cultivate the full potential of the partnerships. Schools' partners must be committed to making serious recommendations for school improvement. Trust and credibility were crucial to the success of the partnership effort (Phillips, Reyes, & Clarke, 2003).

Lawrence (2003) suggested that a school district take advantage of its own locale. Her research found several successful and innovative small urban schools have created places that were the modem equivalent of the agora, places where students and adults interacted with the community, shared resources, and learned from each other. Forming partnerships with the community enriched students' education (Nathan & Febey, 2001). Community organizations that strengthen a local school district's success were found through local chambers of commerce and clubs like Kiwanis, Rotary, or Lions. They often have budgets set aside to help the community. Community banks and insurance companies also provided resources for community development (Christensen, 2004). It is common practice that local businesses and organizations include a portion of their budgets for donations to local school districts and other non-profit organizations. This monetary support strengthens the relationship between the businesses and the school district.

Partnerships frequently provided volunteer manpower, saving budgeted funds to be applied elsewhere. Relationships with community organizations and businesses were found to yield profitable results for school districts. For instance, in a program with the local agency on aging, senior citizens volunteer each day for classroom duty, mentor and tutor students, and help teachers by grading papers. Agreements were negotiated with local colleges and universities, using college students to provide one-on-one tutoring sessions in writing, vocabulary, and math in exchange for course credit *(*Egodigwe, 2004). One elementary school in Lincoln, Nebraska, benefited from 15 partnerships with local nonprofits and governmental agencies, including the local

YWCA, the city's parks and recreation department, senior citizen organizations, and the local university (Egodigwe, 2004).

A partnership between Baylor University and the Waco public schools embed every teacher-candidate, beginning their freshman year, into the K-12 system. Due to this partnership, the Waco school district hired Baylor graduates before they looked elsewhere. More than one hundred education interns spent their final year in college learning under the guidance of a mentoring teacher in one of the Waco Independent School District's ten professional development schools (PDS) (Jacobson, 2005). PDS's were Pre K-12 schools, frequently in a challenging setting and designated as hard-to-staff, which partner with a teacher preparation program. The partnership allowed a mutually beneficial blending of funds and resources (Levine, 2004). This partnership would not have been possible if it had not been for the assistance of the Washington-based National Council for Accreditation of Teacher Education (NCATE). NCATE selected Waco, Texas, one of the poorest cities in the nation, to test whether professional development schools, modeled after teaching hospitals, could be scaled so all of a college's teaching candidates could train in an urban setting. With a $150,000 grant from the Arthur Vining Davis Foundations in Jacksonville, Florida, NCATE worked during 2004 with the Waco district and two other urban university district partnerships: the University of Colorado at Denver and the Denver public schools, and the University of North Florida and the Duval County district (Jacobson, 2005). The most telling data of the Waco success was in the number of students passing the state teacher tests. The students increased from a 33% passing rate to a 98% passing rate (Levine, 2004).

The University of North Texas also participated in the Professional Development School (PDS) program. Dr. Jo Murphy, Coordinator of Field Experiences, (personal communication, May 3, 2007), shared that the Dallas/Denton cadre was piloted approximately 14 years ago for those students entering the teaching profession, making it the oldest such program in the nation. The mandatory program currently accepts individuals planning to teach early childhood through fourth grade, or fourth through eighth grades. This program partners with thirteen surrounding school districts and has approximately thirty students in each cadre. Some school districts support as many as two cadres. This PDS program is broken down into two semesters. For one semester, students enroll in four methods classes at the university – science, mathematics, social studies, and reading – and attend classes two days per week. They then spend two days per week observing in classrooms within their public school districts. For another semester, students are on the schools' campuses for five days per week for fifteen weeks, completing their student teaching. Dr. Murphy credits this program as being successful since approximately 90% of the students who participated in the PDS program are still teaching after three years (personal communication, May 3, 2007).

According to *Partnerships 2000: A Decade of Growth and Change*, at least several hundred thousand partnerships were implemented across the country as mechanisms to promote greater student success, with businesses being the most common partner for schools (Scales, Foster, Mannes, Horst, Pinto, & Rutherford, 2002). It was not just the schools or parents who were responsible for creating the conditions for this success; the community was also recognized as a unit of accountability (Gary, 2000). Elementary schools in New Jersey were able to take free field trips due to

developing partnerships with local businesses to such places as Petco, to the local supermarket, and to the Sports Authority store. According to the principal at one of the elementary schools, a free field trip saved $300 or more for a class of 30 students (Egodigwe, 2004). Both businesses and nonprofit organizations expanded their efforts in the area of education, and partnerships between the public and the private sector proved instrumental in improving many communities' schools (Rylander, 1999). In the words of David Else, “developing and sustaining successful …community support, strong school-community relationships, and a common commitment” (p. 5) will allow school districts to develop additional financial support, even if the monetary intake is minimal (2004). Biddle and Berliner (2000) quoted John Dewey’s maxim, now a century old:

> What the best and wisest parent wants for his own child, that must be what the community wants for all its children. Any other ideal for our schools is narrow and unlovely; acted upon, it destroys our democracy. (p.17)

Therefore, it is imperative that school districts develop active partnerships with local businesses.

Fundraising

Another method by which schools can benefit is through fundraising efforts. Given school districts’ fiscal and budget constraints, opportunities to raise additional funds for short-term goals and activities are almost mandatory. A survey conducted by the National Association of Elementary School Principals reported 81% polled nationwide said the benefits of fundraising justified the time and effort involved. Sixty-two percent, however, stated they would end fundraising, if possible, due to the time

constraints (Mabry, 2006). McGuire (2003) found that fundraising most often remained an afterthought, not an integral part of institutional planning and strategic planning efforts. She further elaborated that while institutions expected fundraising operations to secure resources for desired goals, historically, the money raised did not necessarily support defined institutional needs and desires.

Shrinking school budgets called for some high-powered fundraising efforts as well as creative ways to get needed services for free. Egodigwe, editor for the *New York Post* and a former staff writer for *The Wall Street Journal*, shared in *Scholastic Administrator* that "… like it or not, these money-earning ventures have become part of an administrator's job" (2004, p. 1). According to Zimmer et al. (2001), principals consistently reported the share of private resources that the schools themselves raised was greater than the share of private resources they received from the districts. If schools desired additional funds for enrichment activities, it was up to the principal to find a way to raise the desired funds. If those funds could not be raised, the principal must forego the activities. For instance, a high school band received an invitation to attend the Macy's Thanksgiving Parade, yet funds had not been allocated for the cost of the trip. If the principal wishes the students to attend the event, then the principal must take responsibility for initiating the fundraising activity.

ChartHouse Learning, a source for creative funding ideas for administrators and club sponsors, suggested that local corporations partner with schools in fundraising efforts since it created a great public relations opportunity. Many companies have dollars set aside for charitable and community purposes (Christensen, 2004). In addition, innovative entrepreneurial ideas within the school district itself are always

welcomed. For instance, a middle school in New York made a rap CD with the principal and some of the students, sold it within the community for $7, and earned $2,000, enough to "pay for the choir's gowns and fund the girls' and boys' basketball teams' transportation" (Egodigwe, 2004. p. 3). The principal used the CD to "lift morale, strengthen communication with students and help make the school some money" (p. 3).

Another method of adding bucks to the budget, according to Egodigwe (2004), included “capitalizing on good luck” (p. 3). A school in Michigan discovered the power and profitability due to "fifteen minutes of fame because of their unusual team name, the Nimrods" (p. 3). They were featured on ESPN cable network in a commercial, and received $30,000 by selling Nimrod paraphernalia throughout the nation.

According to National PTA President Linda Hodge, more school leaders added fundraising to *to do* lists (Gary, 2000). School leaders are bombarded by a plethora of fundraising organizations that tout high percentage profits. For instance, Evolutionary Technologies International (ETI), an Atlantic Canadian technology-driven provider of fundraising programs, was one of many fundraising organizations that developed a simple fundraising program designed for the benefit of the education community where each $5 sale resulted in a $2.50 profit for the school (Gary, 2000). By entering into agreements with companies such as ETI, school districts received a higher percentage of the sales, lessening the need to conduct several fundraisers to obtain the desired financial goal.

Education Foundations

In recent years, one of the hottest fundraising trends in public education has

been education foundations. McCormick, Bauer, and Ferguson (2001) defined a public school foundation as an organization “designed to augment, supplement, or complement programs and activities currently being provided by the district” (p.1). Clay, Hughes, Seely, and Thayer (1989) defined education foundations as “privately operated, nonprofit organizations established to assist public schools” (p. 1). Merz and Frankel (1997) further broke school foundations into two types: those organized by school district leaders typically to raise money to offset budget cuts and those created by forces outside the school district to work for broader reforms. Some foundations, such as Merz and Frankel’s second type, foster educational innovations while supplying schools with needed money, equipment, and services donated by generous businesses and community members. Other foundations supported the school district’s mission, an example of Merz and Frankel’s first type of foundation (1997).

Forming independent private foundations has become a popular way for local school districts to increase their financial resources. When developing education foundations, superintendents and district-level staff relied heavily on personal contacts and relationship building to attract private resources (Zimmer et al., 2001). The number of school foundations grew, providing districts with more flexible funding (Zimmer et al., 2001). Florida, Massachusetts, California, Iowa, and numerous other states followed their private counterparts and established nonprofit foundations in public schools to solicit donations, apply for grants, and organize annual fundraisers on the school's behalf (DeLuna, 1995).

The success of school foundations was well documented in California. In 2000, California school foundations raised more than $30 million for public schools, impacting

more than 3.5 million children (Sweeney, 2001). Shrinking tax revenues, budget cuts, shifting state funds to poor districts, fear of losing students to private schools, and parents' rising expectations of what their children deserve were factors fueling the explosive growth of school foundations (Chmelynski, 1999). In 2001, over 4,800 school foundations existed in 16,000 school districts in the United States (McCormick et al., 2001). That number steadily climbs annually (Renz, Lawrence, & Atienza, 2006). However, some school administrators still do not know the benefits an education foundation can make in their school districts. Administrators in school districts where funding opportunities and financial partnerships are limited do not pursue the avenue of foundations since no financial basis is available for initiating such an endeavor.

The literature identified three types of foundation boards: (1) school board-controlled foundation, meaning all foundation directors were appointed or controlled by the Board of Education; (2) autonomous foundation board, meaning the foundation board was entirely separate from the school board; and (3) the embedded model, meaning the foundation was a separate, autonomous corporation (Clay et al.,1989; McCormick et al., 2001). As members of a foundation board, school administrators represented the school's interest. Any changes to the foundation's bylaws required unanimous approval by the school board representatives and members of the foundation board. Most school foundations operated as independent entities, with no formal, legal relationship to the school district. In that case, the school was not involved in changes in the foundation's bylaws (DeLuna, 1995).

Michigan-based Educational Foundation Consultants suggested that nearly 18% of the nation's public schools benefited from funds raised by associated tax-exempt

foundations (Merz & Frankel, 1997). These foundations allowed school districts to acquire additional funds through education support organizations, defined as groups exempt under Section 501(c)(3) of the Internal Revenue Code and set up to aid local public schools. These foundations provided instructional materials and services, sometimes even financing facility renovations and supplementing teachers' salaries when districts' operational and capital budgets could not accommodate these needs (Merz & Frankel, 1997).

Foundation funds acquired as donations could be classified as unrestricted (the foundation board decided how to use them) or restricted (the donor specified how the funds are to be used), recurring (one could donate on a regular or a predictable basis) or non-recurring (the donation would not be repeated for a long time or at all) (Grace & Wendroff, 2001). Warwick (2000) identified three types of foundation fundraising: (1) institutional fundraising – a cost-effective type of fundraising that involved asking for money from charitable foundations, churches, corporations, and other businesses; (2) major-donor fundraising – nonprofits asked wealthy individuals for support; and (3) small-donor fundraising – lower-income individuals and businesses were asked for contributions. The third type of fundraising for foundations was less efficient than the first two types of fundraising because it required a bigger financial effort and was more time consuming. However, Warwick (2000) argued that organizations should consider small-donor fundraising seriously since about 60 cents of every dollar comes from individuals or families with incomes of $50,000 and under.

Rick Tagliaferri, executive director for the Boston Arts Academy, targeted grants from large and corporate foundations. Its main project was an annual black-tie benefit

and auction which netted approximately $300,000. The foundation tapped influential volunteers -- donors with deep pockets and big hearts -- and used the event to heighten the school's community profile. According to Tagliaferri, "The key to having a successful auction is having that volunteer who knows potential donors." He further explained that "people give because of who is doing the asking" (Egodigwe, 2004, p. 2). Additionally, he shared that "a big part of the positive public relations pitch is having donors visit the school and see how their donation is being used" (Egodigwe, 2004. p. 2). He anticipated more public schools setting up nonprofits to raise funds.

The Public Education Network (PEN), based in Washington, D.C. and comprised of 49 local education funds, operated mostly in cities in 24 states and the District of Columbia. The PEN made the distinction between two types of school foundations: those organized by school district leaders, typically existing to raise money to offset budget cuts and those local education funds under the Network's umbrella, created by forces outside the school district that tend to work for broader reforms (Merz & Frankel, 1997). According to Lampkin and Stern (2003), the broad category of Education Support Organizations (ESO) was divided into Local Education Funds (LEF) and the remaining ESOs called School Foundations. LEFs were defined as "nonprofit organizations that advocate for involvement by all segments of the public in public education, and for systemic improvement in the quality of public education" (p. 4).They worked with, but were independent of, their school systems and had paid staffs with boards reflective of the community. The PEN definition and Lampkin and Stern's definition for local education funds were the same; they have their own agenda for developing local education foundation funds.

LEFs focused on school districts with a significant proportion of low-income families, working to improve the education systems where there was greater need. All LEFs served entire districts and, in many cases, multiple districts within a region or state.

> About 65% of LEF revenues are from contributions made by individuals, corporations and foundations; 20% from programs provided by the organizations; and 10% from other, typically net investment income, net changes in assets and income from special events. Only 5% of the revenue comes from government grants (Lampkin & Stern, 2003, p. 7).

Local Education Funds were seen as a growing group of organizations that were financially able to assist school districts. In 2001, $2.4 million was raised in revenue and $1.7 million in expenses, much larger than the average nonprofit organization. Some of the high rates of growth in revenue and expenses were due to the creation of LEFs in new areas that draw on local philanthropic funds (Lampkin & Stern, 2003).

Most foundations were formed to achieve defined goals, although more than half the school foundation fundraising groups in California, Illinois, Oregon, and Washington were created to compensate for declining revenue (Merz & Frankel, 1997). Lampkin & Stern (2003) identified 1,339 education support organizations. Of that number, 1,267, or 95% of the total support organization, were classified as school foundations. Over half of the school foundations were found in nine states: California, Illinois, Texas, Michigan, Ohio, Massachusetts, New Jersey, Florida, and Oklahoma.

In contrast to the LEFs, many school foundations served only one school within a district (Merz & Frankel, 1997). School foundations did not attempt to maintain independence from the school systems they serve (Lampkin & Stern, 2003). They were created simply to raise extra dollars for school programs or to make up for public

revenue that had been lost (Bergholz, 1992). School foundation resources were most often deployed for existing school programs rather than for system-wide reform efforts, unlike LEFs (Merz & Frankel, 1997). School foundation staff might be paid by the school districts they serve and might have boards that were not reflective of their communities. A district superintendent often acted as chairperson or was granted the right to vote in board decisions. Board members of nonprofit organizations take a more active role in the operation of that organization and exerted influence regarding decisions on specific programming. Nonprofit groups underwrote programs already offered by others in the community, targeting the same market and funding sources (Merz & Frankel, 1997).

Foundations conduct a variety of fundraising techniques. Almost all rely on social event fundraisers, such as dinners and auctions. A black-tie dinner, golf tournament, spaghetti supper, county bazaar, fashion shows, and raffles are frequent events. Most foundations use mail or phone solicitations and ask for annual pledges; however, direct, face-to-face solicitation is more effective. Some foundations also provide means for payroll deduction and employer-matching grants (Merz & Frankel, 1997; Else, 2004). Fundraising should apply the principle of proximity: those closer to the school are more likely to donate (Muro, 1995; McCormick et al., 2001).

Merz and Frankel (1997) found that 40% of the foundations reported raising less than $10,000; 53% raised between $10,000 and $40,000; and 7% raised $100,000 or more. More than half reported funds steadily increased. Lampkin and Stern (2003) reported a drastic increase in school foundation monies, averaging $452,000 and $313,000 in revenues and expenses, respectively. About 60% of school foundation revenues were from contributions made by individuals, corporations, and other

foundations; only 8% were from government grants; and 17% were from programs provided by the organization (Lampkin & Stern, 2003). A growing number of philanthropists and policymakers viewed the education entrepreneurs and competitive markets as instruments of education reform (McLaughlin & Brown, 2000) and used the LEF and ESO arenas as a means to accomplish their agendas.

Foundations return money raised to the school districts in some manner. Those raising smaller amounts of money typically used it for mini-grants to teachers and for student scholarships. Those raising $20,000 - $50,000 spent it on curriculum enrichment programs, teacher training, and teacher resources. Those raising over $100,000 might fund teaching positions (DeLuna, 1995). Most decisions about how to spend money are made by the foundation's board. Normally, the foundation's purpose was to increase involvement in the schools and their communities (Merz & Frankel, 1997). The average amount raised by most school foundations was only about 0.3% of a typical district's budget (Else, 2004). Studies by McLaughlin (1988) and Brown and Rinehart (1991) suggested that most school foundations raise small amounts of money and, therefore, were more effective as public relations tools than revenue-raising mechanisms.

Local Support Venues

All school districts obtain some revenue from local venues. This information, referred to as other local and intermediate revenue, is submitted by all school districts annually to TEA. Some venues are the same for all ten school districts; some venues are unique for the individual district. Revenues from local sources include earnings from

investments, student activity funds, textbook sales, transportation, tuition fees, and food services (National Center for Educational Statistics, 2005). Additional local support venues could include mineral royalties, sale of property, rental income, gate receipts to sporting events, concession stands/vending machines, naming rights, parking fees, and campus publications (Q. Burnett, personal communication, January 30, 2007). Still another example of local support revenue is as simple as a pupil's parents or legal guardians being charged damage fees for abuse or loss of textbooks under rules adopted by the State Board of Education (Texas Education Agency, 2004). Research substantiates that fundraising has been found to be a way of life in public education, and local support venues is another arena for finding financial support.

Local support venues could also include such activities as admission to sporting events, rental fees, and activities fees. Some public schools charged students who wanted to take part in activities such as cheerleading, sports, and art and music classes. For instance, Great Falls Public Schools charged participation fees: $30.00 for the first extracurricular activity and $50.00 for two or more activities. School administrators stated if they did not charge students, the activities must be cut (Forte & Cutright, 2003). Other schools turned to eBay to auction off donated merchandise. Another method for gaining funds required a fee to be paid to school districts for the use of school facilities. For instance, when a school building was used before and after hours by a dance studio, youth athletic group, community college holding a college course, a church-related activity, or personal use of facilities; a fee was levied (Mariano, 2003).

Another well-used venue for adding local financial support by a school district itself was the investment of excess funds. In 1999, the 76th Texas Legislature charged the Comptroller with providing technical assistance to school districts, singling out investments of public funds as an area that required specific attention. Because of the way school districts were funded in Texas, nearly every district had excess funds at certain times of the year that were not needed to pay expenses of the district for days, weeks, or even months. Until the money was needed, wise districts invested their excess cash in accounts or instruments that matured in time to meet their anticipated expenses. Districts left funds fully invested until the money was needed (Strayhorn, 2002).

Some school districts follow the corporate sector's lead by selling naming rights to such spaces as a new gymnasium, athletic stadium, or auditorium. Naming rights give the right to name a piece of property, either tangible property or an event, and is usually granted in exchange for financial considerations. Institutions like schools, places of worship, and hospitals have a tradition of granting donors the right to name facilities in exchange for contributions, with the general rule being that the larger the contribution, the larger the facility named. The public reaction to this practice is mixed. Naming rights sold to new venues have largely been accepted, especially if the buyer has strong local connections to the area. While the highest prices have traditionally been paid for stadium rights, many companies and individuals find that selling their naming rights can be an important consideration in funding their businesses (Egodigwe, 2004).

All school districts submit annual financial reports to TEA, categorizing their revenue sources by object codes. Miscellaneous revenue from intermediate sources,

which includes revenue realized from city, county and other non-school district local government or administrative units, are deducted from overall revenue totals as they are categorized as intermediate sources instead of local revenue sources. Some districts do not even use this category in their submissions.

Chapter 41 (wealthy) school districts rely primarily upon local revenue to support their budgets, whereas the Chapter 42 (poorer) school districts rely heavier upon state support to offset the lack of local revenue (L.B. Coker, personal communication, February 27,2007). When school districts have access to more local funds, state funds decline. The state formula for dispersing funds to school districts recognizes wealth. Therefore, Chapter 42 districts receive more funds from the state (S. Adrian, personal communication, January 26, 2007). In some instances, poorer school districts depend upon the state to furnish from one-third to three-fourths of local school budgets (Strayhorn, 2002). State monies for public education have dwindled over the years, resulting in local school districts having to absorb the expense. Therefore, local support venues are becoming very important among educators.

Summary

The literature supports that school finance is at the center of concern for all school districts in Texas, whether they are wealthy or poor. School districts in Texas, faced with increasing demands and diminishing resources, find it difficult to survive financially on just their annual budgets. Administrators are concerned about adding funds to their annual budgets to assist with enrichment activities as well as additional academic programs. School officials are constantly searching for additional revenues to

supplement their existing budgets. With both federal and state funding continuing to drop, school districts must rely heavily on local support. Therefore, school districts are developing partnerships, conducting fundraising, organizing foundations, and searching for local support venues to pull additional revenue into the school districts' coffers. This research focuses on the amount of funds raised from these four sources, and a per-pupil revenue average will be determined for each school district. This method allows for district comparisons to be made. Even though the percentage of additional revenue raised from these four sources constitutes only a small part of the overall school district's budget, this researcher believes that administrators' access to these revenue sources benefits the school district.

Chapter 3 explains the methodology by which this research was conducted. Research questions are restated and the method by which the participants were selected is explained. The research design is outlined, and an explanation of data collection procedures is shared. The method of data analysis is also explained. Chapter 4 presents the data obtained from the ten school districts. First, financial background information for each district is shown. Then each district's level of participation in partnerships, fundraising, foundations and local support venues is shared through figures and tables. Chapter 5 summarizes the findings from the data, reaches conclusions, and shares suggested areas for future research.

CHAPTER 3

METHODOLOGY

Superintendents continually search for possible revenue sources to make their annual budgets stretch further, and superintendents of the ten school districts featured in this research are no exception. Per-pupil revenues and expenditures for southern states have a history of being well below the national average. The 1990's saw per-pupil spending in this region increase an average of $976 from 1990-1991 to 2000-2001 (Zehr, 2003). Yet the U.S. Department of Education's National Center for Education Statistics revealed that in 2001-2002, Texas, spending $7,183 per pupil, ranked only 38 out of the 50 states in the amount of money spent per pupil (Zehr, 2003). Biddle and Berliner (2002) reported higher levels of local funding were more likely to come from communities where student poverty was minimal, and this research examines if this is still the case by conducting comparisons between Chapter 41 and Chapter 42 school districts.

Research Questions

Ten Texas school districts within the Education Service Center Regions VII, IX, X, and XI were selected for purposive case studies (Lincoln & Guba, 1985) for evaluating funds derived from partnerships, fundraising, foundations and local support venues over a three-year period: 2002-2003, 2003-2004, and 2004-2005. Data gathered were used to determine the percentage of impact upon the school districts' total revenue, and a per-pupil cost comparison was made within the ten school districts.

Conducting in-depth interviews with superintendents, or the individuals in charge of finances, provided a rich financial perspective within these school districts. The questionnaire was initially mailed to each superintendent for distribution and then an email attachment was sent prior to scheduling any personal contact. Utilizing a questionnaire based upon the individual being interviewed - superintendents or business managers, foundation directors, partners-in-education directors, and campus administrators - allowed participants to provide a comprehensive report of their opinions. The questionnaire was especially useful in conducting one-on-one interviews. In-depth interviews, using the questionnaire as a guide, were conducted over the telephone or in person. In some instances, individuals within a school district chose to meet together, forming a focus group. When this occurred, the questionnaire was used as a guideline for focusing the group discussion and became a dialogue-based qualitative research tool (Marshall & Rossman, 2006; Lincoln & Guba, 1985). Discussion within the group allowed me to understand the school district's financial status from a variety of perspectives. Each question was presented to the group, and all members were allowed to give input, obtaining a variety of opinions or extending another's opinion. Using a focus group allowed information to be gleaned as one another's comments created a better picture of their school's financial activities.

The Texas Education Agency has multiple reports that school districts submit annually. Accessing these actual financial data reports and referring to the listing of Chapter 41 and Chapter 42 school districts assisted in determining wealthy and poor school districts. A financial analysis, using TEA's actual financial data records broken down by Revenue Object Codes 5720-5769, was conducted for each of the 10 school

districts to determine funds received from business partnerships, booster clubs and parent-teacher organizations. Campus fundraising activities were examined to determine the participating organizations and the amount of money raised annually. If a school district had a supporting education foundation, efforts were made to determine the amount of monetary gifts donated to the districts. Local support venues in which each school district uniquely participated, were determined, along with the amount of revenue realized from each venue. An analysis of the deposits made to the various budget codes were studied, and overall per-pupil revenue and the percentage of impact from these four areas upon the districts' overall budgets was determined. Shown in Table 5, these sources were delegated to Revenue Object Codes 5720-5769 in a school district's actual financial data report (Texas Education Agency, 2006). To place all school districts on the same level, a per-pupil revenue rate will be determined for each organization.

Table 5

Sources from Other Local and Intermediate Revenue

Revenue Object Code	Category of Revenue Source
5721	Local Revenues Resulting from Sale of Weighted Average Daily Attendance (WADA) to Other School Districts
5722	Shared Services Arrangements – Local Revenues from Member Districts
5723	Shared Services Arrangements – Local Revenues from Fiscal Agent
5729	Local Revenues Resulting from Services Rendered to Other School Districts
5739	Tuition and Fees
5742	Earnings from Temporary Deposits and Investments
5743	Rent

(table continues)

Table 5 *(continued).*

Revenue Object Code	Category of Revenue Source
5744	Revenue from Foundations, other Non-Profit Organizations, Gifts and Bequests
5745	Insurance Recovery
5746	Tax Increment Fund
5749	Other Revenues from Local Sources
5751	Food Service Activity
5752	Athletic Activities
5753	Extracurricular/Cocurricular Activity Other than Athletics
5755	Enterprising Services Revenue
5759	Cocurricular, Enterprising Services or Activities
5761	Revenues from Successor-in-Interest to a Former County Education District
5769	Miscellaneous Revenues from Intermediate Sources

(A. McKenzie, personal communication, November 20, 2007)

In order to present a thorough case study of the 10 school districts, I first met with individuals from each of the ten school districts to focus on four key questions:

1. Do the 10 identified Texas school districts participate in partnerships, fundraisers, foundations, and local support venues to add revenue to their existing budgets?

2. What level of revenue is added to the school districts' general operating budgets from partnerships, fundraisers, foundations, and local support venues during 2003, 2004, and 2005?

3. Does the school district's wealth influence the acquisition of funds from partnerships, fundraising, foundations and local support venues based on a per-student ratio?

4. Does the school district's size influence the acquisition of these funds based on a per-student ratio?

After initial contact with the school districts, I met with other individuals who had a direct association with any of the four targeted financial areas. If gaps appeared in the

data following the initial interview, follow-up emails and/or telephone calls were made to obtain the necessary data.

The findings of this study provided information to determine (1) if the majority of school districts utilized these four sources for funding, (2) how much revenue was realized from these sources, (3) if there was a difference in utilizing these four financial sources for poor school districts compared to wealthy ones, and (4) if school districts' size influenced per-pupil percentage of revenue raised from these four funding sources.

Selection of Participants

This study included ten single high school districts in Texas, two from each classification -- A, AA, AAA, AAAA, and AAAAA. One of the pair was classified as a Chapter 41 district; one was considered a Chapter 42 district. Chapter 41 school districts are considered property wealthy when its property value divided by the number of students in the district using the weighted average daily attendance (WADA) formula, exceeds a state set threshold, currently set at $305,000. Local tax values above that amount become subject to equalization. These school districts must select one of five methods in which to allocate that portion of local funds for distribution among the Chapter 42 school districts. Chapter 42 school districts refer to those districts that do not reach the per-student property value threshold of $305,000. These districts may receive supplemental state funds directly from Chapter 41 districts or from the state to offset the school districts' lack of wealth.

Data from the Texas Education Agency (TEA) allowed me to determine the tax value per pupil in order to ascertain the difference between wealthy and poor school

district classifications, referred to as Chapter 41 and Chapter 42 school districts. Once such a determination was made, permission was secured from superintendents from the school districts within the Education Service Centers (ESC) Regions VII, IX, X, and XI jurisdiction. Superintendents were contacted via email and personal letters to obtain permission, and the questionnaire was submitted in advance of personal contact. Email communications and personal interviews were then conducted to obtain the required data. One district was selected from Education Service Center (ESC) Region VII, one from Region IX, three from Region X, and five from Region XI due to the service centers' close proximity to the university setting. These school districts were used as case studies.

One of the 10 schools, a poor urban AAAA single high school district located in the rapidly growing Dallas/Fort Worth corridor, was used as a pilot study. The school district selected for the pilot study was chosen because of the investigator's employment there, allowing easy access to more in-depth data. Input was solicited from the superintendent; the business manager; the director of human resources, who heads the district's Partners in Education program; and the six campus principals from four elementary schools, one junior high, and one high school.

Data from fundraisers by different student organizations, in which the students themselves raised the funds, was compiled. Partnerships were examined, including parent-teacher organizations, various booster clubs and local businesses that contribute funds without the aid of student solicitation. Education foundations developed by school districts and/or individuals that raised funds to assist school districts were contacted. Although the pilot school district did not have an education foundation until the 2005-

2006 school year, I determined the absence or presence of foundations in the other nine school districts. Other sources of revenue to which the 10 school districts had access, called by this researcher local support venues, included income from sources such as mineral royalties, sale of property, interest income, rental income, gate receipts to sporting events, concession stands, vending machines, donations, naming rights, parking fees, campus publications, student activities, textbook sales, transportation, and tuition fees. These types of revenue were also compiled.

Selection of participants was determined by using the Chapter 41/Chapter 42 lists compiled by TEA. This report listed school districts that paid wealth equalization transfers as well as school districts that received funds. Whenever possible, wealthy school districts were selected based upon making equity transfer payments to poorer districts. The poorer school districts were selected based upon receipt of equity transfer payments directly from wealthier districts. Once the targeted school district agreed to participate, I obtained a consent letter. In instances when a school district chose not to participate, I then used TEA's district accountability data to determine the wealth status in order to select another qualifying school district.

Research Design and Procedures

Through a purposive, case study method, two single high school districts from each classification -- A through AAAAA – within Education Service Centers Regions VII, IX, X, and XI were studied. One school district in each classification was a Chapter 41 school paired with a Chapter 42 school.

By utilizing case study methodology (Marshall & Rossman, 2006; Wolcott, 1990), personnel from each school district shared financial information pertaining to this research. I maintained empathic neutrality (Lincoln & Guba, 1985), learning from the participants' input. Also, I was minimally intrusive (Marshall & Rossman, 2006) in each school district, present only a short time for each interview, returning to the school district to meet with other individuals when necessary. Efforts were made to build trusting relations (Bogden & Biklen, 2007) while gathering data. By initially visiting with central office personnel, I gained easier access to the superintendent or business manager. Personal contact between myself and the superintendent allowed access to data and specific individuals (Marshall & Rossman, 2006). I personally visited each of the ten school districts at least once. In some cases, the education foundation director was housed on-site or in close proximity to the central offices. I was able to see multiple individuals during one visit, reducing the time required for obtaining the data.

Background information, wealth status, campus configuration, racial and economically disadvantaged student body composition, and academic ratings for each school district were mentioned in order to give an overview of the district. This information was based upon TEA's data and the individual school district's responses to the questionnaire. Figures and tables sort and categorize data. Tables convey the tax information by category, the percentage of impact each category made on the overall budget, the annual tax value per pupil, and the maintenance and operation (M&O) rate. Figures show average per-pupil revenue for the three-year periods: 2002-03, 2003-04, and 2004-05. If the Chapter 41 district made wealth equalization payments or if the Chapter 42 district received wealth equalization transfer of funds, a table outlines these

transactions, even though these payments are classified as state funds not local revenue. This information assisted in giving a financial overview of the school district. If these required payments affected the school district's ability to offer specific classes, that information was noted.

Financial resources within the ten case studies were examined to determine whether the school districts were impacted by revenue from partnerships, fundraising, foundations, and local support venues as recorded in their annual financial statements. Included in the first area, partnerships, were businesses and organizations that donated money, scholarships, and supplies to school districts and/or individual campuses. The campus parent-teacher organizations and all booster clubs were considered partnerships. These organizations and businesses were closely tied to the school district financially, and their efforts were focused on raising money for enrichment activities, not for academic endeavors. The amount of funds raised was analyzed. If any financial agreements were extended to the districts through partnerships, those were shared. Booster clubs and parent-teacher organizations were responsible for their own financial records, and an effort was made to obtain the treasurer's reports to determine the amount of funds raised and the donations made to the districts.

Included in the second area, fundraising, were all campus clubs and organizations where students raised the money. Types of fundraisers initiated at the campus levels, a list of all campus organizations participating in fundraisers, and the amounts of funds raised were charted. These funds were normally submitted to the campus secretary and then forwarded to the district financial office or deposited into the bank. Fundraising efforts could be tracked through the activity funds of the school

district's financial records, Code 865. If fundraising was conducted by campus administrators, those funds were Code 461. These funds are also allocated to Revenue Object Code 5749 in the other local and intermediate revenue category of the annual financial data report. This investigator determined the amounts of funds raised by each school district and showed the financial impact on a per-student basis.

If any school district had supporting education foundations, the third area, their financial impact was shared and their various fundraising efforts were noted. Education foundations included those entities that established bylaws and formed a governing body strictly for overseeing the money raised to assist the school districts' academic endeavors. These foundations were developed by school districts, by businesses, or by individuals within the ten specific locales. A foundation was a separate entity from a school district and had its own financial records. It also had its own executive director, whose sole function was to raise money. When foundation funds were donated to school districts, they were deposited in Revenue Object Code 5744 and were normally allocated in the form of teacher and/or student scholarships for enhancing academic focus.

The fourth area, entitled local support venues by this investigator, listed unique sources of revenue for each school district and the financial impact. The National Center for Education Statistics (2005) listed revenues from local sources as local property and non-property taxes, investments, revenue from student activities, textbook sales, transportation, tuition fees, and food services. Also included in local support venues was money earned through sources such as mineral royalties, sale of property, rental income, gate receipts, concession stands/vending machines, naming rights,

parking fees, and campus publications. Money earned by school districts' individual efforts and agreements was also included by referring to the category other local and intermediate revenue listed in the actual financial data reports. These revenue sources were assigned to Revenue Object Codes 5720-5769.

Data Collection

Data collection was conducted through a variety of methods. The use of a questionnaire added structure to individual and focus group interviews. Document analysis was used, relying heavily upon the Texas Education Agency's annual reports submitted by the individual school districts. Triangulation, a method of cross-checking data from multiple sources to search for regularities in the research data, (Lincoln & Guba, 1985) was utilized. I compared data obtained from the questionnaires to the actual figures submitted to TEA. Initial observations were first conducted with the Class A school districts. Data were gathered, based upon the 2002-2003, 2003-2004, and 2004-2005 school years, from individual school districts utilizing questionnaires, interviews, telephone, and email correspondence. A questionnaire (Appendix A) including all aspects of necessary data was initially sent to the superintendent of each of the ten school districts. That questionnaire was further broken down for each director having financial information regarding partnerships, fundraisers, foundations and other local support venues. Breaking down the questionnaire by different categories allowed the superintendent to forward the portion of the questionnaire to the appropriate individual for data collection. In this manner, the

specific individuals having knowledge of the sought-after data were notified prior to my first contact. The questionnaire was designed to obtain (1) types of organizations that donated funds to school districts from entities such as parent-teacher organizations (PTOs), local businesses, and various booster clubs, (2) types of campus fundraisers conducted within the school districts, raised solely through students' efforts, (3) education foundations that impacted school districts, (4) types of other local support revenues (mineral royalties, sale of property, interest income, rental income, gate receipts, concession stands, vending machines, donations, naming rights, parking fees, campus publications) that each district received, and (5) the amount of revenue realized from each of these sources.

In conjunction with the use of the questionnaire, tape-recorded interviews were initially conducted with each superintendent, or designee, in his or her natural setting during the investigator's visit to each of the ten school districts. With the superintendent's guidance, other interviews no longer than an hour in length, were conducted with additional school district personnel based upon their expertise and/or position. In some cases, focus group, instead of individual, interviews were conducted at the superintendents' requests. The recordings and transcriptions were both conducted solely by myself (Marshall & Rossman, 2006; Hatch, 2002; Glesne & Peshkin, 1992). Emails, follow-up telephone conversations, and other interviews were scheduled when necessary to obtain initial contact and then for clarification and accumulation of additional data.

The primary sources for historical analysis used archived Academic Excellence Indicators System (AEIS) data and Annual Actual Financial Data Reports accessed

through the Texas Education Agency (TEA). Accessing archived data allowed me to be a minimal distraction. My use of this data allowed me to be as unobtrusive as possible while obtaining demographic, background, and archival data (Marshall & Rossman, 2006; Lincoln & Guba, 1985). Overall financial figures were accessed in this manner, but personal input was necessary to determine the method by which the finances were obtained.

Data Analysis

Background information of the five wealthy school districts were contrasted with the five poorer school districts covering a three-year period: 2002-2003, 2003-2004, and 2004-2005. Both a historical and a financial analysis, using descriptive statistics (Marshall & Rossman, 2006; Lincoln & Guba, 1985), were conducted. A systematic search was made to organize data and to identify and discover patterns found within the ten school districts (Wolcott, 1990). A comparative analysis of per-pupil cost from the TEA was made, along with total revenue amounts allocated to Revenue Object Codes 5720-5769, submitted by each school district in their annual actual financial data report. Wealth status, ethnicity, and percentage of economically disadvantaged students for each district were mentioned. A table outlining the tax value by category and the percentage of impact made upon the school district's budgets was included along with an additional table highlighting annual tax value per pupil, and maintenance and operation (M&O) rates. If the school district paid or received any wealth equalization transfer funds, a table was included to show the amounts.

A table showing each of the ten school districts' amounts of funding received

from partnerships, fundraisers, foundations and other local support venues, and the percentage of the impact from these four categories upon the school districts' budgets was shared. The TEA's financial data for each school district were studied, in addition to personal data gathered from school personnel. A comparison based on per-pupil cost was made, using TEA's annual snapshot day in October as student enrollment figures.

In addition to personal data collection, I studied AEIS data and actual financial data reports as the primary sources for historical and financial data analyses. Archived reports supported responses to the questionnaire and data gathered during personal interviews. These financial accountability records revealed the tax value of the districts by category, the percentage of impact made upon the school districts' budgets, and total revenue by account codes.

Summary

The methodology incorporated in this research used the qualitative methods of research outlined in a variety of sources (Marshall & Rossman, 2006; Wolcott, 1990; Lincoln & Guba, 1985; Bogden & Biklen, 2007; Glesne & Peshkin, 1992; Hatch, 2002). Tape-recorded interviews and a questionnaire addressing partnerships, fundraising, education foundations, and local support venues were used. TEA's archived financial records and the financial records of booster clubs, parent-teacher organizations, education foundations, and campus organizations that conducted fundraisers within the various campuses of the school districts were studied.

Chapter 4 presents background information for each of the ten school districts and then analyzes financial data collected from each of the school districts. Even

though equity transfers are classified as state funds, their inclusion gives a clearer financial picture of the school districts. A per-student financial comparison will be made between the two schools of the same classification, A through AAAAA, for each category to investigate the impact wealth and size of the school districts make in the areas of partnerships, fundraising, foundations, and local support venues. Chapter 5 summarizes the findings from the data of these 10 school districts, presents conclusions, and suggests areas for future research.

CHAPTER 4

DATA ANALYSIS

A systematic procedure was used to analyze data obtained from the ten school districts highlighted in this research. First, financial background information was examined for each school district. Then data was reported for each school district pertaining to the four categories: partnerships, fundraising, foundations, and local support venues. Data was obtained through archived Texas Education Agency (TEA) reports, tape-recorded interviews, completed questionnaires, telephone and email communications, and Website information. The districts' actual financial submissions to TEA supplement acquired information. Analysis was conducted by using a combination of tables and figures to compare and contrast the school districts' wealth and size to financial endeavors on a per-pupil basis.

Background Information

The financial data used in this research are presented based on school classification. The first two schools, classified as A districts, allow a comparison of one wealthy to one poor using TEA's Chapter 41/Chapter 42 guidelines. Then the AA schools are compared followed by AAA schools, AAAA schools, and AAAAA schools. The districts' academic ratings, locale, predominant ethnicity, and economically disadvantage percentage are presented as background information. Tax information by category, the percentage of impact made on the districts' overall budgets, and Maintenance and Operation (M&O) rates are shown; along with annual student enrollment and annual tax value per pupil for the three-year period. Figures showing the

average pupil percentages over the three-year period are presented in order to equalize the financial information in both Chapter 41 and 42 districts. If the district pays equity transfers or receives wealth equalization from another school district, a table is included to show these amounts, even though these funds are classified as state funds, not local funds. Including this information further shows the property wealth of each district.

Chapter 41 1A School

This wealthy rural school district of approximately 235 square miles (National Center for Educational Statistics, 2005) consists of two campuses housed under one roof, serving approximately 90% Caucasian students from pre-kindergarten through twelfth grade with close to 50% classified as economically disadvantaged. Students are divided into elementary (PK-6) and secondary (7-12). This district received a rating of Academically Acceptable for all three school years 2002-2003, 2003-2004, and 2004-2005 (Texas Education Agency, 2003, 2004, 2005). Even though the town itself does not show signs of wealth, the nearby lake property tax values drove the school district into Chapter 41 status (C. Welch, personal communication, February 20, 2007). The value of assessed property is a reflection of the fiscal capacity to generate revenue to support local schools. Table 6 reveals the assessed property values by category and the percentage of impact each category makes upon the school district's total budget.

Table 6 shows the impact that the assessed tax value on residential property made to the overall budget. This district was situated in an area that had available land to sell. This district also received revenue from oil and gas taxes. In contrast,

businesses were limited. As a result, this tax category ranked third in the amount of revenue realized.

Table 6

Tax Information by Category and Percentage of Impact on District Budgets

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$30,299,957	8.5	$34,233,902	9.9	$37,607,630	9.9
Residential	$251,801,166	70.4	$231,052,710	67.2	$246,268,840	65.0
Land	$45,781,874	12.8	$45,936,850	13.4	$54,480,683	14.4
Oil & Gas	$21,619,890	6.0	$22,653,150	6.6	$30,445,890	8.0
Other	$8,324,921	2.3	$9,911,240	2.9	$10,107,860	2.7
Total	$357,827,808	100.0	$343,787,852	100.0	$378,910,903	100.0

Source: TEA (2003, 2004, 2005).

The school district's total property values from the above five categories divided by the number of students enrolled in the school district determine the tax value per pupil shown in Table 7. With wealth equalization determined at $305,000 per weighted pupil in 2002 (Texas Education Agency, 2003), this district more than tripled that level by 2004-2005. The M&O rate rose to the maximum level of $1.50 per $100 of property valuation during 2003-2004 but decreased in 2004-2005. With enrollment dropping and assessed tax values increasing in 2004-2005, the tax value per pupil increased by more than $160,000. Therefore, an even larger portion of its taxes must be sent to the state's coffers.

Based on TEA's actual financial data submitted by this school district each year, Figure 1 clearly shows the district's per-pupil revenue rose in 2003-2004 and continued to hold steady the following year. Even with student enrollment declining, the assessed

tax values continued to increase, resulting in more revenue per student.

Table 7

District Enrollments, Tax Values Per-Pupil, and Maintenance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-2003	365	$898,154	$1.464
2003-2004	367	$854,847	$1.500
2004-2005	344	$1,015,244	$1.413

Source: TEA (2003, 2004, 2005).

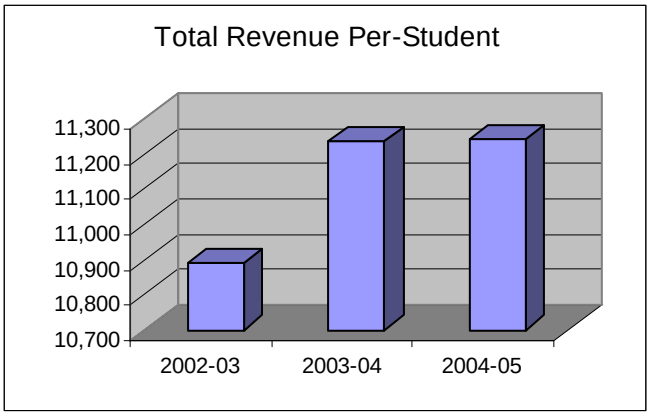

Figure 1. Total revenue per-student (TEA, 2003, 2004, 2005).

This school district, being a Chapter 41 district, chose to pay its excess revenue directly to the state; these funds are, therefore, considered state funds, not local. Table 8 indicates the amount of wealth equalization payments over the three-year period and the amount of potential money the district lost on a per-student basis.

Table 8

Wealth Equalization Transfer Payments and Potential Per-Pupil Funding Lost

2002-2003	Per Pupil	2003-2004	Per Pupil	2004-2005	Per Pupil
$1,147,069	$3,143	$2,086,906	$5,686	$2,176,107	$6,326

Source: TEA (2003, 2004, 2005).

Figures 2 and 3 show the annual wealth equalization payments and per-student revenue this school district lost because of Robin Hood. Equity payments continued to rise each year, but the district's loss of an additional $1 million during the 2003-2004 year impacted this Chapter 41 district.

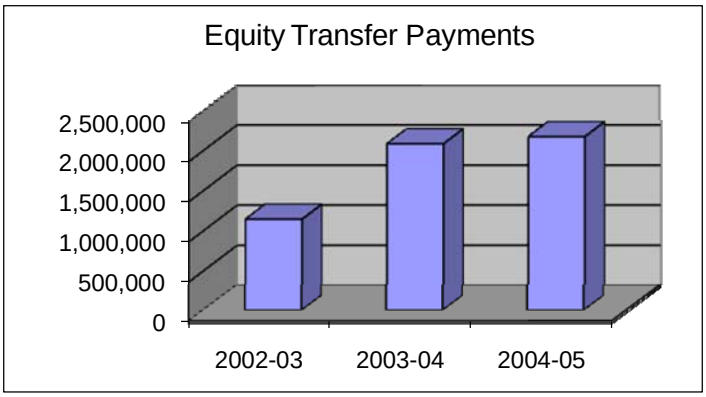

Figure 2. Equity transfer payments (TEA, 2003, 2004, 2005).

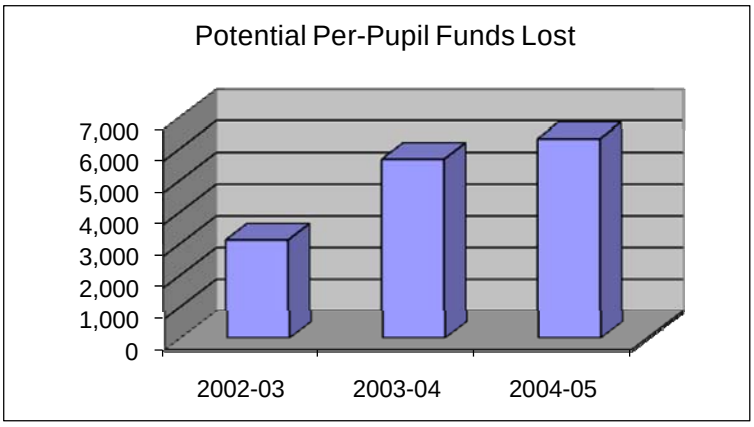

Figure 3. Potential per-pupil funds lost (TEA, 2003, 2004, 2005).

Figure 3 shows the loss of funds by which this district had the potential of impacting its students if it had not been required to send revenue above the $305,000 threshold to the state's coffers. Due to the transfer of these funds, this Chapter 41 school district did not offer music, art, or any Advanced Placement classes; nor did it have facilities for baseball, softball, or track programs. The district rented facilities from

the local Little League Organization, which did not meet University Interscholastic League (UIL) high school athletic standards (M. Davis, personal communication, February 20, 2007).

Chapter 42 1A School

This poor rural school district, covering approximately 140 square miles (National Center for Educational Statistics, 2005), consisted of one campus serving almost 90% Caucasian students from pre-kindergarten through twelfth grade with close to 45% classified as economically disadvantaged. Students were divided into two categories elementary (PK-8) and secondary (9-12), for the 2002-2003 school year and then changed to three divisions, PK-5, 6-8, and 9-12, for the 2003-2004 school year. This school district was rated Academically Acceptable all three years (Texas Education Agency, 2003, 2004, 2005).

This school district was uniquely composed of three different communities, none of which were wealthy and offered little business support to the school. The majority of the students resided in a community approximately 12-14 miles from the school where horse farms were the predominant livelihood. Another community, approximately 8-10 miles from the school, was known for its peach and pecan orchards. The third community housed the school district (D. Welch, personal communication, February 22, 2007).

Table 9 outlines tax values by category and the percentage of impact made upon the school district's budget. This rural district relied primarily on two categories of assessed tax values to support its school district's budget: residential and land. Over

the three-year period, both categories rose in both assessed tax value and the overall percentage of impact to the budget. These two tax categories comprised over 75% of the overall budget. The third category, business, had few establishments throughout the three communities that collectively formed this school district.

Table 9

Tax Information by Category and Percentage of Impact on District Budgets

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$13,769,500	20.3	$11,561,570	16.6	$11,772,220	16.2
Residential	$27,609,351	40.5	$30,164,361	43.2	$32,336,081	44.4
Land	$22,992,795	33.8	$24,182,075	34.7	$25,191,615	34.6
Oil & Gas	$2,072,280	3.0	$2,341,280	3.4	$2,066,810	2.8
Other	$1,654,350	2.4	$1,451,380	2.1	$1,464,870	2.0
Total	$68,098,276	100.0	$69,700,667	100.0	$72,831,596	100.0

Source: TEA (2003, 2004, 2005).

Table 10 indicates the number of students enrolled in the school district, the tax value per pupil, and the annual M&O rates established by the district. The tax value per pupil decreased by approximately $1,500 between 2002-2003 and 2003-2004, just over 2%. Yet it rose by almost $7,000 between 2003-2004 and 2004-2005, just over a 4% increase. The M&O rate stayed at the maximum level during the three-year period.

Based on TEA's actual financial data, Figure 4 shows the district's per-pupil revenue covering the three-year periods. Note the drop of approximately $200 in per-student revenue in 2004-2005 as compared to the first two years. The assessed tax values increased as student enrollment decreased. And in a Chapter 42 school district,

loss of state funds based on student enrollment is quite noticeable.

Table 10

District Enrollments, Tax Values Per-Pupil, and Maintenance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-2003	501	$112,615	$1.50
2003-2004	517	$111,193	$1.50
2004-2005	512	$118,068	$1.50

Source: TEA (2003, 2004, 2005).

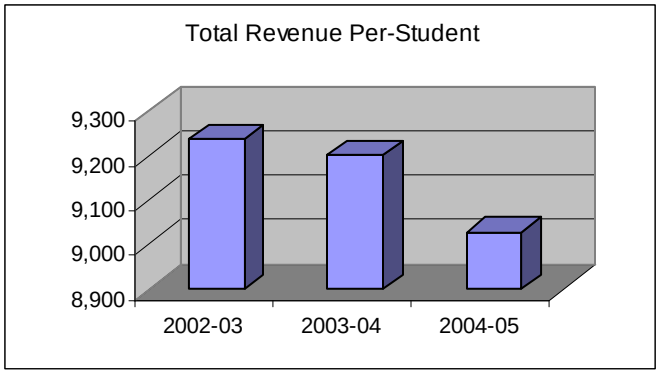

Figure 4. Total revenue per-student (TEA, 2003, 2004, 2005).

This district, according to the State Funding Division of TEA, received equity transfer funds during the 2003-2004 school year only (Texas Education Agency, 2004) as shown in Table 11. These funds, however, are classified as state funds, not local.

Table 11

Wealth Equalization Transfer Payments Received and Per-Pupil Funding Gained

2002-2003	Per Student	2003-2004	Per Student	2004-2005	Per Student
0	0	$923,021	$1,785	0	0

Source: TEA (2003, 2004, 2005).

According to the superintendent, the school district's biggest financial concern was a slight decrease in enrollment over the four years he had been there, resulting in loss of revenue based on average daily attendance. He shared that the district was hurting financially, mainly due to his hiring teachers to coach various activities. The high school offered every sport (volleyball, basketball, softball, baseball, tennis, golf, cross country, football), Advanced Placement classes, music, art, one-act play, and band. Students were also allowed to participate in dual credit courses with the community college not too far from the school district (D. Welch, personal communication, February 22, 2007).

Chapter 41 2A School

This wealthy, rural-suburban school district of slightly over 50 square miles (National Center for Educational Statistics, 2005), consisted of a high school, an adjoining middle school, and an elementary campus where the middle school and high school shared facilities for library, arts, cafeteria, and athletics. This district served close to 92% Caucasian students with slightly over 7% classified as economically disadvantaged. Academic ratings varied yearly with a rating of Exemplary in 2002-2003, Academically Acceptable in 2003-2004, and Recognized in 2004-2005 (Texas Education Agency, 2003, 2004, 2005).

Table 12 categorizes the tax values and the percentage of impact made upon this school district's budget. This school district's Chapter 41 status was due to rapidly increasing residential property tax values and an affluent retirement community (C. Pierel, personal communication, February 15, 2007), comprising over 60% of the school

district's tax base (Texas Education Agency, 2003, 2004, 2005). The assessed value of the land in this district supplied close to 28% of the budget. These two categories alone filled 90% of its budgeted needs while taxes on local businesses made only a 9% impact on the budget.

Table 12

Tax Information by Category and Percentage of Impact on District Budgets

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$37,895,218	6.9	$40,274,814	6.8	$45,676,078	7.1
Residential	$358,340,978	64.8	$384,652,831	65.1	$415,209,273	64.2
Land	$154,910,346	28.0	$165,306,982	28.0	$178,561,307	27.6
Oil & Gas	$952,250	0.2	$356,510	0.0	$6,437,580	1.0
Other	$603,371	0.1	$592,091	0.1	$574,398	0.1
Total	$552,702,163	100.0	$591,183,228	100.0	$646,458,636	100.0

Source: TEA (2003, 2004, 2005).

Table 13 shows the number of students enrolled in the school district, the tax value per pupil, and the M&O rates. With an increase in enrollment, the per-pupil tax value declined by approximately 0.2%, almost $4,000 annually. This school district's tax value per-pupil rate remained fairly constant, reflecting little change in the appraised tax value within the district. The M&O rate stayed at the maximum level of $1.50/$100 taxable assessed value (TAV) annually during the three-year period, revealing the need for as large a tax base as possible to meet its budget.

Based on TEA's actual financial data, Figure 5 depicts the district's per-pupil revenue covering the three-year period. There was a slight decline in per-pupil revenue during the second year by less than $100 per student, yet an increase of over $300 per

student occurred during 2004-2005 (Texas Education Agency, 2003, 2004, 2005). Tax values per-pupil dropped during the second year, and district enrollment increased by over 100 students. With the district's appraised tax values remaining fairly constant and student enrollment growing, the district received more state funds in 2004-2005 than in the prior years.

Table 13

District Enrollments, Tax Values Per-Pupil, and Maintenance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-2003	1,244	$411,038	$1.50
2003-2004	1,345	$407,551	$1.50
2004-2005	1,482	$403,793	$1.50

Source: TEA (2003, 2004, 2005).

Table 14 shows no wealth equalization payments were made during 2002-2003 but became a Chapter 41 district in 2003-2004, resulting in funds being paid directly to the state the remaining two years (Texas Education Agency, 2003, 2004, 2005). The district experienced having to pay wealth equalization funds due to its being over the $305,000 per weighted pupil threshold.

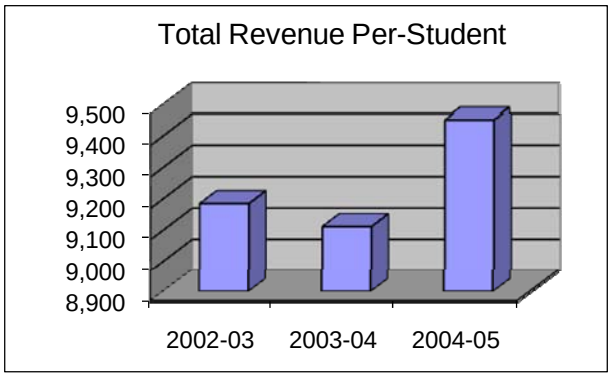

Figure 5. Total revenue per-student (TEA, 2003, 2004, 2005).

Table 14

Wealth Equalization Transfer Payments and Potential Per-Pupil Funding Lost

2002-2003	Per Pupil	2003-2004	Per Pupil	2004-2005	Per Pupil
$0	$0	$20,249	$15	$181,301	$122

Source: TEA (2003, 2004, 2005).

Figures 6 and 7 show the annual wealth equalization transfer payments made to the state as well as potential per-student revenue lost.

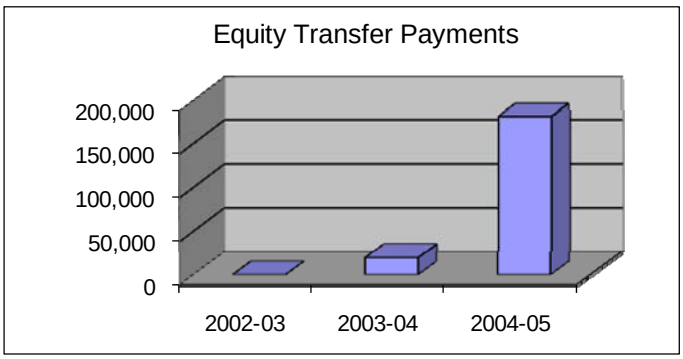

Figure 6. Equity transfer payments (TEA, 2003, 2004, 2005).

This district just became a Chapter 41 school during the 2003-2004 school year. Having to send over $180,000 to the state's coffers for the first time financially impacted the district during the 2004-2005 school year, resulting in programs and positions being cut.

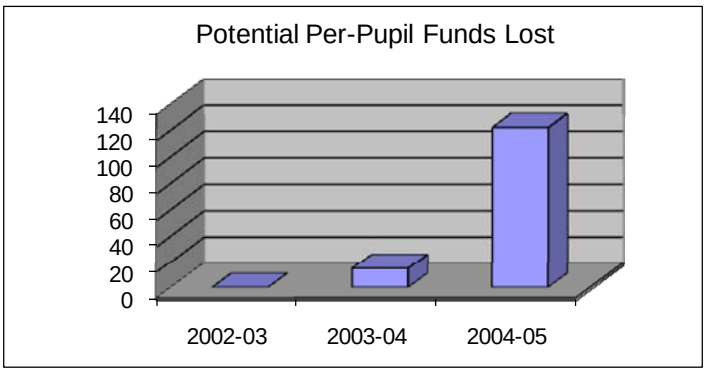

Figure 7. Potential per-pupil funds lost (TEA, 2003, 2004, 2005).

Even with paying over $180,000, resulting in a potential per-student loss of funds of over $120 per student, the district still realized an increase in total revenue per student as shown in Figure 5. However, due to the loss of these funds, staff positions were trimmed, and the district relied upon PTA volunteers to assist in those capacities (C. Pierel, personal communication, February 15, 2007).

Chapter 42 2A School

This rural school district, covering approximately 105 square miles (National Center for Educational Statistics, 2005), consisted of four campuses serving approximately 80% Caucasian students from pre-kindergarten through twelfth grade with close to 45% classified as economically disadvantaged. Students were divided into elementary (PK-2), intermediate (3-5), middle school (6-8), and high school (9-12). This school district ranked as Recognized for the first two years and Academically Acceptable for the 2004-05 school year (Texas Education Agency, 2003, 2004, 2005).

Table 15 indicates the tax values by category and the percentage of impact each category made upon this school district's budget. The district obtained its local funds primarily from assessed tax values on residential property and the value of land. These two categories comprised almost 70% of its budget.

Table 16 indicates student enrollment, tax value per pupil, and M&O rates. Student enrollment declined by 42 students in 2004-2005; and the tax value per pupil increased by almost $8,000 a year, a 3% increase. The M&O rate, increased by only $0.01, offset the decrease of state funds due to the drop in enrollment, yet the M&O rate remained well under the $1.50 cap (Texas Education Agency, 2003, 2004, 2005).

Table 15

Tax Information by Category and Percentage of Impact on District Budgets

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$50,827,630	26.5	$53,951,240	26.0	$56,584,510	26.6
Residential	$68,052,690	35.4	$74,362,890	35.8	$74,223,320	34.8
Land	$65,103,700	33.9	$70,892,940	34.2	$72,055,400	33.8
Oil & Gas	$4,412,420	2.3	$4,310,220	2.1	$5,961,700	2.8
Other	$3,672,010	1.9	$3,862,790	1.9	$4,248,310	2.0
Total	$192,068,450	100.0	$207,380,080	100.0	$213,073,240	100.0

Source: TEA (2003, 2004, 2005).

Based on TEA's actual financial data, Figure 8 shows the district's per-pupil revenue for the three-year period. Due to the increase in the M&O rates, total revenue per student increased close to $300 per student in 2003-2004, and the district acquired an additional gain of almost $900 per student in 2004-2005 (Texas Education Agency, 2003, 2004, 2005). Table 16 clearly shows the tax value per student is significantly below the $305,000 threshold, allowing this Chapter 42 district to qualify to receive more state assistance.

Table 16

District Enrollments, Tax Values Per-Pupil, and Maintenance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-2003	1,247	$119,385	$1.25
2003-2004	1,258	$127,951	$1.29
2004-2005	1,216	$138,096	$1.30

Source: TEA (2003, 2004, 2005).

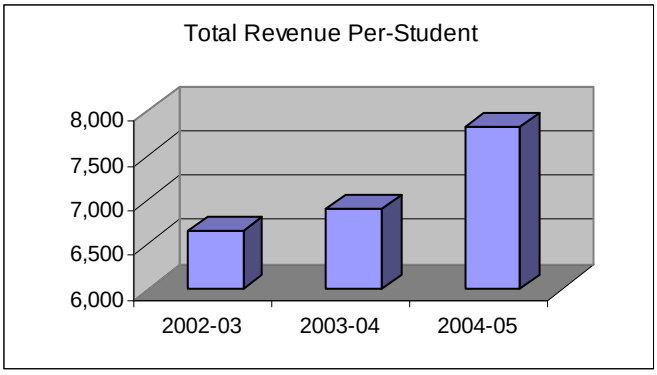

Figure 8. Total revenue per-student (TEA, 2003, 2004, 2005).

This school district was the recipient of wealth equalization transfer funds, state funds, for each of the three years. Table 17 shares the amount of funds this district received and the impact these funds made on a per-pupil basis.

Table 17

Wealth Equalization Transfer Payments Received and Per-Pupil Funding Gained

2002-2003	Per Pupil	2003-2004	Per Pupil	2004-2005	Per Pupil
$4,383,571	$3,515	$3,852,273	$3,062	$4,968,309	$4,086

Source: TEA (2003, 2004, 2005).

Figures 9 and 10 show the amount of funds received from the state and per-pupil funding gained through wealth equalization transfer payments. Note the decline of over $500,000 in the 2003-2004 payments received. Yet in 2004, this district realized a gain of over $1 million, making the per-student gain rise to over $4,000. According to the superintendent, a portion of these funds allowed students the opportunity to participate in dual credit courses with the community college (G. Gilbert, personal communication, May 21, 2007).

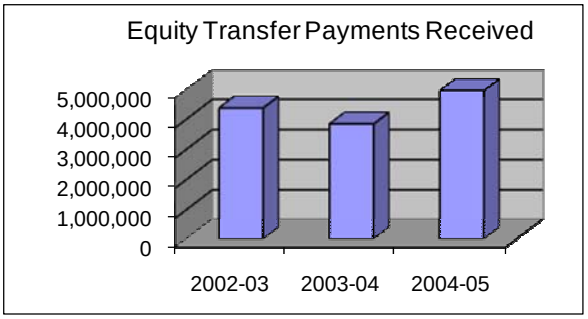

Figure 9. Equity transfer payments received (TEA, 2003, 2004, 2005).

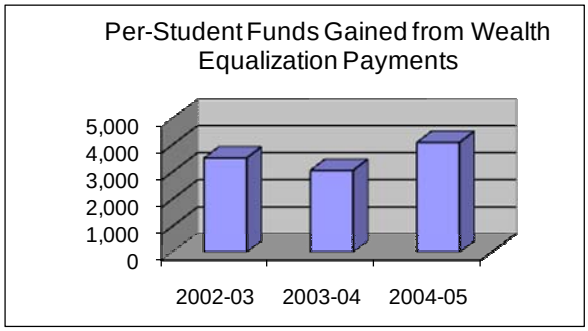

Figure 10. Per-student funds gained from wealth equalization payments (TEA, 2003, 2004, 2005).

Chapter 41 3A School

This rural wealthy 3A school district of approximately 202 square miles (National Center for Educational Statistics, 2005) was located in farming and ranching country and served a population of approximately 77% Caucasian students, with close to 42% classified as economically disadvantaged. Ranked as the 36th wealthiest Texas school district in 2002-2003 (G. W. Rotan, personal communication, January 24, 2007), this school district supported four campuses: high school (9-12), junior high (6-8), intermediate (3-5) and elementary (PK-2) and received the ranking of Academically Acceptable for each of the three years (TEA, 2003, 2004, 2005). This school system, on each of its campuses, featured one of the first fiber optic networks installed in a

school district (G.W. Rotan, personal communication, January 31, 2007).

Reflective of the consolidated Academic Excellence Indicators Systems Reports (AEIS) data for the three-year period, Table 18 outlines the tax values and the percentage of impact made upon this school district's budget. Table 18 does show the heavy reliance upon local businesses to support the tax base for the school district's budget. Texas Utilities Electric Company, the largest single taxpayer in the district, supplied more than 90% of the district's taxes from its two nuclear power plants (G.W. Rotan, personal communication, January 31, 2007). The assessed tax values remained consistent over the three years. The residential category reflected a 1% increase in assessed tax values from 2003 to 2005, resulting in a $2.8 million increase. The 2002-2003 property value of $1,064,251 per student was more than five times higher than the state average of $239,436 (Texas Education Agency, 2003).

Table 18

Tax Information by Category and Percentage of Impact on District Budgets

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$1,567,359,097	85.9	$1,577,000,071	84.0	$1,596,654,529	84.8
Residential	$120,652,254	6.6	$144,831,982	7.7	$148,568,659	7.9
Land	$133,989,912	7.4	$153,775,292	8.2	$133,698,553	7.1
Oil & Gas	$49,140	0.0	$42,480	0.0	$107,070	0.0
Other	$2,321,540	0.1	$2,714,540	0.1	$2,836,377	0.2
Total	$1,824,371,943	100.0	$1,878,364,365	100.0	$1,881,865,188	100.0

Source: TEA (2003, 2004, 2005).

The superintendent shared:

> the county entities and the school district commit to bringing the very best

services and facilities to their citizens as is evident in the community's Expo Center and Amphitheater, medical and correctional facilities, wildlife preserve, and the *cutting edge* technology integrated into its campuses (G.W. Rotan, personal communication, January 31, 2007).

As shown in Table 19, enrollment fluctuated. The district lost 79 students in 2003-2004 and gained back only eight students in 2004-2005. The tax value per pupil increased by almost $100,000 in the 2003-2004 year but experienced a decline of approximately $12,000 in 2004-2005. The M&O rate increased annually but still remained significantly below the $1.50 cap (Texas Education Agency, 2003, 2004, 2005).

Table 19

District Enrollments, Tax Values Per-Pupil, and Maintencance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-2003	1,674	$1,064,251	$1.075
2003-2004	1,595	$1,149,870	$1.085
2004-2005	1,603	$1,137,206	$1.118

Source: TEA (2003, 2004, 2005).

Based on TEA's actual financial data submitted annually by the school districts, Figure 11 reflects the district's per-pupil revenue for the three-year period. Total revenue per student increased approximately $1,600 between the first two years and then slightly increased between the last two years at a rate of $450 per student (Texas Education Agency, 2003, 2004, 2005). The annual increase in the overall assessed tax values, seen in Table 18, and the yearly increase in the M&O rates, seen in Table 19, are reflected in the total per-student revenue shown in Figure 11.

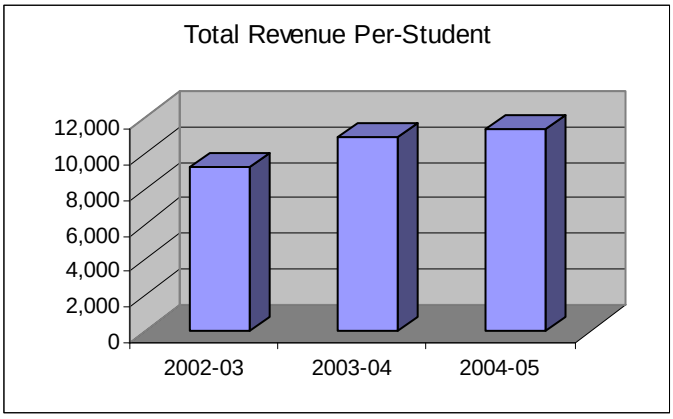

Figure 11. Total revenue per-student (TEA, 2003, 2004, 2005).

This Chapter 41 school district sends an excess of $7,000,000 annually in wealth equalization transfer payments to the state. Table 20 shows the amount of annual payments along with potential per-student revenue lost based upon these payments.

Table 20

Wealth Equalization Transfer Payments and Potential Per-Pupil Funding Lost

2002-2003	Per Pupil	2003-2004	Per Pupil	2004-2005	Per Pupil
$7,658,737	$4,575	$7,296,573	$4,575	$7,865,011	$4,906

Source: TEA (2003, 2004, 2005).

This district's wealth equalization transfer payments and potential per-student revenue lost are shown in Figures 12 and 13. This district was well above the $305,000 per-student threshold; therefore, the state was sent the money above the threshold to be distributed to the Chapter 42 school districts. Due to being a Chapter 41 school district, this school district experienced a loss of $8,000,000 during the 2004-2005 school year, resulting in a per-student loss of $5,000 (Texas Education Agency, 2003, 2004, 2005).

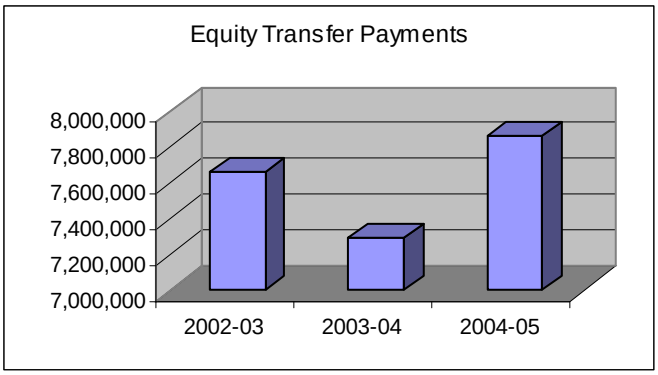

Figure 12. Equity transfer payments (TEA, 2003, 2004, 2005).

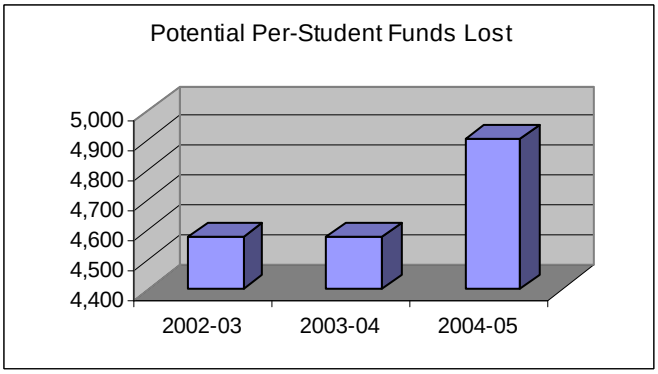

Figure 13. Potential per-student funds lost (TEA, 2003, 2004, 2005).

This district, due to the financial influence of TXU, did not experience any loss of programs or personnel by being classified as a Chapter 41 school. TXU underwrote scholarships and grants to allow the continuation of programs. Scholarships were offered to qualifying students to enroll in dual credit courses at the local college extension campus. Teachers could apply for grants for enrichment activities and programs. TXU funded educational endeavors when the school district did not feel it could fund them (G.W. Rotan, personal communication, January 31, 2007).

Chapter 42 3A School

This rural 3A school district covered 165 square miles (National Center for

Educational Statistics, 2005) and consisted of four campuses: high school (9-12), junior high school (6-8), intermediate (3-5), and elementary (PK-2). Based upon the consolidated AEIS data, the ethnic population was over 87% Caucasian, and the economically disadvantaged percentage was around 27%, yet both categories showed a slight decline during this three-year period. The school district maintained its Recognized status for all three years (Texas Education Agency, 2003, 2004, 2005).

Table 21 categorizes the tax values and the percentage of impact made to this school district's budget, revealing that residential taxes made the largest impact. In contrast to its Chapter 41 3A counterpart, it did not have a single category that primarily funded its budget. Instead, this Chapter 42 district relied upon three areas of taxation to support its budget: business, residential, and land.

Table 21

Tax Information by Category and Percentage of Impact on District Budgets

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$124,439,830	28.0	$137,482,790	28.8	$149,372,670	29.3
Residential	$172,409,451	38.8	$190,680,580	39.9	$193,821,548	38.0
Land	$133,635,230	30.1	$136,981,830	28.7	$153,229,340	30.1
Oil & Gas	$1,787,100	0.4	$1,815,070	0.4	$1,578,210	0.3
Other	$12,141,590	2.7	$10,490,280	2.2	$11,603,400	2.3
Total	$444,413,201	100.0	$477,450,550	100.0	$509,605,168	100.0

Source: TEA (2003, 2004, 2005).

Assessed tax values on residential property during 2003-2004 increased by an additional $18.2 million, impacting the budget by an increase of 1.1%. The three

categories – business, residential, and land – continued to support 97% of the school district's budget.

Table 22 shows an increase in district enrollment of 68 students during 2003-2004 and annual increases in per-pupil tax values. The tax value per pupil increased by almost $7,000 between 2002-2003 and 2003-2004. The district, between 2004 and 2005, realized another increase of over $17,000 per pupil. With assessed tax values increasing annually by 7% and the M&O rate being increased by an additional $.03 in 2003-2004, tax revenues per pupil continued to rise annually. Based on TEA's actual financial data submitted annually by school districts, Figure 14 reflects per-pupil revenue for the three-year period.

Table 22

District Enrollments, Tax Values Per-Pupil, and Maintenance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-2003	1,725	$206,972	$1.404
2003-2004	1,793	$214,041	$1.434
2004-2005	1,790	$231,636	$1.434

Source: TEA (2003, 2004, 2005).

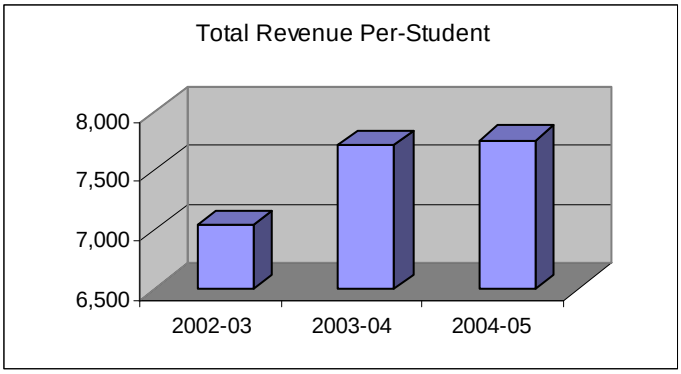

Figure 14. Total revenue per-student (TEA, 2003, 2004, 2005).

Total revenue per student increased almost $700 between the first two years and then experienced only a slight increase between the last two years. The increase in student enrollment and the $.03 increase in the M&O rate during 2003-2004 were reflected in the total revenue per-student increase shown in Figure 14. Both district enrollment and M&O rates remained at the same level for the two school years, 2003-2004 and 2004-2005, reflected in the total revenue per student in Figure 14.

This Chapter 42 district was the recipient of wealth equalization transfer payments for two of the three years. The following table shows the total funds received and the financial gain per-pupil from these state funds.

Table 23

Wealth Equalization Transfer Payments Received and Per-Pupil Funding Gained

2002-2003	Per Pupil	2003-2004	Per Pupil	2004-2005	Per Pupil
$3,876,331	$2,247	$3,400,315	$1,896	0	0

Source: TEA (2003, 2004, 2005).

Figures 15 and 16 show equity transfer payments received from another school district and per-pupil funds gained from being the recipient of Chapter 41 funding from the state.

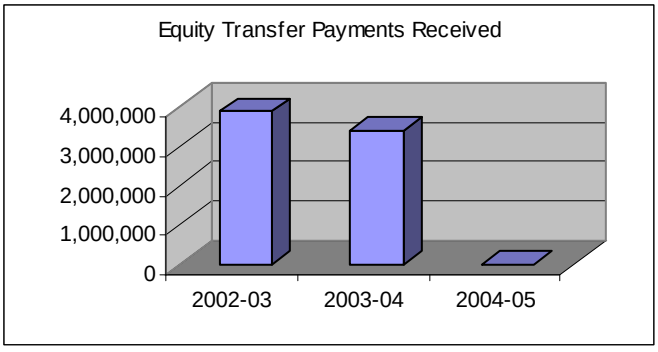

Figure 15. Equity transfer payments received (TEA, 2003, 2004, 2005).

In 2002-2003, this district received over $3.8 million, resulting in additional per-pupil funding of over $2,200. During 2003-2004, equity funding dropped to $3.4 million, resulting in a drop in per-pupil funding of slightly over $1,800. During 2004-2005, this district did not receive any Chapter 41 funds directly from a wealthy school district.

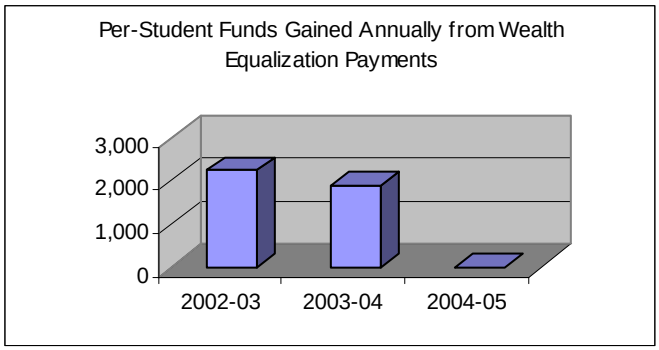

Figure 16. Per-student funds gained annually from wealth equalization payments (TEA, 2003, 2004, 2005).

Chapter 41 4A School

This 2.2-square-mile residential *island city* was composed of two small but very affluent communities supporting its own school district (National Center for Educational Statistics, 2005). Composed of a high school (9-12), a middle school (7-8), an intermediate school (5-6), and four elementary schools (PK-4), this district was over 95% Caucasian and had so few economically disadvantaged students they registered 0.0%. This district's Exemplary status for 2002-2003 dropped to Recognized in 2003-2004 and then returned to its Exemplary status in 2004-2005 (Texas Education Agency, 2003, 2004, 2005). In 1995, this school district opened the doors to its first new school building in nearly fifty years. This entire building was wired with fiber optics to equip the school for future advances (L.B. Coker, personal communication, February 27, 2007).

The affluent residential property taxes accounted for this district being classified

as a wealthy school district, which is shown in Table 24. Almost 90% of this school district's tax base came from residential values, which were assessed between $7.6 billion to $8 billion over the three years.

Table 24

Tax Information by Category and Percentage of Impact on District Budget

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$852,209,710	10.0	$860,795,970	9.9	$861,132,947	9.6
Residential	$7,600,226,500	89.3	$7,750,588,320	89.3	$8,041,363,930	89.6
Land	$60,730,350	0.7	$67,999,600	0.8	$73,312,080	0.8
Oil & Gas	0	0.0	0	0.0	0	0.0
Other	0	0.0	$6,690	0.0	0	0.0
Total	$8,513,166,560	100.0	$8,679,390,580	100.0	$8,975,808,957	100.0

Source: TEA (2003, 2004, 2005).

Table 25 shows student enrollment, the tax value per pupil, and M&O rates for this wealthy district. Enrollment increased by 70 students and the assessed tax value increased by 2% in 2003-2004, increasing per-pupil tax value by almost $46,000 to over $1.2 million per pupil. In 2004-2005, enrollment increased by an additional 104 students and the assessed tax value increased by 3.4%, resulting in an additional $32,500 tax value per pupil. The annual M&O rate held at the maximum amount allowed for this three-year period. The tax value per pupil significantly exceeds the $305,000 threshold by more than three times the state-mandated wealth equalization transfer level. As a result, this wealthy district is required to annually submit a substantial amount of its locally raised funds to the state's coffers.

Figure 17 shows per-student revenue based on actual financial data submitted to

TEA by this district. Total revenue decreased in 2003-2004 by almost $2 million, resulting in a loss of total revenue per student to slightly under $8,300, a loss of $400 per student from the previous year. Total revenue was highest in 2004-2005, at over $52.7 million, yet total revenue per student ranked highest in 2002-2003, at almost $8,700. Student enrollment increased by over 100 students in 2004-2005 as did per-student revenue. However, per-student revenue failed to return to the 2002-2003 level.

Table 25

District Enrollments, Tax Values Per-Pupil, and Maintenance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-2003	5,976	$1,190,769	$1.50
2003-2004	6,046	$1,236,665	$1.50
2004-2005	6,150	$1,269,197	$1.50

Source: TEA (2003, 2004, 2005).

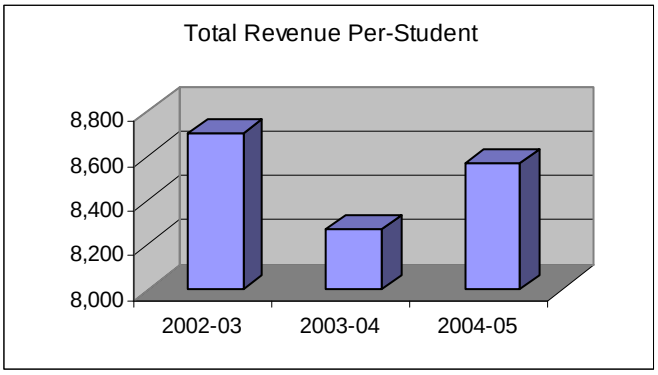

Figure 17. Total revenue per-student (TEA, 2003, 2004, 2005).

This school district's annual wealth equalization transfer funds are reflected in Table 26 along with the amount of potential revenue lost on a per-pupil basis. This district paid funds to both the state and to individual schools during 2002-2003, but the

district chose to send funds only to the state's coffers, thereafter.

Table 26

Wealth Equalization Transfer Payments and Potential Per-Pupil Funding Lost

2002-2003	Per Pupil	2003-2004	Per Pupil	2004-2005	Per Pupil
$58,090,258	$9,721	$65,340,479	$10,807	$69,806,685	$11,351

Source: TEA (2003, 2004, 2005).

Figures 18 and 19 indicate a steady annual increase of wealth equalization transfer payments and potential revenue lost by this school district on a per-pupil basis due to Robin Hood. Equity payments jumped over $7 million from 2002-2003 to 2003-2004 and increased another $4.5 million in 2004-2005. The loss of potential per-student funds increased by $1,000 from 2002-2003 to 2003-2004, and an increase of an additional $500 was realized in 2004-2005.

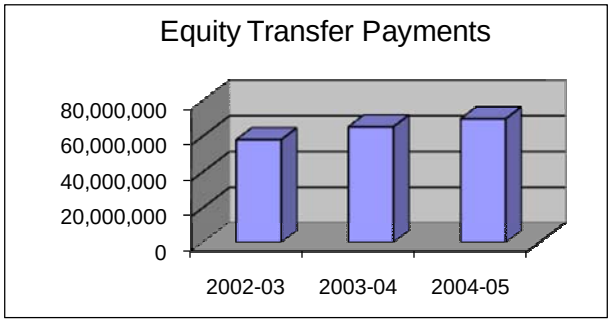

Figure 18. Equity transfer payments (TEA, 2003, 2004, 2005).

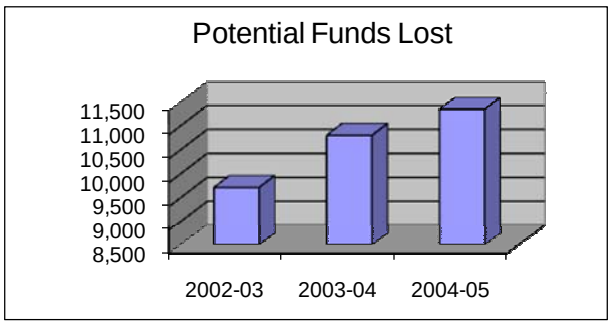

Figure 19. Potential funds lost (TEA, 2003, 2004, 2005).

Due to the Chapter 41 status and the loss of funds to Robin Hood, this school district had to reduce its staff by approximately 10%. They held community meetings and became *lean and mean* in their staffing. Teachers who were working as aides were placed in classrooms, and aides were hired to handle roles when possible. Kindergarten expanded from half day to full, allowing some teachers to continue employment (L.B. Coker, personal communication, February 27, 2007).

Chapter 42 4A School

This urban school district, encompassing 16 square miles, was in an incorporated residential community (National Center for Educational Statistics, 2005). A highly diverse district serving slightly more than 50% African American students also experienced almost 60% economically disadvantaged students. Students were divided among four elementary campuses (PK-6), one junior high (7-8) and one high school (9-12). This district ranked Academically Acceptable all three years (Texas Education Agency, 2003, 2004, 2005).

The recipient of Chapter 41 wealth equalization transfer funds, this district's tax value is shown in Table 27, divided by category and the percentage of impact each category made upon the budget. Assessed value of residential and business taxes impacted this school district's budget by 95%. Business taxes increased $46.7 million from 2003-2004 and 2004-2005; residential taxes increased $27.6 million in 2004-2005, making the percentage of impact fairly equal between these two categories.

Table 27

Tax Information by Category and Percentage of Impact on District Budgets

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$338,884,882	45.9	$341,485,075	43.8	$388,241,227	45.5
Residential	$361,620,936	48.9	$396,046,877	50.8	$423,695,140	49.6
Land	$26,819,147	3.6	$28,791,779	3.7	$28,127,077	3.3
Oil & Gas	0	0.0	0	0.0	0	0.0
Other	$11,511,787	1.6	$13,712,350	1.7	$13,643,631	1.6
Total	$738,836,752	100.0	$780,036,081	100.0	$853,707,075	100.0

Source: TEA (2003, 2004, 2005).

Table 28 indicates the tax value per-pupil based on the above five categories. With the enrollment dropping minimally during the 2003-2004 school year, the tax value per-pupil rose at a rate of over $11,000. The 2004-2005 school year experienced an increase in district-wide enrollment of 132 students and an increase of $13,000 in tax value per-pupil. With the assessed tax value rising annually, enrollment increases, and the M&O rate staying at $1.50 for the three years, the tax value per-pupil rose annually.

Table 28

District Enrollment, Tax Values Per-Pupil, and Maintenance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-03	3,844	$152,992	$1.50
2003-04	3,832	$164,340	$1.50
2004-05	3,964	$177,739	$1.50

Source: TEA (2003, 2004, 2005).

Based on actual financial data submitted annually to TEA, Figure 20 shows the district's per-pupil revenue. The district received annual increases, but an increase of almost $4 million of total revenue realized during 2004-2005, caused the per-pupil revenue to rise by almost $500.

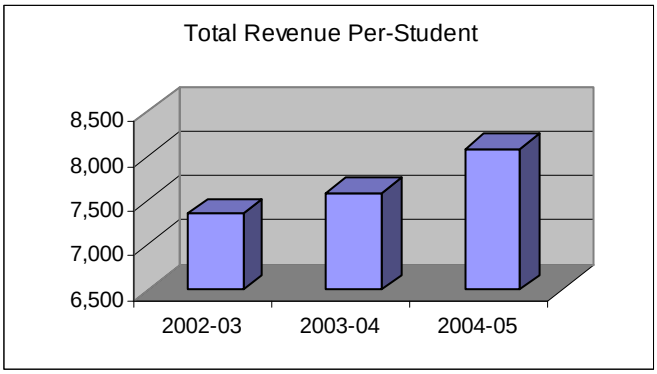

Figure 20. Total revenue per-student (TEA, 2003, 2004, 2005).

According to the Chapter 41/Chapter 42 financial report from TEA, this district received state funds in the form of wealth equalization transfer funds for the school years 2002-2003 and 2003-2004, but not for 2004-2005. However, in the actual financial data report, only the 2002-2003 amount of $12,007,930 was listed, resulting in a per-pupil gain of $3,124 in state funding (Texas Education Agency, 2003).

Chapter 41 5A School

This suburban 5A school district of 22 square miles (National Center for Educational Statistics, 2005) consisted of twelve campuses in 2002-2003, but in 2003-2004, the district absorbed the smaller intermediate campus into the two existing campuses, forming 11 campuses. This district served slightly less than 90% Caucasian with only 1.5% classified as economically disadvantaged. The 11 campuses divided the students by senior high campus (11-12), high school campus (9-10), two middle school

campuses (7-8), two intermediate campuses (5-6), and five elementary campuses (PK-4). This district was rated Exemplary for the first two years and Recognized in 2004-2005 (Texas Education Agency, 2003, 2004, 2005).

This school district became a Chapter 41 school district in 2002 as a result of affluent residential property. Table 29 shows the district's tax information and the percentage of impact each category makes upon the budget. Assessed residential taxes, ranging from $2.7 billion to $3 billion, impacted this district's budget by providing 75%-77% of its tax base over the three years. The business tax category rounded out the remaining 20% of potential funds, responsible for over $760 million in assessed tax values.

Table 29

Tax Information by Category and Percentage of Impact on District Budgets

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$767,945,558	21.2	$757,183,922	20.1	$765,174,125	19.7
Residential	$2,707,034,878	74.9	$2,879,708,740	76.4	$2,999,714,690	77.0
Land	$139,961,256	3.9	$133,338,266	3.5	$127,863,944	3.3
Oil & Gas	0	0.0	0	0.0	0	0.0
Other	$644,900	0.0	$465,400	0.0	$289,800	0.0
Total	$3,615,586,592	100.0	$3,770,696,328	100.0	$3,893,042,559	100.0

Source: TEA (2003, 2004, 2005).

Table 30 shows the financial status of the district by showing its M&O rates along with its tax value per student. Enrollment and tax value per pupil both increased between the 2002-2003 and 2003-2004 school years. District-wide growth reflected almost 80 new students, with a tax value per pupil increasing by almost $19,000.

Growth increased in 2004-2005 with 59 new students, and an additional increase of over $6,200 tax value per pupil was realized. The M&O rate remained the same for the first two years but increased to the maximum level of $1.50 in 2004-2005 (Texas Education Agency, 2003, 2004, 2005).

Table 30

District Enrollments, Tax Values Per-Pupil, and Maintenance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-2003	7,186	$472,845	$1.439
2003-2004	7,265	$491,840	$1.439
2004-2005	7,324	$498,114	$1.500

Source: TEA (2003, 2004, 2005).

Based on annual financial data submitted by the school district to TEA, Figure 21 shows the district's total revenue per pupil. Due to the district's decline in revenue in 2003-2004 by almost $945,000, total revenue per pupil experienced a decline of over $200. But in 2004-2005, its revenue increased by over $2 million, resulting in an increase in per-pupil revenue. However, the per-student revenue did not regain the value of the 2002-2003 school year (Texas Education Agency, 2003, 2004, 2005).

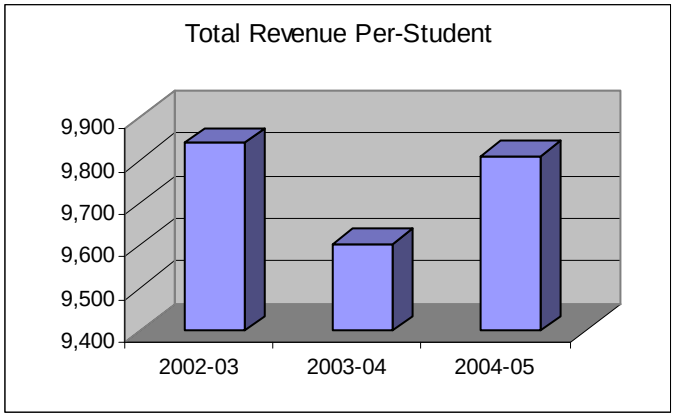

Figure 21. Tax revenue per-student (TEA, 2003, 2004, 2005).

This Chapter 41 school district was required to make wealth equalization transfer payments as its per-pupil tax value exceeded the $305,000 threshold. During the 2002-2003 school year, payments were made to both the state and individual school districts. The following two years' payments were made directly to school districts only. Table 31 indicates the amounts paid and the amount of potential money this district lost on a per-student basis.

Table 31

Wealth Equalization Transfer Payments and Potential Per-Pupil Funding Lost

2002-2003	Per Pupil	2003-2004	Per Pupil	2004-2005	Per Pupil
$9,023,638	$1,256	$13,526,885	$1,862	$15,489,429	$2,115

Source: TEA (2003, 2004, 2005).

Figures 22 and 23 indicate the annual increase of wealth equalization transfer payments and potential revenue lost on a per-pupil basis due to the Robin Hood school finance plan. The required payments rose almost $4.5 million between 2002-2003 and 2003-2004, and almost $2 million more was required in 2004-2005. Loss of potential per-student funds increased proportionately, losing over $600 in 2003-2004 and slightly over $250 in 2004-2005.

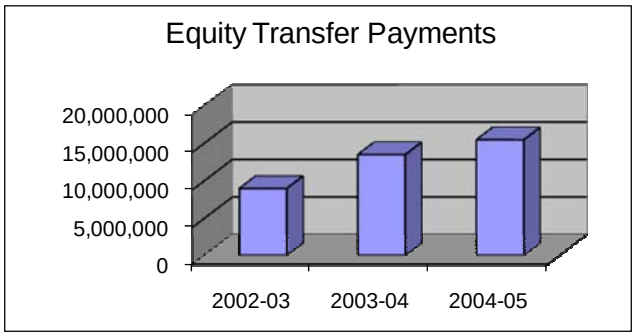

Figure 22. Equity transfer payments (TEA, 2003, 2004, 2005).

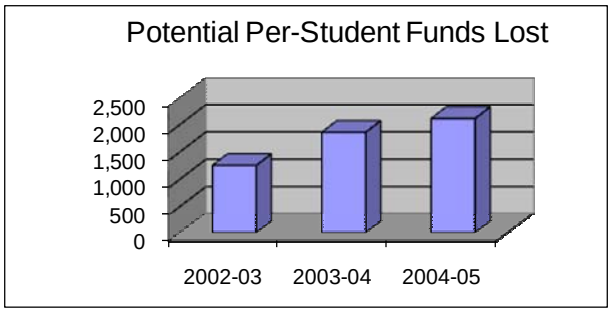

Figure 23. Potential per-student funds lost (TEA, 2003, 2004, 2005).

School officials made more than $9 million in program and personnel cuts to meet the demands of Chapter 41's wealth equalization transfer payments. Loss of those funds resulted in the school district discontinuing programs such as art, music, intermediate band, high school block scheduling, district-wide gifted and talented, K-6 Spanish, and district-wide technology. A total of 98 positions, such as receptionists, aides, secretaries, counselors, technology teachers, and crossing guards were deleted due to the funding loss. Therefore, measures were taken to formulate its own Robin Hood Coalition, a grassroots effort by local school officials and citizens to influence Texas Legislators on the topic of public school finance (J. Thannum, personal communication, April 10, 2007).

Chapter 42 5A School

Covering a 30 square mile area (National Center for Educational Statistics, 2005), this 5A suburban school district consisted of approximately 45% African American students, with over 51% classified as economically disadvantaged. Students were divided among their 18 campuses by elementary (PK-4), intermediate (5-6), middle school (7-8), a separate ninth campus, and high school (10-12) (Texas

Education Agency, 2003, 2004, 2005). Experiencing rapid growth in student enrollment and needing to refurbish facilities, this school district passed a $166 million bond program in October 2001, which allowed two new elementary campuses, completed in 2003; renovation of all current buildings; and a total redevelopment of the high school campus, including a new academic wing and athletic arena, completed in 2004. The ninth-grade students moved to the high school campus in 2005, allowing that facility to redevelop into a third middle school (K. English, personal communication, February 5, 2007). This district received an Academically Acceptable rating all three years (Texas Education Agency, 2003, 2004, 2005).

Table 32 categorizes the assessed tax values and the percentage of impact upon this school district's budget. Residential taxes carried the brunt of the school district's budget annually, supplying from $1.8 billion to $2.0 billion, comprising 60% to 65% of the funds. Assessed taxes on businesses impacted the budget by just more than $1 billion, supplying 31% to 35%. The assessed tax value peaked during 2003-2004 due to a 6% revenue increase in the other category.

Table 32

Tax Information by Category and Percentage of Impact on District Budgets

Category	2002-2003		2003-2004		2004-2005	
	Amount	%	Amount	%	Amount	%
Business	$1,015,574,040	35.0	$1,015,215,110	31.8	$1,039,367,213	32.7
Residential	$1,803,973,180	62.2	$1,915,017,190	60.0	$2,052,107,670	64.5
Land	$66,886,012	2.3	$70,666,464	2.2	$76,217,531	2.4
Oil & Gas	0	0.0	0	0.0	0	0.0
Other	$14,280,850	0.5	$192,760,311	6.0	$12,861,710	0.4
Total	$2,900,714,082	100.0	$3,193,659,075	100.0	$3,180,554,124	100.0

Source: TEA (2003, 2004, 2005).

Table 33 reflects district enrollment, tax value per pupil, along with the M&O rates. The district's enrollment increased by over 400 students in 2003-2004 and almost 600 more in 2004-2005. The tax value per pupil rose approximately $16,000 during 2003-2004 but dropped by almost $15,000 in 2004-2005. Its M&O rate remained steady for the three years, yet it approached the $1.50 cap (Texas Education Agency. 2003, 2004, 2005). This district was poorer than its 5A counterpart as it had not reached the $305,000 per-student wealth threshold but was approaching that level.

Table 33

District Enrollment, Tax Values Per-Pupil, and Maintenance and Operation Rates

Year	District Enrollment	Tax Value Per Pupil	M&O Rate
2002-2003	10,930	$235,316	$1.47
2003-2004	11,346	$251,380	$1.47
2004-2005	11,938	$236,197	$1.47

Source: TEA (2003, 2004, 2005).

Based on the district's actual financial data submitted to TEA annually, Figure 24 shows this district's per-pupil revenue during this three-year period. With the district's revenue increasing by over $9 million during 2003-2004 and by more than $4.5 million during 2004-2005, the per-student revenue increased over $500 in 2003-2004 and held at that level during 2004-2005. This district did not receive any wealth equalization transfer funds from any other school district during these three years (Texas Education Agency, 2003, 2004, 2005). Even though the M&O rate remained constant at $1.47 for the three years, the assessed tax values and district enrollment influenced the total per-student revenue.

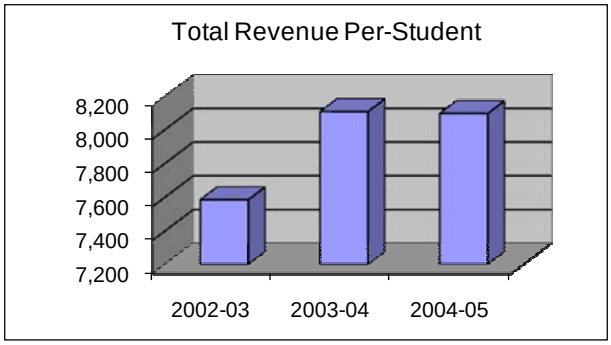

Figure 24. Total revenue per-student (TEA, 2003, 2004, 2005).

Partnerships

Partnerships have become the predominant type of school-business cooperation, according to the executive director of the National Association of Partners in Education (Merenda, 1989). Motivated by a need for an improved labor force, businesses were working with schools in ways that could affect every aspect of the education process (Baas, 1990). Business partnerships were developed through nurturing over a period of years. Their *trash* quite often became school districts' treasures in the form of office furniture, computers, microscopes, laboratory equipment, band equipment, and library books. In addition, business partners underwrote educational field trips and hosted district-wide teacher appreciation banquets and receptions (P. Townsend, personal communication, January 25, 2007). Strong financial business partnerships often became the *guardian angels* for the local school districts. Their efforts ensured financial backing for school districts, which allowed the extras to be available for the students.

Chapter 41 1A School

According to the superintendent, this school district did not have any business partners nor did they coordinate partnerships with organizations, such as the PTO, or

booster clubs in any way. Bell Helicopter had previously rented land from the school district to conduct research, and the school district might ask for their assistance in the future (C. Welch, personal communication, February 20, 2007). Prominent local businesses such as a grocery store, two banks, a service station/service center, and two restaurants, were helpful in volunteering services but no funds were actually donated to the school district (M. Davis, personal communication, February 20, 2007).

This district had no athletic booster club until 2005-2006. The PTO was active primarily at the elementary and middle levels, conducting fundraising efforts through the community's fall festival, book fair, box top collections, and gift wrap sales. No money was given directly to the school district, but when the principals' had requests, the PTO made the purchases to fill the campuses' needs. For instance, they furnished food, awards, and prizes for the Accelerated Reader party; provided lunches for staff development; bought cafeteria trays; purchased maps for social studies department, a microphone system for the principal, drapes for the cafeteria, and mats for the gymnasium floor for the basketball coach; fenced the playground when pre-kindergarten started; and provided for one senior scholarship. The former PTO president shared that when Robin Hood hit the school hard and teacher budgets were cut, they assisted approximately 80% of the teachers with classroom supplies and equipment. The role of the PTO in this district was to assist teachers and award students (K. Fowler, personal communication, February 20, 2007).

The local Lions Club also willingly assisted with different activities. They conducted a town-wide fair, helped with FFA/4H activities, monitored booths for a 5K Run, and handled concession stands but purchased no items nor offered any financial

assistance to the school district. Another district partnership, a community college approximately 30 miles from the school district, allowed students to participate in online dual credit classes within their daily schedules, but did not reduce fees or tuition nor did the school district reap any financial benefit from the partnership. The only partnership from which this district realized any assistance was through the PTO.

Table 34

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
PTO Organization	*$4,000*	*$4,500*	*$5,000*
Total	$4,000	$4,500	$5,000

Note. Figures in italics are estimations by the PTO president.

Chapter 42 1A School

This school district did not have any organized business partnerships. Nor did it coordinate partnerships through booster clubs or its PTO. There were no local clubs, such as Chamber of Commerce, Lions, Rotary, or Kiwanis in any of the three communities to assist with developing partnerships. A bank in an adjoining town assisted whenever the district needed help. The bank purchased a football scoreboard for $20,000, and Coca-Cola purchased two scoreboards for the junior high gymnasium. Neither organization donated funds directly to the school, nor did they assist on a consistent, annual basis. This school district was also the recipient of a one-time award, $2500 Best Buy Teach Award, for integrating interactive technology into the curriculum to sustain or enhance the existing educational programs (D. Welch, personal communication, February 22, 2007)

The PTO groups, most active at the elementary with some participation at the junior high, raised $2,000 per year from gift wrapping, box tops collections, book fairs, and the fall carnival. The superintendent rated both the PTO and the athletic booster clubs as average involvement. The band boosters and the athletic boosters monitored all concessions. All funds went into the individual booster club accounts, which were listed in the student activity funds of the school's budget. The most active organization was the band boosters, which raised $15,000 annually to absorb the expense of a long out-of-state road trip every two years and an annual, shorter, in-state trip. Meat sales, brochure sales, and candy sales were this booster club's primary fundraisers (D. Welch, personal communication, February 22, 2007). Table 35 shows funds this district received from partnership endeavors.

Table 35

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
PTO Organization	*$2,000*	*$2,000*	*$2,000*
Band Boosters	*$15,000*	*$15,000*	*$15,000*
Athletic Boosters	*$5,000*	*$8,000*	*$5,000*
Best Buy Award			$2,500
First National Bank	$20,000		
Total	$42,000	$25,000	$24,500

Note. Figures in italics are estimations by presidents of the organizations.

This district also partnered with a community college, approximately 70 miles from the school, allowing students to enroll in online courses to take dual credit classes during regular class schedules. No agreement existed for any reduction in fees or tuition

for the students; interested students paid their own expenses (D. Welch, personal communication, February 22, 2007).

Chapter 41 2A School

Partnerships between the school district and local businesses were mostly connected through the education foundation. Partnerships through other entities included the athletic booster club, the band boosters, and the PTSA. Approximately 10 local businesses volunteered services through the PTSA as there were no active business partnership organization in this community.

One local bank did partner with this school district by sponsoring the Choose-to-Care program. This Website program allowed students, parents, employees, and other members of the school community to go online to provide information about student safety issues, anonymously if they preferred. The online reporting system addressed concerns of weapons, threats, drugs, sexual misconduct, bullying, and other acts of violence that could affect the students in this district (C. Pierel, personal communication, February 15, 2007).

This district relied heavily on the athletic booster club, band boosters, and PTSA for assistance through volunteerism and in obtaining items for the district's needs (C. Pierel, personal communication, February 15, 2007). The PTSA coordinated all school and club news through its newsletter, which allowed the community to be aware of all activities. This district's PTSA started in 1999 and was divided between two campuses, the elementary and the middle school/high school. Annual membership including parents, teachers, students, and community business members involved between 350-

500 members. This organization relied on membership dues and volunteerism to accomplish its goals. Membership dues, a percentage from Schoolpop and Target purchases, T-shirt sales, poinsettias, antenna balls, and school clocks were some of this organization's fundraising activities, netting $10,000 annually (J. Conroy, personal communication, September 17, 2007).

Some of the PTSA's projects included purchasing picnic tables for the middle school's outdoor classroom, a makeover of the teachers' lounge, breakfast for teachers and staff, and decorating the new receptionist area. Volunteers served ice cream at the middle-school orientation, assisted with high school registration, made copies for teachers, decorated the football field for homecoming events, and improved the grounds around the schools. The PTSA offered five $500 scholarships annually to senior students who were also members of the organization. Activities were primarily undertaken for the benefit of the students and teachers (J. Conroy, personal communication, September 17, 2007).

With this district having a basketball team that regularly made it to the state tournament, involvement in the athletic booster club was high. Membership dues raised funds for this organization. Members also volunteered their services by monitoring concession stands at football and basketball events. One of the biggest fundraising activities was an annual chili cook-off dinner. Another fundraising opportunity was allowing sponsors to place their logos on the club's Website for a fee. Baseball and basketball camps were conducted for the younger players, with fees ranging from $100 to $125 per child. Athletic items were purchased by the athletic booster club for the district's use, including a lightning detector, wrestling mat, video and camera equipment,

basketball scoreboard, batting cages, backstop pads, and safety vests for cross country. Two sports banquets were held annually. Four $1000 scholarships, designated for two males and two females, were awarded annually to senior athletes. Overall, this organization raised between $15,000 and $20,000 yearly (G. York, personal communication, October 4, 2007).

Table 36

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
PTSA Organization	*$10,000*	*$10,000*	*$10,000*
Band Boosters	*$15,000*	*$15,000*	*$25,000*
Junior High Band Boosters	*$6,000*	*$6,000*	*$6,000*
Athletic Boosters	*$15,000*	*$15,000*	*$20,000*
Texas Bank			*$3,000*
Total	$46,000	$46,000	$64,000

Note. Figures in italics are estimations by presidents of the organizations.

The band boosters organization was extremely active and strong, offering volunteers and financial support to the school district. Supporting a state championship band during the 2003-2004 school year, the boosters conducted fundraisers to pay for both in-state and out-of-state activities which were planned for enrichment and competition purposes. Supplies necessary for the ongoing efforts of the band were purchased at the request of the band director. For 2004-2005, the band boosters conducted a silent auction and raised $5,500 to cover expenses for the Orlando trip and the convention in San Antonio. The middle-school band also took local trips, paid for by its band boosters. Fundraisers included a variety of activities: brochure sales, candle

sales, cookie dough sales, spaghetti dinners, Thanksgiving dinners, and silent auctions; but the favorite non-fundraiser fundraiser solicited donations for this club's required annual budget. If donations were obtained, then no additional fundraising was conducted. The junior high club parents raised $6,000 annually to address the needs of its band (K. Johnson, personal communication, August 15, 2007).

Chapter 42 2A School

This rural school district's superintendent shared that there were no existing Partners-in-Education program, but the local Chamber of Commerce was supportive of the school's projects. This community involved all major organizations in major school-related events: Lions Club, Chamber of Commerce, athletic booster club, band booster club, and the parent-teacher organization. For instance, the Chamber's homecoming parade and tailgate party in September was held in conjunction with the school's football homecoming activities. The Sports Boosters and Lions Club co-sponsored a hamburger supper served at the stadium prior to the homecoming game. These partnerships benefited the school district financially, as shown in Table 37. This district also relied upon its local parent-teacher organizations, one active at the elementary level and one at the intermediate level, for financial assistance and for to obtaining supplies for students and teachers. Activities in which the PTOs participated include a Halloween *trick or treating* of downtown area businesses. A carnival, contests, and hay ride were sponsored jointly by the Chamber of Commerce and the PTO. The elementary campus PTO supported the school's needs through gift- wrapping sales,

box top collections, and a book fair. Overall, the PTO raised $5,000 per year (G. Gilbert, personal communication, May 21, 2007).

The athletic boosters and band boosters relied upon membership dues, sold spirit items, and sponsored dinners for their financial support. These two booster clubs handled concessions at athletic events and raised $5,000 each through the organizations' efforts. The school district received $4,000 per year in funds from the PTO and booster clubs. These funds were deposited into trust and agency funds, and the organizations designated how they wished the funds spent (G. Gilbert, personal communication, May 21, 2007).

Another partnership existed with a local community college 45 miles from the school district. The teacher, dually employed by both the high school and the college, taught dual credit courses on the high school campus for those qualifying students. Yet, all students were responsible for their own tuition, fees, and books with no financial assistance offered to the district (G. Gilbert, personal communication, May 21, 2007).

Table 37

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
PTO Organization*	*$5,000*	*$5,000*	*$5,000*
Band Boosters*	*$5,000*	*$5,000*	*$5,000*
Athletic Boosters*	*$5,000*	*$5,000*	*$5,000*
Community Organizations	$2,000	$20,215	$47,312
Total	$17,000	$35,215	$62,312

Note. Figures in italics are estimations by presidents of the organizations.

Chapter 41 3A School

This school district had a variety of community service organizations and business partnerships, both outside organizations and local area merchants, which assisted by contributing time and financial support for its students. Some were state entities; some were county organizations; but the majority of the organizations were locally-owned enterprises. This district had neither partners-in-education nor adopt-a-school programs (D. Rigano, personal communication, September 13, 2007). Instead, community members were actively encouraged to participate through service on committees and in many fundraising activities. The community had a strong mentoring program in place, utilizing individuals from a variety of business backgrounds. Adults from the community came to the school and mentored students on a weekly basis. A senior citizen organization partnered with the school. TXU and this school district had an internship program where TXU sponsored a student work program. Approximately fifteen local businesses willingly sponsored different organizations and the school district's efforts in the community. One of the local banks sponsored a $100 scholarship twice a year. Every graduate from this district's alternative disciplinary campus received a $50 scholarship every semester he or she remained in college or vocational school (J. Shipman, personal communication, September 13, 2007).

This school district's elementary campus partnered with one of the community churches to provide a weekly after-school program to allow a ministry opportunity for its children and families. The church then ministered to the families of the children in a variety of ways, seeking to involve the whole family in the local church (D. Morris, personal communication, September 13, 2007). It is estimated that the numerous local

businesses contributed $25,000 annually to student organizations and school district's requests (G.W. Rotan, personal communication, January 31, 2007).

In addition to strong community business support, this school district relied upon three key organizations - the athletic boosters, the band boosters, and the parent-teacher association (PTA) - as the nucleus for partnerships, donations, and fundraising efforts (G.W. Rotan, personal communication, January 31, 2007). The PTA was actively involved at all campus levels but was especially strong in the lower grades with its parent volunteer program. The PTA officers performed most of the volunteer activities. All campus PTA officers were key partners with the school district. Volunteer PTA members staffed the visitor concession stands for all junior and senior high football games and UIL academic competitions (D. Morris, personal communication, September 13, 2007). The PTA conducted fundraising activities including box top collections and Schoolcash.com and Target's Cash for Schools programs. They also sponsored a poinsettia sale each year which allowed the PTA to make donations of supplies to the campuses. The PTO president estimated that the PTO raised $25,000 annually through the various fundraising activities (M. Copeland, personal communication, September 13, 2007).

The Texas School Performance Review (TSPR) identified best practices within a school system, encouraging other school districts to review and attempt to implement where necessary. One of this district's best practices was its active volunteer program, headed by the Parent Teacher Association. The PTA screened volunteers based on need and assigned them to teachers based on that teacher's specific request. In 2002-

2003 volunteers provided more than 1 million hours of service to the different schools (Combs, 2002).

The two most active booster clubs, athletics and band, raised funds to assist students' activities. The athletic booster club's primary objectives were to encourage total community support, good conduct, and sportsmanship and to provide equipment and supplies, scholarships, and an annual athletic banquet. This organization contributed time and financial support to the athletic programs through volunteerism, purchasing of banners, donations, raffles, and paid memberships. Members worked in concession stands and organized a variety of fundraisers. Spirit items, spirit clothing, yard signs, umbrellas, ponchos, stadium seats, and clocks were sold for fundraising. Donations to the school district included a football-throwing machine, quarterback practice net, pompoms for the cheerleaders, a bleacher tent, a mister fan, software for scouting and player improvement, individual recruiting videos, basketball warm-ups, mascot uniform, bats for the baseball team, pole vault standard, and funds for the annual all-sports banquet. Scholarships were given to senior athletes who lettered in two sports. An estimated $20,000 was raised for hosting student athletic activities and for purchasing athletic department requests (M. Miles, personal communication, September 13, 2007).

The band boosters, like the athletic boosters, contributed time and financial support to its programs, volunteering in concession stands, assisting with band contests, and chaperoning school trips. Having all-state band recognition allowed membership dues to become one of their fundraising efforts. Numerous fundraising activities, such as dinners, raffles, auctions, sales of spirit items, brochure sales, candy

sales, and donations supported both in-state and out-of-state enrichment and competition trips. All funds poured back into the band programs and assisted with purchases requested by the band directors. The band president estimated that the organization annually raised $30,000 (C. McLellan, personal communication, September 13, 2007).

Another partnership was formed with the community college. The college conducted some dual credit classes on the high school campus, and some students attended the nearby campus to enroll in other courses. No waiver of tuition and fees was offered for the students, but, periodically, some of the local businesses offered scholarships for qualifying students (G.W. Rotan, personal communication, January 31, 2007).

Table 38

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
Local Businesses	*$25,000*	*$25,000*	*$25,000*
PTO Organization	*$25,000*	*$25,000*	*$25,000*
Band Boosters	*$30,000*	*$30,000*	*$30,000*
Athletic Boosters	*$20,000*	*$20,000*	*$20,000*
Total	$100,000	$100,000	$100,000

Note. Figures in italics are estimations by superintendent and organizations' presidents.

Chapter 42 3A School

This school district did not have a formal Partners-in-Education program nor did it have an official Adopt-a-School program. The district relied on its PTO, athletic booster club and band booster club as it had done for many years. These organizations' goal

was to support and supplement the efforts of the district in campus instruction, athletics, and band activities (M. White, personal communication, May 23, 2007).

The athletic booster club assisted in the development of strong school spirit throughout the junior high and high school athletic teams and provided financial and other support to the athletic program. Its fundraising efforts were conducted through membership dues, selling discount cards and signs, hosting a golf tournament, monitoring softball and baseball concessions, monitoring the football merchandise booth, assisting with monthly parking for the city, and conducting various camps for the younger students. Purchases made by the club were at the request of the coaching staff, and this club paid for the annual athletic banquet (S. Plunk, personal communication, June 6, 2007).

This district's Band Parents program was composed of many supporters who did not even have students in band, or their children had already graduated. Although the organization was called *Band Parents*, membership to this booster club was open to anyone who wanted to support the band program. Due to its repeated state-wide recognition, the band was strongly supported by community donations. Six major community businesses underwrote the water bottle advertisements, and approximately 20 businesses in the community had Website links based upon monetary support of the club. In addition to handling day-to-day band expenses of hiring instructors, purchasing and repairing instruments, and paying for food and trips, the band booster club conducted an annual gala dinner concert and an end-of-year barbeque. Fundraising and donations paid for the band's end-of-year trip expenses and banquet (L. Nevil, personal communication, June 6, 2007).

The PTO furnished volunteers and programs for the benefit of the different campuses. It normally set a financial goal of trying to achieve 10% above the previous year's effort. Suggestions and requests were taken from faculty, staff and parents, but the school board made the final decision on fundraising events. Small campus-based projects such as book fairs, Breakfast with Santa, Valentine's Day activities and the collection of box tops for cash were held annually. If there were any interest in a new fundraising activity, approval was obtained from the administration. Purchased items consisted of benches, picnic tables, books for pre-kindergarten through fifth grades, Christmas gifts, honor roll gifts for Grades 3 through 5, buttons, certificates, prizes, and awards. Fundraising was conducted solely by the PTO members without using students. Funds and items were given to campuses based upon administrators' request (M. White, personal communication, May 23, 2007).

Unique to this district was Girl Scouts involvement. Every year the Scouts hosted a Breakfast with Santa to raise funds for its organization. The school district did not benefit monetarily from this partnership but felt this relationship was worthwhile due to the significance this organization made upon young girls' lives (M. White, personal communication, May 23, 2007).

Coordination was handled through the principal, athletic director, and band director in working with the presidents of these organizations to determine the types of donations that would be submitted to the district through monetary donations or by purchasing of specific items. Even though additional funds were raised by these organizations as seen in Table 39, the school district received a $6,000 donation per year from the PTO and booster clubs. Funds from these organizations were deposited

in the school district's activity accounts, Code 865. However, most beneficial for the district were these organizations' volunteerism for tutoring and assistance at athletic and band events (M. White, personal communication, May 23, 2007).

Table 39

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
PTO Organization	$15,804	$12,015	$16,142
Band Boosters	$15,630	$15,300	$16,230
Athletic Boosters	$13,500	$11,200	$16,000
Total	$44,934	$38,515	$48,372

Source: M. White (personal communication, May 23, 2007).

Chapter 41 4A School

Volunteerism was deeply embedded in this school district's heritage, even requiring high school students to complete 50 hours of community service prior to graduation. The idea of volunteerism carried over into the affluent community as this school district had strong financial bonds with the businesses and organizations within the community. All organizations were unified in fundraising and partnership efforts, primarily through the efforts of the PTA and the education foundation. Key partnership organizations within this district were the PTA, the Dad's Club, the Sports Club (L. B. Coker, personal communication, February 27, 2007). Yet, according to the high school principal, this district also had booster clubs for band, orchestra, choir, drill team, academics, and cheerleading (P. Cates, personal communication, March 21, 2007).

One of the biggest financial activities conducted each year was a co-partnership fundraising effort conducted by the PTA for Grades 5-12 and the education foundation.

The organizers asked parents and neighbors to support this public/private partnership by making a gift to help fill the gap between the tax dollars available and the funding of the quality education the community wants for its children (L. B. Coker, personal communication, February 27, 2007). More than 800 members of the community, most of whom did not even have children in this district, contributed to this annual campaign. All funds raised through this joint effort stayed right in the school district (J. Peterson, February 27, 2007). An example of the annual impact this dual fundraising effort made upon the community and the school district is shown in the summary of fund distribution table below for the 2004-2005 fundraising campaign.

Table 40

Summary of Fund Distribution

Fund Recipients	Amount
Funding in Support of Need at School Level	$517,413
Funding to District for Teacher Salaries	$1,186,985
Designated Funds to ISD Programs	$240,846
Funds in Matches & Pledges Anticipated	$32,226
Total Benefit to Schools, Teachers & Programs at ISD from Campaign	$1,977,470

Note. Campaign from September 26, 2004 through April 30, 2005. *Source*: L. B. Coker (personal communication, February 27, 2007).

Once the funds were pledged, the two organizations took a portion to cover undesignated teacher salaries and the designated gifting for the district. The remaining funds were then divided among the gifting committees on each campus to fill administrators' requests (L. B. Coker, personal communication, February 27, 2007).

Table 40 indicates the attitude toward partnerships within this school district. A

percentage of funds were designated to specific campuses, specific district programs, and specific areas of the district's budget and to assist in teacher salaries. The entire community was instrumental in supplementing this school district's budget through *gifting* donations, which were tied to specific expenditures. With the increasingly high recapture rate from the state that this Chapter 41 district must pay, this co-sponsored partnership played a very significant role in raising much needed funds from private donations (L. B. Coker, personal communication, February 27, 2007). This campaign provided the opportunity for the community to maintain and build upon the level of educational excellence that has been its standard. Since each dollar given to this fundraising endeavor remained in the district and benefited all grade levels, money was deposited in trust and agency funds, coded in the 800 series in the budget, and used primarily for teacher salaries, technology, education programs and critical classroom needs (L. B. Coker, personal communication, February 27, 2007).

Another unique contribution by the PTA was its handling the district's entire school lunch program. Since 1924, the parents of students in this district administered the school lunch program through the PTA. Only the thirty cooks throughout the district were hired personnel. The school district hired them, but the PTA reimbursed the school district for their salaries. The PTA organization decided what meals were to be served, bought the food, determined the prices to charge, and managed the funds. Parents were expected to serve meals twice a month. As seen in Table 41, funds from the PTA cafeteria workers alone raised in excess of $700,000 yearly. The PTA, composed primarily of women, was strong on all campuses. The PTA collectively pledged a specific amount toward undesignated teacher salaries. Any funds raised above that

amount went back to the individual campuses. Table 41 shows over $1 million was raised by the PTAs on all campuses (L. B. Coker, personal communication, February 27, 2007).

Table 41

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
PTA Organizations	$1,258,661	$1,578,024	$1,865,381
PTA Organization for Café Workers	$768,615	$784,101	$803,878
Dad's Club	$67,000	$105,000	$106,813
Sports Club	$128,500	$128,500	$257,547
All Other Contributions	$73,816	$135,043	$203,427
Total	$2,296,592	$2,730,668	$3,237,046

Source: L.B. Coker (personal communication, February 27, 2007).

PTA fundraisers, such as the fall festival carnival, selling wrapping paper, and conducting the cafeteria operations, supported the needs of the individual campuses. The gift committee on each campus met with the administrator to determine the needs for the campus. All funds supported instruction for the students. These funds were tied to campus projects and improvements by being deposited in trust and agency funds in the district's budget (L. B. Coker, personal communication, February 27, 2007).

The PTA's counterpart in this district was its Dads' Club. This club supported the PTA organizations, yet this organization also had its own activities. A central club oversaw each campus club. Each campus had its own individual projects on which to spend these funds. Table 41 shows the financial impact this organization had on partnership fundraising. Pooling of funds among the different organizations allowed

district-wide projects to be completed. For instance, the elementary campus PTAs and the campus Dads' Clubs raised private funds, deposited in trust and agency accounts, for carpet replacement, floor covering replacement, and beautification projects. These private gifts were tax deductible and went toward helping the school district (L.B. Coker, personal communication, February 27, 2007).

This district's Sports Club, an all-volunteer parent booster organization, promoted school spirit and provided supplemental funds that benefited all athletic teams. Ten years ago, two mothers, selling spirit items out of their vehicles to service the growing demand within the community, were provided funds by an anonymous donor to build the existing shop located in this school district's stadium. The shop was sponsored by the Sports Club with proceeds benefiting the school district's athletic budget. Each year, this club provided thousands of dollars to the athletic department to be distributed at its discretion. Financial goals were achieved by participation in an annual golf tournament, membership dues, sportswear, yard signs and decals, raffles, and donations. The annual golf tournament was linked to the school district's budget for paying all staff development throughout the district. This club kept all funds from its advertising efforts and then gifted $128,500 to the district to specifically offset coaching salaries. Gifts were also made to individual campuses to support athletic needs (L. B. Coker, personal communication, February 27, 2007).

Band boosters were also active in this district with four events coordinators and nine fundraising coordinators supervising the activities. The events in which this organization participated included working concessions at various events, hosting a parent's coffee, assisting with middle school recruiting, serving as the sports club

liaison, serving as resources/mentors to parents new to the band experience, and organizing the spring banquet. Major fundraising activities, to which an individual coordinator was assigned, included the Tom Thumb Gift Card, car wash, blue-out sales, PSAT practice test, special raffle and barbeque dinner, magazine sales, letter jackets, band T-shirt designs, band merchandise, and yearbook advertisements. Eight businesses were listed on the band's Website as key sponsors. Funds were used primarily for attending contests throughout the year, taking an annual spring trip, and hosting the spring banquet. The band boosters had an online shop, underwritten by a local realtor, for purchasing blue-out spirit items, raffle tickets, barbeque dinner tickets, and banquet tickets. This organization raised between $50,000 and $75,000 during each of the three years (C. Stimson, personal communication, March 21, 2007).

The blue-out tradition began in October 2004 when a parent suggested unifying all fans and visually encouraging the high school football team by everyone wearing blue. The football coach selected a critical district game each year, and the school district capitalized on blue-out mania. Profits from these sales went toward capital and operating costs for the band that were not funded by the school district (L. B. Coker, personal communication, February 27, 2007).

The Arts Club, through private gifting, supported art projects and renovated the high school and elementary auditoriums. One of its fundraising efforts was the *Take a Seat* campaign where individuals purchased a replacement seat (L. B. Coker, personal communication, February 27, 2007). The Talented and Gifted Club (TAG) was founded in 1993 by parents who were working with the school district to design a program for talented and gifted students. All funding for student and educator scholarships,

classroom materials, speakers, publications, Website, and other community education activities were generated through memberships and fundraising events (B. Ungerman, personal communication, March 21, 2007). The purpose of these private gifting programs was to shelter funds from Robin Hood redistribution in order to keep the money in its own school district. Table 41 shows these donations grouped with other organizations and deposited into the school district's trust and agency fund. Separate accounts, coded as 800's, were maintained so expenditures could be tied to revenue sources (L. B. Coker, personal communication, February 27, 2007).

The *all other* category included a compilation of funds from the arts club, the band boosters, the talented and gifted (TAG) organization, and the Chemical Awareness Resource and Education (CARE) organization (L. B. Coker, personal communication, August 30, 2007).

Chapter 42 4A School

This school district relied upon its Partners-in-Education (PIE) organization, the athletic and band boosters, and the campus-level PTO organizations to fill its partnership needs. PIE, which had been in existence for at least twelve years, was formed by the director of human resources, a former assistant superintendent, and the then-president of Tandy Corporation, George Hurst. This district did not have a fulltime director to oversee the program. Its primary purpose was:

> to promote the creative involvement of the community in the life of the public schools; to inform the community of the educational efforts taking place in the public school system; to insure quality education by forming partnerships with business/civic community, parent volunteers and others; and to enhance communication that will bring about a better understanding between the schools

and all entities involved (P. Townsend, personal communication, January 25, 2007).

This program was a joint effort of the business community, the local community, parents, and friends of the students who wanted to provide enrichment opportunities for the students. The programs sponsored by business partners “provide insights into different aspects of cultural heritage and introduce the students to artistic nuances they might not ever have a chance to experience without the help and support of these sponsors and artists” (P. Townsend, personal communication, January 25, 2007).

These partners underwrote $15,000 for enrichment field trips outside the classroom in curriculum areas of history and science. All students in Grades PK-12 were given the opportunity to attend a major performing arts production at Bass Hall in downtown Fort Worth annually. Key activities handled by the business participation were student incentive programs, teacher recognition programs, artistic assemblies, and the yearly appreciation reception. School supplies and equipment were purchased for the school district (P. Townsend, personal communication, January 25, 2007).

Approximately 12-15 highly reliable and active business partners carried the financial support for the district. Business partnerships were categorized as platinum, gold, silver and bronze, based upon the financial and volunteer commitment made to the school district. Only one organization, Alcon Laboratories, Inc., ranked at the platinum level, the highest level of commitment. Participating in and funding 8 of 16 possible activities, this organization was the only entity within the school district that could not be solicited for additional contributions (P. Townsend, personal communication, January 25, 2007). This partnership reaped financial windfalls for the school district. Alcon Laboratories, Inc., one of the school district’s partners-in-

education, donated office supplies and furniture, chemistry laboratory equipment, and live plants for office areas. Volunteers from this corporation also visited elementary campuses to read to all elementary grade levels during the school day. At the high school, these volunteers were an integral part of the social studies curriculum, focusing upon Junior Achievement activities (J. Pfeifer, personal communication, January 26, 2007). Partners-in-education organizations assisted in math and science nights, reading nights, and weekly reading programs. Three business organizations were categorized as gold, four qualified for silver, and eight businesses received bronze recognition (P. Townsend, personal communication, January 25, 2007).

Partnerships were also developed with local universities. The University of Texas at Arlington (UTA) and Texas Christian University (TCU) provided university students through work programs, allowing them to work in classrooms, become student teachers, assist with the bilingual program, and conduct student observations (P. Townsend, personal communication, January 25, 2007). The local community college also entered into a partnership with the high school for dual credit course offerings (J. Pfeifer, personal communication, January 26, 2007).

Table 42 shows that during 2002-2003 and 2003-2004, the district realized $15,000 annually from donations and services from its Partners-in-Education program. For the 2004-2005 school year, funds amounting to over $18,000 were used for Imagination Celebration activities, cultural opportunities for all students within the school district (S. Adrian, personal communication, January 26, 2007).

The high school secretary, who kept track of all financial records occurring on the campus, recalled that business donations were received periodically, but none made a

significant financial impact. For instance, Target donated twice a year, up to 1% of the purchases made using the REDcard, to eligible school campuses designated by the shopper. Office Depot's 5% Back to Schools Program allowed schools credit for free supplies equal to 5% of the qualifying purchase. In 2004, an unsolicited contribution of $100 from an auto dealership in Heflin, Alabama was received due to the purchase of two vehicles; a dozen unused TI graphing calculators were donated; and a local bank donated $40 to the school district for every customer who opened a new consumer account. Spirit items were donated annually as were book covers and movie passes (P. Hurd, personal communication, January 27, 2007). In 2005, this school district also received donated office furniture and supplies with the closing of a local hospital. Additionally, the closing of a private school resulted in this Chapter 42 school district's becoming the beneficiary of its entire library, valued at $100,000. A medical center also donated three microscopes to the high school (J. Pfeifer, personal communication, January 26, 2007). Table 42 shows an estimated $5,000 was received during the first two years, and during 2004-2005, the school realized $125,000 in donations (S. Adrian, personal communication, January 26, 2007).

Table 42

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
Partners-in-Education	*$15,000*	*$15,880*	*$18,000*
High School Campus Donations	*$5,000*	*$5,000*	*$125,000*
Athletic Booster Club	$41,986	$25,550	$33,589
Band Booster Club	$12,445	$14,227	$16,320
Elementary PTO Organizations	$33,807	$32,742	$34,693
Total	$108,238	$93,399	$227,602

Note. Figures in italics are estimations by superintendent, director of finance, and campus secretary.

The Partners-in-Education organization did not coordinate partnerships with the parent-teacher organizations (PTO) or any booster clubs, yet the three most active organizations in this district were the athletic booster club, band boosters, and campus-level parent-teacher organizations. The campus-level parent-teacher organizations and athletic and band booster clubs acted solely on their own behalf. None of these organizations' finances were connected to the school district's budget in any way, yet all organizations played integral roles in providing additional opportunities for the students (S. Adrian, personal communication, January 26, 2007).

The athletic booster club annually conducted fundraisers throughout the year for underwriting the end-of-year all sports banquet and purchasing items for the athletic department that were not funded in their annual budgets. Funds were acquired throughout the year through membership drives, sale of spirit clothing and equipment, yard signs, advertisements in the annual football program, and manning concession stands at athletic events. The athletic booster club annually awarded cash prizes of $100 to the first place float and $50 to second place in the homecoming parade. They hosted a basketball tournament with all proceeds going to an injured football player, who was paralyzed in the state championship football game; and the boosters hosted the annual power lifting tournament. They annually awarded two $500 college scholarships to graduating athletes and annually contributed to a scholarship fund in memory of a deceased football player. Items such as embroidered towels, headbands, caps, and T-shirts, were bought for various teams. (B. Richardson, personal communication, January 27, 2007). Table 42 shows the athletic booster club's revenue for the three-year period. This school district enjoyed state championships in both

football and basketball during 2002-2003, resulting in much higher revenue.

Band boosters encouraged the students of the band, gave support to the organization, cooperated with the directors and school administration, and carried on fundraising projects necessary to support the financial needs of the band. Fundraisers were conducted through membership dues, donations, assisting in concession stands at athletic events, sponsorships, selling brochure items, bumper stickers, candy sales, magazine sales, spaghetti suppers, ice cream socials, T-shirts, and admission to concerts. These funds supported the purchasing of required equipment and supplies requested by the band director that were not covered in the school district's budget. The boosters paid for enrichment and competition trips, both out-of-town and out-of-state trips. The rise in revenue during the last two years was the result of the band being allowed to participate in music festivals outside the area, which required additional fundraising efforts. At the close of 2003-2004, the band competed at the Galveston Music Festival; in 2004-2005, the band competed in the Orlando, Florida, Music Festival. All revenue was spent solely on the band, covering band camp expenses, transportation, competitions, and concerts (S. Ezrow, personal communication, January 27, 2007). Table 42 includes the amount of revenue raised annually by the band boosters.

The parent-teacher organization did not have a unified program throughout the district. Each campus conducted its own activities and fundraising efforts. The individual campus PTO was only active at the elementary level. Revenue was generated from membership dues, concession stand participation, fall fundraisers conducted on each campus, school supplies, fall carnival, and the scholastic jamboree. Funds were spent

on activities such as teacher appreciation, volunteer recognition, sixth-grade celebration, classroom supplies, classroom parties, sixth grade track and field day, T-shirts, TAKS snacks and survival bags, science night at local museum, music program fund, movie license, Cinco de Mayo costumes, flags, school magnets, kindergarten and sixth-grade graduations, student awards, and bookmark contest awards. Table 42 reflects the total amount of funds spent directly on the elementary campuses.

Even though the PTO did not submit financial statements to the school district, each elementary principal had access to their campus-level PTO records due to the PTO president-campus principal relationship. However, only one elementary campus received money donated directly to the campus administrator's Activity Account 461 in addition to the supplies purchased for that campus from that respective PTO: $3,200 in 2003-2004 and $4,380 in 2004-2005 (S. Adrian, personal communication, January 26, 2007). The PTO and the campus principal determined how the funds were spent, in this case hiring TAKS tutors for his students (J. King, personal communication, January 29, 2007).

The business manager attested that the PTO and booster clubs did not exceed this district's threshold of $154,000. If any club donated or held more than this amount for this school district's benefit, that club would be audited as a component of the school district's annual audit. Due to an auditor's comment, the business manager began requesting the organizations' annual financial statements during the 2006-2007 school year (S. Adrian, personal communication, January 26, 2007).

This district also partnered with the local community college by allowing the college to send professors to the high school campus to teach dual credit courses. The

district paid all tuition, fees, and books for students qualifying for this program due to receiving a $50,000 grant over a five-year period. When the grant runs out, students will be required to absorb the entire cost without any reduction in fees unless the school district determines another method for assisting the students (J. Pfeifer, personal communication, January 26, 2007).

Chapter 41 5A School

This school district had approximately 25 strong, business partnerships, but no formal partners-in-education program or Adopt-a-School program had yet been organized. Efforts in conjunction with the local Chamber of Commerce were underway to get one organized. Since these partnerships had contractual agreements with the district, these entrepreneurial partnerships were included as local support venues instead of partnerships, fitting the criteria for this research. In addition to financial support, 16 to 18 individuals volunteered as mentors for reading and writing buddies at the elementary campuses (D. J. Faltys, personal communication, February 21, 2007). When funds were donated to the school district, they were placed in trust and agency accounts; the general operating fund; or in student account codes, Fund 865, depending upon the donation (C. Drilling, personal communication, October 3, 2007).

This district's employee appreciation initiative allowed sponsors to pay for membership ranging from a bronze level of $100 to a platinum sponsor of $1,000+. Currently 14 platinum sponsors, 10 gold sponsors, 10 silver sponsors, and 1 bronze sponsor assisted with employee appreciation efforts, raising approximately $35,000 annually. Donations from these sponsors, shown in Table 43, were deposited into a

special account and used solely for employee appreciation activities and gifts. These sponsor dollars were spent throughout the year on employee appreciation items ranging from birthday cards to end-of-year celebrations. One sponsor furnished campus breakfasts for faculty and staff while another sponsor furnished brown bag lunches that the superintendent served while visiting with campus teachers. Sponsors were featured on the district's Website and in special event programs, newsletters, cards, invitations, banners and other items. Advertising placement was dependent upon sponsorship level (J. Thannum, personal communication, April 10, 2007). The district business office did not post donations of less than $5,000 given directly to the schools on its Webpage (Drilling, personal communication, October 3, 2007).

Table 43

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
Employee Appreciation Sponsors	*$35,000*	*$35,000*	*$35,000*
Athletic Booster Club	*$50,000*	*$60,000*	*$70,000*
Band Booster Club	*$70,000*	*$70,000*	*$70,000*
Theater Booster Club	*$30,000*	*$30,000*	*$30,000*
Emerald Belle Booster Club	*$15,000*	*$15,000*	*$15,000*
Advanced Placement Booster Club	*$12,500*	*$12,500*	*$12,500*
Choir Booster Club	*$10,000*	*$10,000*	*$10,000*
Debate/Forensic Club	*$25,000*	*$26,000*	*$27,000*
Miscellaneous Donations	$1,020	$2,460	$23,911
High School PTO Organization	*$100,000*	*$125,000*	*$150,000*
Middle School PTO Organizations	*$28,000*	*$42,000*	*$48,530*
Intermediation PTO Organizations	*$20,000*	*$20,000*	*$20,000*
Elementary PTO Organizations	*$50,000*	*$50,000*	*$50,000*
Preschool PTO Organization	*$5,000*	*$5,000*	*$5,000*
TCC Tech Prep			$4,999
Total	$451,520	$502,960	$571,940

Note. Figures in italics are estimations by marketing director and club presidents/sponsors.

In addition to corporate partners, numerous booster clubs and PTSOs were also active supporters in this district. The athletic booster club was quite strong due to this district's winning tradition. One corporate sponsor, through this club's negotiations, continued play-by-play broadcast coverage on a local radio station for all 10 regular season football games, plus playoff games. This club also sponsored two spirit shops that were open daily to assist with the selling of school merchandise. One was located on the high school campus, and one was at the stadium. Spirit items such as flags, chairs, hats, visors, clothing, cushions, umbrellas, bags, yard signs, license plate frames, and trailer hitches were sold. Membership dues, personal and corporate donations, sponsorships, advertisement sales, raffles, auctions, tailgate parties and dinners also supported this club. In addition to an annual golf tournament, this booster club sold advertisements for four athletic programs: football, girls and boys' basketball, girls and boys' soccer, and baseball and softball (J. Luna, personal communication, April 4, 2007). With such a winning tradition and repeated winners of state competitions, this school's spirit items and school logo were lucrative enterprises. This booster club scheduled physicians to conduct physicals for all athletes for a set price; the $25 per athlete fee was paid to this booster club. Listed in Table 43, $50,000 to $70,000 was donated directly to the school district to take care of all district-wide athletic needs. The booster club also obtained the coaches' wish lists and purchased requested items (J. Luna, personal communication, April 4, 2007).

The band boosters, an organization made up of parents with students involved in the band program, also had a strong history of support in this district with the band earning two state championships. These parents provided manpower and financial

support in raising funds to support and enhance the band program. They had their own spirit store, which was open at every home football game. Individuals could also make purchases at their online store. All proceeds went directly into the band booster general fund to help supply equipment and fund activities not covered in the school district's budget. This booster club had a Partnership with Parents program to allow families opportunities to support the band financially, averaging $32,000 per year. This method of obtaining direct donations met the majority of the financial needs of this organization. Band boosters sponsored an annual Bistro, an Italian dinner and silent auction held in the cafeteria while band members performed in small ensembles, which raised $7,000 per year. One of their enticing auction items gave fans a chance to win exclusive skybox seating for up to 16 people to enjoy a football games. This club also provided complimentary parking, food and beverages to the lucky winner. The most lucrative fundraiser for this organization was the supervision of parking at the five home football games. Band boosters and the school district divided the $3.00 per vehicle parking fee evenly between the two organizations, allowing the band to earn $15,000 annually. Funds raised by these boosters paid for music, choreography, props, and technicians for halftime shows. Funds also purchased new instruments and equipment for the music program, provided annual scholarships, and subsidized the annual banquet (L. Abernathy, personal communication, September 7, 2007).

The band students raised money individually for enrichment and competition trips, both in-state and out-of-state. They sold entertainment passbooks and conducted an annual ham/turkey/dessert fundraiser. Money from the ham and turkey sales was deposited directly into the students' accounts. These optional sales gave the student a

way to pay for their travel expenses on band trips. Combining all sources of revenue, the band boosters raised $70,000 annually, shown in Table 43. Band booster money met the needs of the band program, which covered several campuses. Payment was made directly to vendors for equipment or to individuals for services. All payments were approved by the Fine Arts Director, either on an individual basis or by virtue of being part of the annual budget for which he was responsible (L. Abernathy, personal communication, September 7, 2007).

The Theater Department had its own booster club, a group of parents and corporate sponsors that provided support for the directors and the theatre program at the high school campus. Season sponsorship ranged from $500 to $15,000. Benefits and recognition were extended to the sponsors based upon their level of financial commitment. They assisted with financial support for items not in the school budget and provided a communication link between the directors, students, and parents. Volunteers helped build sets and helped with each production through ticket sales, concession and T-shirts sales, and crowd control. This booster club assisted with the annual banquet and offered scholarships for seniors pursuing a degree in the arts. Additional fundraising efforts were conducted through numerous productions, the selling of yard signs, and season sponsors, netting $30,000, compiled in Table 43 (R. Uhtenwoldt, personal communication, April 4, 2007).

The Emerald Belle Booster Club organization, which was composed of the 75 parents of the drill team members, had been in existence since 1997. This club helped with all activities directly benefiting the drill/dance team. Boosters served on committees for an annual holiday tea, parent pot luck dinner, competitions, and the yearly banquet.

Varsity level dancers participated in numerous fundraisers to help raise money for their competition trips, costuming, banquet, and transportation that was not covered in the district's budget. Dance clinics and picture buttons were successful ventures for fundraising for this organization, with all money going only to this organization. Table 43 shows that $15,000 was raised annually from this club's efforts (M. Page, personal communication, April 4, 2007).

This school district had a booster club for advanced placement students. Funds were primarily raised through membership dues and donations to benefit the teachers and students through enrichment grants and scholarships. Scholarships were offered to senior students who were actively involved in this program. This booster club's annual fall fundraiser event offered two reserved seats and a reserved parking spot for the entire football home season. Another activity entitled *Kick-It*, co-sponsored by a local auto dealership and the AP Boosters, raised over $800 to benefit this organization. Overall, this organization raised $12,500 annually, shown in Table 43 (C. Shankman, personal communication, September 7, 2007).

The Choir Booster Club supported the choirs and director, purchased music and equipment, provided scholarships for music camps and college bound seniors, and sponsored an annual variety show. Membership dues ranged in four categories, from $25 to $125 per family. Primary funds came from membership dues and donations. One fundraiser, the selling of chrome car emblems and hitch covers, allowed the club to receive $2 for every emblem sold, and the school district received 10% of all gross sales from the logo licensing agreement. All booster clubs had a booth at the PTO fall craft fair as fundraising activities. Funds supported the needs of the choir, specifically

auditorium upgrades. Boosters assisted by volunteering as chaperones, assisting with programs, fundraising, and choir trips; selling T-shirts; decorating the homecoming float; funding the end-of-year banquet and the variety show; and supplying snacks, grant writing, and concert decorations. This booster club assisted in raising $10,000 per year, listed in Table 43 (C. Hutchinson, personal communication, September 7, 2007).

The booster club members for the debate/forensics students volunteered their time, finances, and support in allowing these students to travel to various competitions. Fundraising efforts included local area network (LAN) computer gaming parties, debate tournaments, starter camp fees, private donations, auctions, restaurant *debate* nights, sale of floor mats and *glo* necklaces, and monitoring volleyball and basketball concession stands. This club hosted a debate workshop each summer at a cost of $125 for the week as one of its fundraisers, open to any student entering Grades 9-12. Membership dues and donations were accepted addressing this club's specific needs that were not covered in the school district's budget. Table 43 shows that $25,000 to $27,000 was raised annually (L. Campanello, personal communication, April 4, 2007).

In 2003, the school district asked the PTO representatives to consider joint activities to support the various campuses and levels of the school district. They requested ideas that would encourage a more district-wide perspective rather than campus to campus support. Even though campus parent-teacher organizations were important for supporting a particular school, this school district felt it would be of more benefit to teach the students about the importance of being a part of the school district rather than developing competitive campuses (J. Thannun, personal communication, April 10, 2007). However, all campuses still maintained highly active PTO-PTSO

organization without developing a unified focus, and even organized a unique PTO organization for preschool.

The high school PTSO organization hosted an annual district-wide fundraising classic event, involving an auction, dinner, and golf tournament. Auction items included wine tasting for 35, yearly fitness memberships, week-end getaways, courtesy skybox at homecoming, a Jerry Jones's autographed Dallas Cowboy helmet, first-class airline tickets, tailgate party for 45, and tickets to Jay Leno. The proceeds co-benefited the athletic booster club, distributing funds to all sports and the high school PTSO teacher needs. Approximately $100,000 was raised annually from this one event. Additionally, the high school annually held its back-to-school street dance and combined fundraising efforts netted $150,000 annually, listed in Table 43 (P. Danner, personal communication, April 10, 2007).

The middle school PTSO desired its campuses have the necessary resources to educate their children. This organization's role was volunteerism and financial support. Members monitored the spirit shop, scheduled student programs, and planned student socials. Their fundraising effort was through donations only, with an annual goal of $15,000. In the past, magazine sales had been conducted, so the PTSO still offered an opportunity for renewal of magazines. Between $18,000 and $26,000 was raised annually from each of the two campuses. Volunteer opportunities were available in the art department, athletic concessions, band, career day, chaperoning, environmental program, fine arts, front office, hall monitors, hospitality, library, special events, and workroom help (T. Herr, personal communication, April 10, 2007). The intermediate campuses relied on volunteerism and membership dues to meet their needs. Volunteers

were needed to fill the roles of art docent, making copies for teachers, supervising field day, serving luncheons for teachers, working in the library, helping landscape, assisting in the nurse's office, monitoring the spirit shop, and compiling the PTO directory. Two fundraisers, cookie dough sales in the fall and another type of fundraiser in the spring, were the only ones conducted by these two campuses throughout the school year, netting $10,000 annually on each of these campuses (T. Collins, personal communication, April 10, 2007).

The elementary campus PTSOs sponsored several fundraising events each year with the proceeds going to purchase instructional supplies for the classroom and to pay for special programs for the students and/or teachers. Each campus PTSO was unique in its own activities, but all campuses conducted membership drives, monitored spirit shops, conducted fall fundraisers, and relied on volunteers for supervision of campus activities and administrative duties. In addition, ongoing fundraisers included the collection of box tops and Campbell soup labels and use of Albertson's, Kroger, Tom Thumb and Target education savings cards. Combined efforts of all elementary campuses raised $50,000 per year. One elementary campus used a portion of these funds to replace a gymnasium floor (C. Satterfield, personal communication, April 10, 2007). The Preschool Parent-Teacher Organization supported children from birth to six years of age in the schools, the community, and other organizations that make decisions affecting them. Membership dues benefited children's play groups, holiday parties, monthly educational meetings, and semi-annual newsletters. Table 42 shows funds raised by this organization were around $5,000 annually (P. Danner, personal

communication, April 10, 2007). Due to a partnership with the local community college, this district received a donation of $5,000 for their technology preparation program.

Chapter 42 5A School

This school district, having the largest enrollment of all ten districts, relied heavily upon its local Chamber of Commerce and Lions Club to obtain business partners. The Chamber had an education committee that assisted with school representation. Currently, both organizations are assisting the school district in developing an Adopt-a-School program. Business partners from these two organizations were used on an as-needed basis by serving on task forces, committees, the school's site-based decision making committee, and the school district's advisory council. Members from these two organizations were active members from mentor churches and assisted with career fairs and student job fairs. They volunteered at the elementary schools as mentors and donated goods and supplies upon request (T. Kuykendall, personal communication, May 1, 2007).

The Chamber of Commerce sponsored an annual taste festival and community spotlight, featuring food from local restaurants and products and services from local businesses as well as entertainment from the high school's show choir and all-city choir. The Chamber partnered with the Council of PTAs, allowing $1.00 of every ticket sold by PTA members to be returned to that school's PTA. Goods and services from the Chamber of Commerce partnership with the school district resulted in a $20,000 gain (S. Casey, personal communication, May 1, 2007).

The Lions Club annually donated $10,000 in scholarships for qualifying seniors and $1,000 to assist indigent students with school supplies. They annually sponsored this school district's Project Graduation by donating $10,000 to underwrite the activity. Forty $50 individual prizes and nine $100 school prizes were awarded annually for the third-grade literacy fair. This organization sponsored two students for district speakers' competition, at a rate of $500 per student. The Lions Club also hosted the annual high school girls' basketball tournament, raising $15,000 from this one event. This club alone supported the school district's activities at the rate of $39,900 per year (J. Kyle, personal communication, May 1, 2007).

This school district's PTA is a member of the Texas PTA. Their local chapter had a council of 22 members and had representation on three special school-related committees: Project Graduation, education foundation, and the alumni organization. This PTA presented a unified presence within the school district and the community through their strong volunteerism on all campuses. Membership dues was only one of their fundraising efforts (B. Sturman, personal communication, May 1, 2007).

The nine elementary campuses, composed of PK-4, had their own active individual organizations that provided educational programs, volunteerism, and conducted fundraisers to support activities for teachers and students. Fundraisers included membership dues, catalog sales, box top collections and Campbell Soup labels. Each elementary school obtained $550 from box top collections, over $500 from soup labels, $350 from annual membership dues, and $600 from catalog sales. In addition, each elementary campus's PTA received annual $500 donations from Chili's and Target, respectively. Table 44 shows these nine elementary PTA organizations

collectively raised $21,000 annually (B. Sturman, personal communication, May 1, 2007).

Table 44

Funds Obtained from Partnerships

Organization	2002-2003	2003-2004	2004-2005
Chamber of Commerce	*$20,000*	*$20,000*	*$20,000*
Lions Club	*$39,900*	*$39,900*	*$39,900*
Athletic Booster Club	*$75,000*	*$75,000*	*$75,000*
Band Booster Club	*$100,000*	*$100,000*	*$100,000*
High School PTSA Organization	*$28,000*	*$29,000*	*$30,000*
Middle School PTO Organizations	*$13,800*	*$13,800*	*$13,800*
Intermediation PTO Organizations	*$15,000*	*$15,000*	*$15,000*
Elementary PTO Organizations	*$21,000*	*$21,000*	*$21,000*
Preschool PTO Organization	*$3,000*	*$3,000*	*$3,000*
Total	$315,700	$316,700	$317,700

Note. Figures in italics are estimations by organizations' presidents.

Intermediate campuses, composed of fifth and sixth grades, enjoyed association with their PTO partners to develop a learning environment that optimized student ability and academic achievement. The intermediate PTA enjoyed opportunities to provide yard signs and certificates to the Students of the Month at monthly meetings, gave parties for various occasions, offered monetary amounts to classrooms for much needed supplies, and provided items in the campus store so students could use their spirit dollars to buy treats, attend skating trips, or enjoy an afternoon movie and popcorn (M. Smythe, personal communication, May 1, 2007). Fundraising opportunities for the three intermediate schools entailed membership drives, book drives, selling items in the campus stores, fall festival activities, and brochure sales. Table 44 shows these

intermediate schools collectively raised $15,000 annually (B. Sturman, personal communication, May 1, 2007).

The three middle-school campuses, composed of seventh and eighth grades, provided strong parent networks to assist administrators in creating successful schools. Parents volunteered by assisting in the lost and found areas, monitoring the school stores, and selling campus T-shirts (G. Trujillo, personal communication, May 4, 2007). On-going fundraising activities included Tom Thumb's 1% program and Cici's Pizza percentage of receipt programs. These two fundraising activities annually added $2,000 for each of the three campuses.

Selling campus T-shirts and items from the school stores included $1,200 for each campus. Book sales, brochure sales, directory sales, and box top collections contributed another $600 per campus. Membership dues resulted in $300 per campus, and the Winter Dance made $500 per campus. Table 44 shows the three middle-school campuses collectively raised close to $13,800 per year (B. Sturman, personal communication, May 1, 2007).

At the high-school level, PTA became PTSA as students were allowed to join. Students could use this venue for community service opportunities. The PTSA's goal was to organize quality programs and increase its visibility on the campus through volunteerism. Membership dues were a primary fundraiser, netting over $5,000 annually as the high school strongly encouraged student volunteerism. Another fundraiser used at the high school campus was the purchase of memory bricks that were placed in the foyer of their school. An estimated $3,000 was raised in this manner. Dinners, auctions, raffles, bake sales, concession stands, dances, directory sales were other methods by

which additional funds were raised, netting $15,000, most of which was used for underwriting Project Graduation, a celebration party held at the close of each school year to honor the graduates. Overall, the high-school PTSA annually raised between $23,000 and $25,000 and received donations of $5,000 annually. Table 44 reflects an annual intake of $28,000 to $30,000 (B. Sturman, personal communication, May 1, 2007). In addition to fundraising and volunteerism, the PTSA annually awarded a $1,000 scholarship to an active PTSA graduating senior (T. Johnson, personal communication, May 1, 2007).

Embedded in the main PTA organization is an Early Childhood PTA, a non-profit community-wide organization dedicated to providing information and support to parents and caregivers of children from birth through age five. This organization began in 1997 and continues to offer a wide variety of educational and entertaining programs for the parents. This group was involved in many community service programs, screening approximately 500 preschool children annually for vision and hearing. They also assisted the police department with their Teddy Bear Patrol and Stranger Danger programs as well as being involved with the public library, building of Kidsville, and donations to the Crisis Pregnancy Center. Membership dues and donations were its only sources of fundraising, netting $3,000 annually (B. Sturman, personal communication, May 1, 2007).

This school district's band, typically numbering from 250-300 members, had a history of being extremely competitive at the state level every year. This marching band advanced to the state finals 12 times since 1979. This high school is the only 5A school to win a medal every year since awards were first presented in 1996. No other

extracurricular program in this district involved and included more parents than the band boosters. Formed in 1954, this booster club's objective was to serve and help promote the general activities of the school district's instrumental music department. The band parents assisted in the concession stands for football, basketball, volleyball games and track meets. This endeavor netted over $30,000 a year. Volunteers chaperoned out-of-town trips, away games, performances, and competitions. The biggest band event, and fundraising event, held in this community was the marching band competition, requiring 350 workers. This event alone raised close to $50,000. Monitors were needed in various regions for band and orchestra auditions, assisting as parking guides and serving as hospitality hosts, stadium clean-up, and competitions volunteers. Additional fundraising of $20,000 included donations from individual and corporate sponsors, selling of spirit items, and the Tom Thumb Grocery program dedicating 1% of all purchases to the band boosters. The money raised at these events supplemented the band program, primarily by buying school instruments, music, hiring private instructors, and purchasing other supplies needed by the department that were not funded by the school district's budget. Funds also supported the annual spring concert, the band banquet, in-state and out-of-state enrichment and competition trips (J.D. Wyner, personal communication, May 4, 2007). Table 44 shows a combined fundraising total of $100,000 yearly as estimated by the band booster president.

The athletic booster club was committed to supporting their athletes through academic achievement, athletic excellence and national recognition; to act with honor; and show pride in their accomplishments. The integrity of their program was rooted in the tradition and spirit to bring honor and distinction to their school and community. This

organization conducted an annual Kick-Off Party at the high school at the beginning of each new school year to honor all athletic sports teams. This family event was also a fundraiser and membership drive, raising $10,000 to begin the school year's athletic events. The athletic boosters and various high school student organizations had information tables and spirit items available for purchase. In addition to standard fundraising from membership dues, funds were accepted from personal and corporate donations, from selling spirit items, and from advertisements in the athletic programs. An estimated $50,000 was raised from these venues. A unique fundraiser of downloading digital music from the Internet helped support this district's athletics. For every song or album downloaded, the athletic program received a commission, resulting in $2,500 from this source. Another unique fundraiser is the ultimate fan reward card. For every game an individual attended, a stamp was given. The stamps were accumulated throughout the year and redeemed for spirit items, netting $2,500 from this fundraiser. Another corporate sponsorship, developed in conjunction with this booster club, provided the broadcasting of all of the district's football games on the Internet, an estimated $10,000 donation. This booster club did not make monetary donations to the school district, but instead, purchased items for the athletic department upon the request of the coaching staff (K. Ozee, personal communication, May 4, 2007). Table 44 shows $75,000 was raised by this booster club, according to its club's president.

Fundraisers

Fundraisers are initiated at the campus levels by clubs and organizations within each school district. Money ranges from meager amounts to a few thousand dollars for

the various clubs and classes' efforts. Candy, mugs, T-shirts, candles, picture frames, magazines, gift wrapping, fruit and meat sales, raffles, spaghetti suppers, ice cream socials, brochure sales, car washes, and spirit items are some activities used for fundraising. Revenue from fundraising efforts can be tracked through the school districts' accounts. Fund 865 is the student activity account, and Fund 461 is the administrator's activity account, where campus-level revenue such as fundraising is deposited by school districts (S. Adrian, personal communication, January 26, 2007). However, revenue amounting to less than $5,000 does not have to be reported in a school district's financial report to the state (C. Drilling, personal communication, October 3, 2007).

Chapter 41 1A School

This school district conducted fundraisers at all grade levels, PK through 12, and these fundraisers followed them throughout the 13 years. Campus organizations such as athletics, cheerleading, Future Business Leaders of America (FBLA), Family Career and Community Leaders of America (FCCLA), Future Farmers of America (FFA), high school University Interscholastic League (UIL) academic competitions, student council, theater, and yearbook conducted their own individual fundraising activities. Items generating revenue came from sales of magazines, gift-wrapping, fruit, and meat; raffles; PTO-sponsored fall festival booths; spaghetti suppers; bake sales; and T-shirt and balloon sales. The athletic department monitored the concession stands, and the money was used for purchasing equipment and uniforms and paying for the spring banquet. Senior trips, paid for by a culmination of years of effort, varied from snow

skiing in Durango to a trip to San Antonio, wherever the class chose to go (T. Walker, personal communication, February 20, 2007).

Table 45

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
High School Organizations, Grades 7-12	*$3,000*	*$3,000*	*$3,000*
Elementary School Organizations, Grades PK-6	*$2,000*	*$2,000*	*$2,000*
Yearbook	*$3,000*	*$3,000*	*$3,000*
Project Graduation	*$1,000*	*$1,000*	*$1,000*
Library	*$1,000*	*$1,000*	*$1,000*
Total	$10,000	$10,000	$10,000

Note. Figures in italics are estimations by superintendent.

Fundraising revenue was deposited in a chart of accounts, Code 865, which lumped all fundraising money into four categories: library, Project Graduation, student accounts for high school and elementary, and yearbook. Accounting of funds was not separated by individual organizations and clubs except for the library, Project Graduation and yearbook. For instance, vending sales were deposited in accounts for high school and elementary. Revenue from the sale of campus publications was deposited in the yearbook account. The high school secretary kept records of all fundraising efforts by club and organization, deposited the money in the local bank, and wrote the checks (T. Walker, personal communication, February 20, 2007). The superintendent estimated the district raised $10,000 a year through combined fundraising efforts (C. Welch, personal communication, February 20, 2007). All club fundraisers were used for that club's benefit, primarily for enrichment purposes (M. Davis, personal communication, February 20, 2007).

Chapter 42 1A School

This school district relied mainly on campus administrators to initiate fundraising efforts. The high school campus conducted activities such as the fall carnival, street dances, T-shirt sales, barbeque dinners, and student dances. The only fundraiser conducted at the elementary campus level was participation in the fall carnival. The fall carnival alone cleared $1,200 in 2002-2003, $1,300 in 2003-2004, and $1,500 in 2004-2005 (D. Welch, personal communication, February 22, 2007). In addition to band and athletics, this high school was involved in FFA, FCCLA, student council, cheerleading, honor society, high school UIL competitions, theater, and yearbook. Fundraising opportunities for these clubs and campus organizations included concession stands and vending sales, with the revenue deposited in the Student Activity Account Code 865 in the school district's budget. Shown in Table 46, the district raised between $7,200 and $7,800 annually from district-wide fundraising efforts by campus clubs and organizations (D. Welch, personal communication, February 22, 2007).

Table 46

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
High School Organizations, Grades 7-12	*$5,000*	*$5,500*	*$5,000*
Elementary School Organizations, Grades PK-6	*$500*	*$600*	*$700*
Yearbook	*$1,000*	*$1,000*	*$1,000*
Fall Carnival	*$700*	*$700*	*$800*
Total	$7,200	$7,800	$7,500

Note. Figures in italics are estimations by superintendent.

Chapter 41 2A School

Various groups conducted fundraisers on all campuses, but the district itself did not conduct any (C. Pierel, personal communication, February 15, 2007). Unless approved by the campus principals, fundraising was not permitted on school property. Student clubs or classes, outside organizations, and/or parent groups occasionally may be permitted to conduct fundraising drives for approved school purposes. As shown in Table 47, Grades 3-5 on the elementary campus periodically conducted fundraisers for choir and recorder ensemble programs (R. McWhorter, personal communication, March 5, 2007). The middle-school campus conducted fundraisers for its honor society, band, choir, art and theater arts departments, student council, PALS, and athletics programs (C. Daniel, personal communication, March 5, 2007). High school clubs and organizations conducting fundraisers included academics, art, athletics, band, choir, drama, FCCLA, student council, honor society, Special Olympics, and yearbook. Annual fundraisers were conducted in order to extend the classroom through enrichment activities. Each club and organization was responsible for raising funds if there was not enough money allocated to their budgets in order to participate in additional activities. In all instances, funds were deposited into the organizations' accounts (J. Butts, personal communication, March 5, 2007).

A unique organization to this school district was the Texas Math and Science Coaches Association, formed in 1981 to build interest and enhance competition through grade level and team participation. Fundraising of $5,000 per year benefited this organization, allowing the participants to attend competitions throughout the state and providing senior students with the opportunity to obtain scholarship funds (C. McCurdy,

personal communication, March 5, 2007). Table 47 reflects $35,000 in total fundraising annually (P. Lyles, personal communication, September 19, 2007).

Table 47

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
High School Organizations	*$15,000*	*$15,000*	*$15,000*
Middle School Organizations	*$8,000*	*$8,000*	*$8,000*
Elementary School Organizations	*$3,000*	*$3,000*	*$3,000*
Texas Math and Science Association	*$5,000*	*$5,000*	*$5,000*
Total	$35,000	$35,000	$35,000

Note. Figures in italics are estimations by business manager and campus principals.

Chapter 42 2A School

This high school's motto "If it's good for the students, we do it" is evident in the support of seven main clubs and organizations in addition to their athletic involvement, all involved in fundraising (G. Redding, personal communication, May 21, 2007). The FFA was the largest club on the high school campus, having around 65 members. Its fundraising efforts included meat, fruit, and cookie sales. FFA and FCCLA co-sponsored an annual hayride and cookout. Funds amounting to $3,000 annually supported their clubs' numerous activities, such as meetings, entry fees, travel and leadership conferences (K. Pendleton, personal communication, May 21, 2007). The FCCLA, a service organization, conducted fundraisers to support its projects for soldiers, nursing homes, veterans, and mothers and small children. Fundraising efforts included an ice cream float party, a chili cook-off contest, flower sales, Easter egg hunt,

and bake sales, netting $2,000 per year (K. Barnett, personal communication, May 21, 2007). The National Honor Society, began in this district in 2004-2005, had approximately 25 members, but conducted no fundraisers (J. Fisher, personal communication, May 21, 2007). Impact, a Christian-based organization sponsored by the Rotary Club, sold pizza at lunch and conducted bake sales to pay guest speakers for teen rallies and assemblies. This organization raised $2,000 annually. Individual band members sponsored a video game tournament to raise money for out-of-state trips, and the band director applied for a Hamburger Helper $20,000 grant to assist the students in raising money for a trip to New York (K. White, personal communication, May 21, 2007). The Student Council, composed of approximately 30 students annually, conducted fundraisers through dances, concessions, *penny wars*, and the sale of spirit items, raising $1,000 a year. These funds were used for friendship exchanges between schools at football games, summer leadership camp, decorations, service projections, teacher appreciations, payment to disc jockeys, and community support. An estimated $3,000 was earned from concession stands and other fundraising activities which netted $2,000 annually (D. Taylor, personal communication, May 21, 2007). Cheerleading also conducted fundraisers of chocolate, suckers, candy, cookies, bake sales, and jewelry; netting $2,000 a year. Funds were used for spirit items, supplies, uniforms, camps, and travel (D. Means, personal communication, May 21, 2007). A culmination of fundraising efforts from high school organizations raised $15,000 each year for self-support (G. Redding, personal communication, May 21, 2007).

This district's middle-school campus accepted old cell phones to pay for science items, raising $1,000 annually and the money was deposited into the campus

administrator's account, Code 461 (B. Swain, personal communication, May 21, 2007), but no other fundraising efforts were conducted at the middle school. No club or organizational fundraising was conducted on the intermediate campus (B. English, personal communication, May 21, 2007). Only PTO fundraising activities were conducted on the elementary campus. Together, the organizations raised just over $15,000 annually, and the money was deposited in the Student Activity Code 865 (G. Gilbert, personal communication, May 21, 2007).

Table 48

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
High School Organizations	*$15,000*	*$15,000*	*$15,000*
Middle School Organizations	*$1,000*	*$1,000*	*$1,000*
Total	*$16,000	*$16,000	*$16,000

Note. Figures in italics are estimations by superintendent, campus administrators and club sponsors.

Chapter 41 3A School

This school district recognized 24 separate clubs and organizations on the high school campus alone and had strong community support in fundraising and sponsorship efforts. The traditional clubs were active, such as art, band, choir, dance team, FCCLA, FFA, color guard, journalism, cheerleaders, National Honor Society, speech, student council, theater, UIL academics, Project Graduation, and yearbook. Some unique organizations on this campus were Students Against Drunk Drivers (S.A.D.D.), Future Leaders Organization (FLO), Hepkats, Rodeo Club, Teen Board, and Health Occupations Students of America (HOSA) (T. Corcoran, personal communication,

September 13, 2007). The journalism club sold advertisements valued at $10,000 to local businesses in order to meet the actual production cost, but no other fundraisers were conducted by this organization (J. Snyder, personal communication, September 13, 2007). The FCCLA primarily was involved with volunteer activities and raised money to pay for workshops and hotels, projects, and supplies by selling cotton candy at football games. Fundraising activities allowed a donation of $5,000 to assist in restoring a historic landmark, destroyed by fire. Taking pictures with Santa netted $250; and a silent auction raised $342 (S. Bruce, personal communication, September 13, 2007). The FFA, with approximately 55 members, sold meat, fruit, cookies, and meat sticks. They assisted with parking at home football games. This organization raised $3,500 annually to be used for meetings, entry fees, and student travel and attendance at leadership conferences (G. Rosenbusch, personal communication, September 13, 2007). The theater department did not conduct fundraisers as the school district provided whatever was needed (P. de los Santos, personal communication, September 13, 2007). Between $28,000 and $30,000 was raised annually by the various clubs and organizations on the high school campus (T. Corcoran, personal communication, September 13, 2007). Community businesses underwrote many of these clubs' activities in lieu of clubs conducting their own fundraising efforts (J. Shipman, personal communication, September 13, 2007).

Junior high student clubs, classes, outside organizations, and parent groups were occasionally permitted to conduct fundraising drives. Unless approved by the principal, fundraising was not permitted on school property. Money raised was used only for the benefit of the students. Fundraising events, raising $10,000, were limited to

those that benefited the community (S. Craft, personal communication, September 20, 2007). The intermediate principal shared that the science and fine arts departments conducted campus fundraisers, raising $2,000 annually. The science department sold book covers, and the fine arts department sold caps to support their Accelerated Reader program, UIL competition, and support teachers attending their respective conventions (S. McCarty, personal communication, September 20, 2007).

Fundraising by students was not permitted at the elementary campus (D. Morris, personal communication, September 20, 2007). The district attempts to meet the needs of these organizations as much as possible, trying to keep fundraising to a minimum (G.W. Rotan, personal communication, January 31, 2007). Between $40,000 and $42,000 was raised annually by clubs and organizations within this district (J. Shipman, personal communication, September 13, 2007).

Table 49

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
High School Organizations	*$28,000*	*$29,000*	*$30,000*
Junior High School Organizations	*$10,000*	*$10,000*	*$10,000*
Intermediate School Organizations	*$2,000*	*$2,000*	*$2,000*
Elementary School Organizations	0	0	0
Total	$40,000	$41,000	$42,000

Note. Figures in italics are estimations by business manager and campus principals.

Chapter 42 3A School

This district allowed fundraisers to be conducted on the individual campuses. The

high school campus had three organizations that actively pursued fundraisers: choir, FFA, and FCCLA. Additional clubs included athletics, band, cheerleading, student council, UIL academics, yearbook, and honor society; but these clubs did not participate in fundraising activities (M. Callahan, personal communication, May 23, 2007). The choir managed the concession stands and sold an originally recorded CD. Ten percent of its funds went to supplies, and the remainder was used for student trips, scholarships, and uniforms. The FFA conducted meat sales and used its funds for organizational activities such as meetings, conventions, and entry fees. FCCLA had brochure sales of gift items, kitchen items, jewelry, and wrapping paper. Its funds were used for classroom supplies. Approximately $7,000 was raised annually from these three organizations. Funds were deposited in the student activity account, Code 865, of the school district's budget (M. Callahan, personal communication, May 23, 2007).

The junior high campus administrator conducted fundraisers by selling discount cards and cookie dough. Between $5,000 and $6,000 was raised annually to purchase benches, picnic tables, and prizes for attendance. The money was placed in the campus activity account, Code 461, and was used for campus improvement and activities on an as-needed basis (A. Autry, personal communication, May 23, 2007). Campus clubs actively pursuing fundraising included the choir, band, and cheerleaders. These organizations sold candles and brochure items, hosted dances, and monitored concession stands. These funds, deposited into Student Account Fund 865, were used solely for individual club needs such as uniforms, equipment, travel, and competition fees. The junior high organizations cumulatively raised $2,000 annually (A. Autry, personal communication, May 23, 2007).

The intermediate campus conducted two campus-wide fundraisers initiated by the campus administrator. A brochure sale involving a variety of products and a magazine sale were held. Money was used to buy playground equipment, climbing walls, basketball goals, and trips to Celebration Station each year. Funds were also raised for the construction of a covered pavilion for the students. These two fundraisers netted between $18, 000 and $20,000 annually.

The campus administrator kept track of the funds that were deposited into the administrator's campus activity fund, Code 461. The only club that conducted fundraisers at the intermediate level was the choir. This organization sold candy yearly, raising $3,000 to address its needs (S. Dunlap, personal communication, May 23, 2007).

The elementary campus administrator held a Pumpkin Patch carnival and sold T-shirts as campus fundraisers, raising $4,000 annually. In 2004-2005, an art auction was also conducted, which netted an additional $3,000. Funds were used for installing a marquee and purchasing borders for a playground, rock climbing equipment, a pre-kindergarten sand house, water fountains, gravel, and swings. The money collected was also used for technology, field trips, awards, ribbons, trophies, and hallway signs. Elementary students were not allowed to personally participate in fundraising activities, but the campus administrator raised between $4,000 and $7,000 annually. Funds were deposited in the campus administrator's Activity Account 461. The only organizations that conducted any type of fundraiser on the elementary campus were the PTO and Girl Scouts. Neither organization's funds were deposited in the school district's budget (K. Lamar, personal communication, May 23, 2007).

The information regarding fundraising efforts for this school district was submitted via the questionnaire, and the only clubs and organizations mentioned as conducting fundraisers are listed in the Table 50. Based upon the financial officer's input, this district conducted fundraisers netting between $38,000 and $47,000 annually.

Table 50

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
Choir	$4,000	$4,000	$4,000
FFA	$1,300	$1,400	$1,500
FCCLA	$1,000	$1,300	$1,500
Junior High Administration	$5,000	$5,500	$6,000
Junior High Organizations	$2,000	$2,000	$2,000
Intermediate Administration	$18,000	$20,000	$22,000
Intermediate Choir	$3,000	$3,000	$3,000
Elementary Administration	$4,000	$4,500	$7,675
Total	$38,300	$41,700	$47,675

Source: M. White (personal communication, May 23, 2007).

Chapter 41 4A School

Initially this school district entered into the advertising business, allowing three rotating blocks of advertisement on its Website to help generate revenue. But after approximately a year and a half, the district administrators chose to turn advertising and fundraising efforts over to the PTA and the education foundation. Fundraisers were no longer initiated from the central office. However, this school district was heavily populated with clubs and organizations at every campus level, and the majority of them conducted fundraisers to handle organizational expenses. The high school administrator

strongly encouraged club participation as it provided opportunities for school involvement, accumulation of required service hours, and leadership although participation was totally voluntary. This campus alone offered 66 different clubs, 17 academic organizations, 30 levels of athletics participation, 19 community service organizations, and seven fine arts programs in which to participate (P. Cates, personal communication, March 21, 2007).

Methods for obtaining funds included the sale of items such as T-shirts, spirit items during sports seasons, and tickets to dances. Fashion shows, dinners prior to home football games, and jars for donations of change at cash registers in the cafeteria were other ways the clubs raised money. Many clubs and organizations were recipients of business donations and had individual booster clubs to extend financial assistance. Specific organization activities were often underwritten by businesses in the community (P. Cates, personal communication, March 21, 2007). All club funds, class funds, and student activity funds from the sale of literary magazines, newspapers, and yearbooks and from student council activities were deposited in Student Activity Fund 865, raising $125,000 annually at the high school campus (K. Ingersoll, personal communication, April 24, 2007).

The middle-school campus students, composed of seventh and eighth graders, could participate in any of the four fine arts clubs, six athletics organizations, three student organizations, and two student publications clubs. These organizations included sports, band, orchestra, choir, art, drama, cheerleading, clubs, community service, student council, and National Junior Honor Society. Campus level fundraising acquired $75,000 annually (L. Norton, personal communication, March 21, 2007).

The intermediate campus, composed of fifth and sixth graders, participated in academic competitions, fine arts, and community service activities as student ambassadors and safety patrols. Only the choir conducted fundraisers on this campus, netting $5,000 annually (L. Norton, personal communication, March 21, 2007). Fundraising at the four elementary campuses was handled solely through the campuses' administrators (K. Ingersoll, personal communication, April 24, 2007). Each campus administrator conducted fundraising to provide a cushion for incidentals not included in the district budget. Ranging from $10,000 to $30,000 per campus, these funds were deposited into campus activity accounts, Code 461. Fundraising was for individual club use, providing enrichment activities, supplies, uniforms, travel, and fees. Shown in Table 51, $300,000 was raised annually for the clubs and organizations district-wide (K. Ingersoll, personal communication, April 24, 2007).

Table 51

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
High School Administration	*$30,000*	*$30,000*	*$30,000*
High School Organizations	*$125,000*	*$125,000*	*$125,000*
Middle School Administration	*$15,000*	*$15,000*	*$15,000*
Middle School Organizations	*$75,000*	*$75,000*	*$75,000*
Intermediate Administration	*$10,000*	*$10,000*	*$10,000*
Intermediate Choir	*$5,000*	*$5,000*	*$5,000*
Elementary Administration	*$40,000*	*$40,000*	*$40,000*
Total	$300,000	$300,000	$300,000

Note. Figures in italics are estimations by district financial officer and campus administrators.

Chapter 42 4A School

Numerous fundraisers were conducted throughout the school year to allow different organizations to take field trips. Active clubs at the high school campus included art, yearbook, drama, FCCLA, choir, athletics, library, sports medicine, theater production, newspaper, band, cheerleaders, foreign language, Key Club, Science Club, steppers, Crime Stoppers, Fellowship of Christian Athletes (FCA), student council, and all grade level organizations. A variety of items and activities were used to solicit funds such as bake sales, raffles, candy sales, balloon sales, valentine sales, spirit items, flower sales, brochure sales, Make a Goal contest, yearbook advertisement, basketball game, and admission to events (P. Hurd, personal communication, January 27, 2007). The majority of funds raised were for enrichment activities. For instance, the Spanish Club annually made a trip to San Antonio to enjoy the Fiesta celebration. The Art Club viewed a variety of exhibits throughout the year. The Science and Math Clubs participate in all-day trips to Six Flags for Physics Day (S. Adrian, personal communication, January 26, 2007). One high school fundraiser, Dodge's Drive for the Kids, allowed brief test drives to be taken by the students, faculty, and parents to raise funds for a specified student organization. The local Dodge dealer provided a variety of cars and trucks for the test drives, and dealership personnel volunteered their time. The Dodge Division donated $5 to the organization for each test drive and a completed product evaluation. The cars were available for two to three hours. Typically, the event resulted in a donation of approximately $500 to $750, which was normally deposited in the Crime Stoppers account (P. Hurd, personal communication, January 27, 2007).

Elementary campus fundraising was primarily conducted by the campuses' PTOs

and was mainly used for fifth-grade students to attend Camp Carter, a traditional summer camp for underprivileged boys and girls, ages 6-12. All other elementary funds were used for student and teacher activities and recognitions (S. Adrian, personal communication, January 26, 2007).

Using financial statements to obtain the amounts of deposits in Account 461-5755 showed the district-wide fundraising effort as outlined in Table 52. During 2002-2003, the school earned state championships in both football and boys' basketball, resulting in more fundraising activity (P. Hurd, personal communication, January 27, 2007).

Table 52

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
High School Administration	$6,875.86	$3,378.30	$6,012.05
High School Athletics	$10,557.75	$16,567.21	$8,448.00
High School Clubs/Organizations	$28,709.69	$26,461.19	$34,465.14
Junior High Administration	$12,983.19	$7,817.84	$7,776.70
Junior High Clubs/Organizations	$7,682.00	$12,311.33	$10,175.59
Elementary Administration	$73,836.84	$62,608.80	$62,048.27
Total	$140,645.33	$129,144.67	$128,925.75

Source: S. Adrian (personal communication, January 26, 2007).

Chapter 41 5A School

This school district conducted district-wide fundraising opportunities and allowed organizations on the individual campuses to also conduct fundraisers, shown in Table 53. One district-led fundraiser was the employee/student appreciation night in Arlington

where the Texas Rangers donated $2 back to the school district for every advanced ticket sold. Also, through pre-sale football tickets, this school district added revenue to its general operating fund. For every adult ticket sold, the district received $1.00; for every student ticket sold, the district received $.50. Various central office fundraising opportunities gained $50,000 for the district (D.J. Faltys, personal communication, February 21, 2007).

This school district's senior high school, consisting of eleventh and twelfth graders, had 37 major clubs and organizations. Traditional clubs such as art, band, cheerleading, choir, color guard, honor society, newspaper/ yearbook, student council, UIL academics, and theater were present. Some organizations not found on other campuses included the academic decathlon, Alliance for Science and Technology Research in America (ASTRA), book club, photo club, international club and recycling club. Many clubs had their own booster clubs which handled fundraising activities (D. Presley, personal communication, April 10, 2007). This district's high school, consisting of ninth and tenth graders, had 16 major clubs, including art, French, Spanish, Latin, science, student council, step team, student ambassadors, and student council (R. Westfall, personal communication, April 10, 2007).

Football season promotional nights, parking lot tailgating kiosks, and the fall carnival were district-wide fundraising opportunities for all clubs and organizations. Membership dues, dances, raffles, jar collections, selling of spirit items, food and candy sales, car washes, donations, and corporate sponsorship were some methods for raising funds for these organizations, which netted $50,000 per year for the senior high school campus (D. Presley, personal communication, April 10, 2007) and $35,000 per

year for the high school campus (R. Westfall, personal communication, April 10, 2007).

The two middle schools, consisting of seventh and eighth graders, offered participation in art, athletics, exploratory science, student council, honor society, peer-assisted learning strategies (PALS), performing arts (band and choir), QUEST (a gifted and talented program), and theater. Other clubs include ASTRA, chess, Circle of Friends, book, computer, drama, Spanish, and video. Campus fundraising efforts, deposited into account 865, netted $10,000 annually per campus (T. Jackson, personal communication, April 10, 2007). The two intermediate campuses, consisting of fifth and sixth graders, offered participation in ambassadors, book lovers, art, calligraphy, chess, choir, computer, culinary, drama, Math Olympiad, newspaper, peer mediation, recycling, robotics, running, yearbook, young poets, and student council. All clubs and organizations conducted annual fundraisers, totally $10,000 annually per campus with funds being deposited into account 865 and used primarily for supplies, equipment, and enrichment activities (M. Terry, personal communication, April 10, 2007). Even though there were some organizations on the elementary campuses, like a show choir, QUEST, and Academic Math and Science Leagues, no fundraisers were conducted on these campuses. Funding needs for the elementary campuses were obtained through education foundation grants and the individual campus PTAs (S. Wagnon, personal communication, April 10, 2007).

All campus administrators conducted fundraisers to assist in non-budgeted expenses, raising between $10,000 and $25,000 per campus. These funds were deposited into campus administrators' activity accounts, Code 461. Club and organization fundraisers held district-wide raised approximately $300,000 annually (C.

Drilling, personal communication, October 3, 2007).

Table 53

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
Central Office Administration	*$50,000*	*$50,000*	*$50,000*
Senior High School Administration	*$25,000*	*$25,000*	*$25,000*
Senior High School Organizations	*$50,000*	*$50,000*	*$50,000*
High School Administration	*$20,000*	*$20,000*	*$20,000*
High School Organizations	*$35,000*	*$35,000*	*$35,000*
Middle School Administration	*$40,000*	*$40,000*	*$40,000*
Middle School Organizations	*$20,000*	*$20,000*	*$20,000*
Intermediate School Administration	*$40,000*	*$40,000*	*$40,000*
Intermediate School Organizations	*$20,000*	*$20,000*	*$20,000*
Elementary School Organizations	0	0	0
Total	$300,000	$300,000	$300,000

Note. Figures in italics are estimations by district financial officer and campus administrators.

Chapter 42 5A School

This school district offered club participation from elementary campuses through the high school campus. All nine elementary campuses, Grades PK-4, offered music, art, and choir; one campus offered speech; and another campus offered ballet and chess. Fundraising on all elementary campuses were initiated and controlled by campus administrators, and each administrator raised close to $8,000 per campus annually. These funds were deposited in administrators' Campus Activity Fund 461 (S. Crawford, personal communication, May 1, 2007).

The three intermediate campuses, Grades 5-6, offered band, choir, music, and art. All three organizational sponsors conducted fundraisers, using students to assist in obtaining combined annual funds of $10,000 among the three campuses, deposited in Student Activity Fund 865. Intermediate campus administrators also conducted annual fundraisers, raising $6,000 per campus and depositing the funds in Campus Activity Fund 461 (M. Smythe, personal communication, May 4, 2007).

The three middle-school campuses, Grades 7 and 8, offered athletics, band, choir, Spanish Club, yearbook staff, academic pentathlon, student council, cheerleading, junior honor society, student ambassadors, FCA, speech, and drama. Membership dues and fundraising activities addressed the clubs' needs, netting $10,000 per year combined for the three campuses. The three middle-school administrators also conducted fundraisers to fund activities not covered in the annual budget. Each campus raised $8,000, which was deposited into campus activity fund, Code 461 (G. Trujillo, personal communication, May 4, 2007).

This district's high school campus offered 35 different clubs and organizations for student involvement, including the traditional ones of athletics, band, art, choir, cheerleaders, FCCLA, FFA, honor society, math, yearbook, newspaper, student council, and the German, Latin, and Spanish clubs. Other organizations included the chess club, cosmetology, Crime Stoppers, Distributive Education Clubs of America (DECA), HOSA, senior class, Interact, photography club, Special Olympics, and Business Partners of America (BPA). All organizations conducted fundraising activities, charged membership dues, and accepted corporate sponsorships and donations to cover the clubs' expenses. For instance, the senior class sold T-shirts, with the names of all class

Table 54

Fundraising by Organization

Organization	2002-2003	2003-2004	2004-2005
High School Administration	*$25,000*	*$25,000*	*$25,000*
High School Organizations	*$75,000*	*$75,000*	*$75,000*
Middle School Administration	*$24,000*	*$24,000*	*$24,000*
Middle School Organizations	*$10,000*	*$10,000*	*$10,000*
Intermediate School Administration	*$18,000*	*$18,000*	*$18,000*
Intermediate School Organizations	*$10,000*	*$10,000*	*$10,000*
Elementary School Administration	*$72,000*	*$72,000*	*$72,000*
Elementary School Organizations	0	0	0
Total	$234,000	$234,000	$234,000

Note. Figures in italics are estimations by business officer and campus administrators.

members, as a fundraiser for prom decorations. The school's student newspaper, published monthly, accepted paid advertising at the rate of $5 per column inch. Prices ranged from $15 to a full page at $500, which covered the cost of the publications. Interact, a Rotary-sponsored service club for high school students, allowed students to participate in meaningful service projects. Membership dues and Rotary sponsorship covered fundraising activities for this organization. HOSA, a student organization that promoted career opportunities in health care, had group and organization partnerships to cover club activities and to offer scholarships. The academic decathlon, a team competition where students match their intellects with students from other schools in 10 categories, had 11 corporate sponsorships to cover the cost of entry fees, travel, and supplies for the competition. Business Professionals of America (BPA), an organization for students pursuing careers in business management, office administration,

information technology, and other related career fields, had 10 corporate sponsors that covered entry fees, convention expense, supplies, and travel expenses for this club.

Combined fundraising efforts from all clubs and organizations on the high school campus raised $75,000 per year. In addition, the campus administrator conducted fundraising activities, netting $25,000 a year (M. Chrietzberg, personal communication, May 1, 2007). Overall, this school district raised $234,000 district-wide in fundraising for club and organization involvement (J. Wilson, personal communication, May 1, 2007).

Foundations

Education foundations are “privately operated, nonprofit organizations established to assist public schools” (Clay, Hughes, Seeley & Thayer, 1989) and operate as “an independent entity, with no formal, legal relationship to the school district” (DeLuna, 1995, p. 8). These foundations are “designed to augment, supplement, or complement programs and activities currently being provided by the district” (McCormick, Bauer, & Ferguson, 2001). Foundation funding for most major program areas rebounded in 2004, following a two-year slump in giving (Renz, Lawrence, & Atienza, 2006), and among the nearly 1,200 larger private and community foundations included in the national Foundation Center’s annual grants sample, grant dollars rose 8.1 % between 2003 and 2004 to $15.5 billion. Foundation giving rose $1.7 billion, or 5.5%, in 2005 (Renz et al., 2006). Based on these literature findings, privately operated education foundations should impact these school districts by supplementing or complementing current programs already being offered by the districts.

Chapter 41 1A School

This school district did not have an education foundation. The superintendent shared that financial business partnerships were extremely limited within this rural school district. Few business enterprises existed within the community. Even though the district is considered wealthy, the community is quite poor. Nearby residential lake property impacts the district's tax base, but actual financial support for the school from this venue does not occur. With only a handful of students living on the nearby lake, the school does not gain financially from those families' monetary support. With financial constraints being felt by the majority of the families associated with this school district, and with no strong financial backers to provide the start-up funds, the superintendent does not see the district being interested in developing an education foundation in the near future (C. Welch, personal communication, February 20, 2007).

Chapter 42 1A School

This school district did not have an education foundation. Students attending this school district lived in three rural communities with only few business enterprises. A branch office of a bank, not even located in any of these three rural communities, assisted financially when the school district needed large donations. Still, the superintendent did not believe this one entity could support the financial development of a foundation alone. Even though the superintendent had been employed in previous districts, both in Texas and Oklahoma that had active education foundations, he did not see this district having the financial backing that could support one (D. Welch, personal communication, February 22, 2007).

The education foundation for this district, created by members of the community in 2003, hired its own coordinator to collaborate with the board of directors to oversee the financial management of the organization. Its purpose was to solicit, manage, and distribute funds for enrichment purposes. This foundation supported and enhanced innovative and creative education programs not otherwise funded by the school district. Programs were funded from donations and interest earned on the investment capital. Foundation funding was supplemental and did not replace or alter use of tax-based revenue. Donations to the foundation were received from individuals, corporations, and other foundations to help create an endowment fund (R. Burns, personal communication, February 15, 2007).

The big annual event, conducted by the foundation, was known as the Black Diamond Affair. The foundation received $75,000 in 2002-2003 to over $150,000 in 2004-2005 from this one fundraising activity (C. Pierel, personal communication, February 15, 2007). Tickets to this annual event ranged from an individual ticket of $125, a two-seat sponsorship rate of $1,000, or a table setting for 10 sponsors for $2,500. This affair, consisting of a dinner, dance, and live auction allowed sponsors to donate services and goods in the form of raffles, art, books, clothing, experiences, food and dining, gift certificates, jewelry, lodging, services, sports memorabilia, teacher donations, and wine. Over $50,000 was raised from the live auction in 2004-2005. Approximately 40 businesses, other foundations, corporate individuals, and organizations assisted with this endeavor. Event sponsorships ranged in levels from

$1,000 to $10,000. Private foundations made challenge grants for matching fund donations. One organization raised its challenge grant from $50,000 to $75,000. The foundation's Fund-a-Grant campaign donated $10,500 (R. Burns, personal communication, February 15, 2007).

Table 55 shows a breakdown of funds this foundation offered to teachers and students in the form of grants. The teacher enrichment grant, ranging up to $500, paid teachers from each campus to attend seminars and workshops that offered professional development to teachers. The grants-to-teachers awards, ranging from $100 to $1,000, funded projects that offered innovative, creative approaches to classroom needs or special student-based projects. The teacher excellence award was presented to one teacher from each campus. Funding for this award was based on a restricted endowment to the foundation. The numbers of recipients varied annually, based on the number of campuses in the district and the total funds available for the program.

Table 55

Disbursements from Foundation

Types of Grants	2002-2003	2003-2004	2004-2005
Teacher Enrichment	$30,000	$10,000	$75,000
Grants-to-Teachers	$10,556	$3,613	$35,580
Teacher Excellence	$3,000	$3,000	$15,000
Student Enrichment	$3,000	$4,000	$10,000
Total	$46,556	$20,613	$135,580

Source: R. Burns (personal communication, February 15, 2007).

Enrichment grants for students, up to $500, were offered to students who wanted to participate in enrichment activities above and beyond regular, remedial, or required

study. No funds from the foundation were donated directly to the school district. Instead, funds were deposited with the school district's business office as trust and agency funds, coded in the 800 series, until disbursement was made to the teachers and students, the recipients of foundation funds (R. Burns, personal communication, February 15, 2007).

Chapter 42 2A School

This school district has never had an education foundation, and, to the superintendent's knowledge, there were no plans to form one. This small, rural district had limited business support, and the superintendent did not believe there were any individual or business willing to donate the necessary start-up funds toward developing a foundation. Reliance upon its PTO and student fundraising to generate revenue for campus and club needs did not leave resources available for starting a foundation. The superintendent felt there was insufficient financial backing in this school district to support such a venture (G. Gilbert, personal communication, May 21, 2007).

Chapter 41 3A School

This school district benefited from a teacher-funded foundation, which began in 1993 as an alternative funding resource to address unmet needs in the community. Three district teachers established the LDL Educational Resources as a charitable organization supporting health, education, and environmental projects for youth in surrounding counties. The three teachers administered the foundation separately from the school district. They requested support from other teachers at the beginning of each

school year. The foundation was supported by community contributions and voluntary payroll deductions that could be cancelled at any time (D. Gibbs, personal communication, October 8, 2007).

LDL Educational Resources shared the cost of providing glasses for children in the area with the local Lions Club and provided medications, doctors' visits, cancer patient needs, and special needs for families that did not have health care insurance. LDL helped students' families facing major illnesses, provided financial assistance to students going to college, and financially supported special education programs. It furnished safety equipment for youth softball and baseball programs and provided a handicapped-accessible river ecology trail at the local park. LDL assisted students who could not pay the ACT and SAT testing fees (Combs, 2002). This foundation was classified as a service organization within the community. The local medical center and LDL co-sponsored an annual health fair that became a major wellness project for the county citizens (D. Gibbs, personal communication, October 8, 2007). An annual fundraiser for this foundation was a bicycle ride, limited to 500 riders. For a fee of $25, an individual may participate in a course from 29 to 80 miles. This event alone raised between $10,000 and $12,500 for LDL Educational Resources (J. Heinfeld, personal communication, October 1, 2007). Another fundraiser, a game night and casino party hosting approximately 200 individuals, netted another $25,000 (D. Gibbs, October 8, 2007). Private donations, memorials, grants, and other gifts, raising $200,000 per year, funded LDL. Every dollar given to LDL goes directly to needs in the community. No funds were donated to the school district but to needy families and children in the county (D. Gibbs, October 8, 2007).

Table 56

Disbursements from Foundation

Year	Amount
2002-2003	$86,968
2003-2004	$86,000
2004-2005	$98,500

Source: D. Gibbs (personal communication, January 7, 2007).

Chapter 42 3A School

This school district did not have an education foundation nor do they intend to start one. This rural district had a small nucleus of businesses, but the superintendent felt that none could financially support or would be willing to assist in the development of a foundation. Although this district relied heavily upon administrator leadership in fundraising, this district was beginning to develop stronger business relationships, but mainly through its booster clubs. With businesses only contributing one-third of this district's tax base, school administrators remained self-sufficient and did not pursue financial assistance from outside entities. Although the superintendent agreed that a foundation could benefit teachers and students, he felt that having the knowledge for developing one would not benefit the district at this time (M. White, personal communication, May 23, 2007).

Chapter 41 4A School

In 1984, several far-sighted and generous citizens established this school district's education foundation, the first of its kind, to provide the extras to enhance

educational programs (L. B. Coker, personal communication, February 27, 2007). An executive director oversees the foundation, along with three other full-time employees. Three alumni, connected with the Alumni Association, donated time periodically, and two other individuals worked part time to run small fundraisers and direct specific programs (J. Peterson, personal communication, February 27, 2007).

This foundation's mission was strictly to assist the school district financially. The citizens felt the Texas legislature's action known as Robin Hood had "eroded this district's ability to fund public education" (L. B. Coker, personal communication, February 27, 2007). This district's administrators believed the foundation's income has become necessary for funding the critical needs of the district. Scholarships and grants were offered for teachers and students. Some enrichment programs were funded at the request of the superintendent, such as the New Jersey Writing Project, with the foundation underwriting these at the cost of between $500,000 and $700,000. The foundation agreed to supply $1 million annually to the school district toward undesignated salaries for teachers (L. B. Coker, personal communication, February 27, 2007).

The education foundation was committed to building a large permanent endowment fund, which will provide a permanent funding source to be used solely for the education of the children in this community. A lofty goal of $100 million has been established (L. B. Coker, personal communication, February 27, 2007). The foundation accepted bequests, insurance, annuities, memorials, payroll deductions from employees, and grants from outside organizations. This foundation also applied for

grants from other foundations (J. Peterson, personal communication, February 27, 2007).

The annual fundraising campaign for the school district was a joint effort of the PTA for Grades 5-12 and the education foundation. The 2005 campaign benefiting the school district raised almost $2 million. More than 800 members of the community, many of whom did not even have children in the school district, contributed to this campaign. The assistant superintendent of finance said of the success of the campaign, “I continue to be amazed and humbled by the generosity of this community. We have incredible supporters for investing in education, which represents our future” (L. B. Coker, personal communication, February 27, 2007).

The small-donor fundraising method allowed approximately 350 volunteers to assist the district financially by making charitable gifts to the foundation. For instance, a local law firm consisting of 12 individuals won the lottery a few years ago. One lawyer deeded his portion, one-twelfth of the lottery winnings, to the foundation. This one small-donor gift netted $37,500 annually and was deposited into the school district’s reserve fund for capital programs. Sixteen years remained on this gift. The foundation made similar financial gifts to the school district. These gifts were deposited into specific trust and agency accounts, tying these funds to designated budgeted needs (L. B. Coker, personal communication, February 27, 2007).

Another method for raising funds and getting the entire community involved in gifting to the school district was the foundation’s purchase of negotiable gift cards/debit cards. Cards were bought at a discount and were resold to school district families for face value. These cards were useable at various vendors just like cash. With every

purchase, the cards earned revenue for the school and the foundation (J. Peterson, personal communication, February 27, 2007). All profits from this program were divided between the schools (75%) and the education foundation (25%) and given to the district for teacher salary support (L. B. Coker, personal communication, February 27, 2007). In this manner, families generated revenue through purchases they made without spending any additional money. Popular retailers, by accepting these gift cards/debit cards, were this district's biggest partners.

All planned giving participants became members of the foundation's Legacy Society and were recognized on the Wall of Honor at the high school. This foundation accepted gifts made in remembrance of friends and loved ones and gifts in honor of special individuals. Listed in Table 57, approximately 20 scholarships were currently being managed by the foundation, benefiting both students and teachers. Grants to teachers ranged from $450,000 to $1,000,000, and student scholarships ranged from $250,000 to $500,000. Teacher excellence was rewarded at the rate of $350,000 to $500,000. Named endowment funds for student programming and faculty support were also accepted in amounts ranging from $250,000 to $1,000,000 (J. Peterson, personal communication, February 27, 2007).

Peterson (personal communication, February 27, 2007) related that there were many methods of deferred giving that could be of tax benefit to the donor while making a significant difference to the schools and the community: charitable remainder unitrusts and annuity trusts; charitable gift annuity; deferred payment gift annuity; gift of home, farm, or ranch; gift by will; gift of a retirement account; and gift of life insurance. Funds from this foundation were given directly to the school district in the form of teacher

salaries. These funds can be tracked in the district budget's trust and agency funds. The assistant superintendent of finance states, "This community does a phenomenal job of showing school support through their gifting" (L. B. Coker, personal communication, February 27, 2007). Disbursements from the foundation ranged between $2.6 million to $3.7 million annually and were used for recognizing outstanding students and teachers, offering enrichments programs throughout the district, and donating $1 million to the district for undesignated teacher salaries (J. Peterson, personal communication, February 27, 2007).

Table 57

Disbursements from Foundation

Types of Grants	2002-2003	2003-2004	2004-2005
Enrichment Programs	$545,817	$668,364	$736,055
Grants-to-Teachers	$450,550	$500,000	$1,000,000
Teacher Excellence	$364,450	$500,000	$500,000
Student Scholarships	$250,000	$250,000	$500,000
Undesignated Teacher Salaries	$1,000,000	$1,000,000	$1,000,000
Total	$2,645,817	$2,868,364	$3,736,055

Source: J. Peterson (personal communication, February 27, 2007).

Chapter 42 4A School

This school district did not participate in an education foundation during this three-year period due to minimal financial support from local businesses and the school district administrator's belief that local businesses were not interested in pursuing the development of one. However, with an increased interest in developing a stronger

financial partnership with the school district from one local entity, steps are currently being taken to study other school districts' by-laws in an effort toward pursuing one. This lone business is willing to support the school district by solely donating funds from which a foundation can be formulated. The newly-hired superintendent is anxious to see one established for the school district but cautions that it will take some time to acquire sufficient funds that will benefit teachers and students with scholarships and grants (J. Pfeifer, personal communication, January 26, 2007).

Chapter 41 5A School

This school district benefited from two foundations, one organized by concerned parents (DFD) and one organized as a school district education foundation (EF). The DFD foundation, created in 2004, was started by concerned parents to provide funds for campus-based, teacher-driven, supplemental enrichment programs. This foundation raised and distributed funds to reinstate or expand programs or services that were lost due to Robin Hood, such as intermediate band, high school block scheduling, district-wide gifted and talented program, K-6 Spanish, and district- wide technology (D. J. Faltys, personal communication, February 21, 2007).

This foundation's fundraising effort culminated in an annual Celebrity Sports Jamboree, involving professional football, baseball, and hockey players. Events also included a 5K race and 1 mile fun run, and a car raffle (D. Sternfeld, personal communication, April 10, 2007). The possibility of forming an alumni organization for financial support to this district could tap additional resources of people who care about this district's future (J. Thannum, personal communication, April 10, 2007). Between the

two foundations, funding from $100,000 to $300,000 was used for the full-time reinstatement status of the art program in Grades K-4 and the art and music programs in Grades 5-6. Plans are underway to increase these funds to $275,000 per year to continue the art and music programs and to raise an additional $325,000 per year for a new and improved K-6 Spanish program from just one of the foundations' efforts (D. Sternfeld, personal communication, April 10, 2007).

The school district's EF foundation, established in 1996, generated and distributed resources for the benefit of the school district to enrich, maintain, and expand programs needed to meet the school district's mission of excellence (D. Barton, personal communication, January 25, 2007). The EF foundation's major fundraiser, The Culinary Celebration, was held annually, with approximately 35 outstanding chefs and restaurants serving their specialties. Underwritten by Fidelity, The Culinary Celebration invited this district's 38 key financial supporters to the event, which raised over $250,000 annually (D. Barton, personal communication, January 25, 2007).

In 2003-2004, 43 outstanding teachers from all eleven campuses were recognized, and over $70,000 were awarded for a total of 29 grants. The foundation awarded tuition scholarships to seniors and contributed to teacher convocation; all new teachers received gift certificates. For 2004-2005, the foundation awarded over $77,000 in the form of 35 teaching grants and an additional $6,000 in tuition scholarships to seniors. In addition, $2,000 were awarded in the form of 16 continuation grants, which provided for upgrades, improvement, or replenishing consumables in order to maintain the viability of a previously awarded grant (D. Barton, personal communication, January 25, 2007).

Thirty-six sponsors offered grants to various educational areas to improve programs in art, art history, music, early childhood, reading, motivational lessons, science, math, writing, and speech and language development. Grants were also awarded for purchasing audiovisuals and technology for sign language classes, wireless monitoring of students' calculators, fine arts prints, mirrors for choir, software systems for using scanners to check out textbooks and for CPR certification and a singer/songwriter's performance. Also funded were bibliotherapy books, a laser jet printer and scanner for the special education department, visual aids for foreign language classes, mini-novels for foreign language, games for French classes, and the replenishment of consumables (D. Sternfeld, personal communication, April 10, 2007).

Another method for generating funds for this foundation was through the Named Grant Program. For a named grant, an individual or organization had to have made a minimum $5,000 donation to the foundation, contributed in-kind services or materials of at least $10,000 in value, contributed in-kind services or materials plus a monetary contribution totaling at least $10,000, became a major sponsor of $5,000 or more to the Celebrity Gala, or secured a minimum of $15,000 in sponsor's dollars for the Celebrity Gala (D. Sternfeld, personal communication, April 10, 2007).

The EF Foundation funds were deposited with the school district as trust and agency funds, deposited in the 800 series of accounts, for awarding teacher and student scholarships and grants. The DFD Foundation funds were used as part of the general operating budget to fund necessary educational programs. These funds were tied to specific program expenditures (D. J. Faltys, personal communication, February

21, 2007). Table 57 shows an estimated breakdown of funds according to the two foundations' directors.

Table 58

Disbursements from Foundations

Types of Grants	2002-2003	2003-2004	2004-2005
Reinstatement Programs	*$300,000*	*$100,000*	*$100,000*
Grants-to-Teachers	$72,504	$74,223	$77,012
Teacher Excellence	*$40,800*	*$43,000*	*$45,000*
Student Scholarships	*$9,000*	*$6,000*	*$6,000*
Continuation Grants	*$3,200*	*$1,800*	*$2,000*
New Teacher Recognition	*$12,000*	*$12,500*	*$15,000*
Undesignated Funds to School	*$100,000*	$100,000	$100,000
Total	$537,504	$337,523	$345,012

Note. Figures in italics are estimation by foundations' executive directors.

Chapter 42 5A School

Established in 1996, this school district's education foundation was created to expand community involvement of individuals, businesses, and civic organizations to provide funds beyond the normal operating budget for education programs for students and staff (K. English, personal communication, February 5, 2007). The foundation received and managed cash donations from individuals and organizations and awarded grants to teachers and students. Funds from this organization were used for the purpose of generating and distributing resources to the school district for programs and projects that enhanced the quality of education. Teachers applied for grants from the

education foundation once a year to fund project-based learning (S. Hill, personal communication, February 5, 2007).

A board of 29 members made decisions for this foundation, and a coordinator oversaw the running of the foundation. This district's alumni association was an organization set up within the education foundation and operated under the governance structure of the foundation. Alumni funds were maintained in a separate bank account. Usually the donor restricted foundation contributions to support specific programs within the school district. The foundation distributed all grant funds to the school district, deposited in trust and agency funds, and the district distributed the funds in accordance with the grant. Additionally, the foundation donated between $50,000 and $65,000 annually in undesignated funds to the district to be used at its discretion (K. English, personal communication, February 5, 2007).

The foundation received donated services from employees of the school district and from volunteers. Fundraising activities for this district's foundation consisted of the employee annual fund drive, a golf tournament, and the Champions Ball. The employee fund drive was held at the beginning of each school year. Employees could make a tax-deductible contribution. All employee contributions funded innovative teaching grants. The annual golf tournament had two local automobile dealerships as title sponsors for the event. Local businesses, community members, and district vendors sponsored holes and prizes to allow net profits to benefit the foundation. A full field of 144 players supported this activity. Over $30,000 was raised annually from this event. The Champion Ball hosted over 400 guests annually for dinner, dancing, and entertainment. Area businesses donated items for the live and silent auctions, and proceeds were

donated to the foundation. Over $75,000 was raised annually from this event (S. Hill, personal communication, February 5, 2007).

The foundation board designated 20% of its Champions Ball and golf tournament's net income, its honorarium gifts and any memorial gifts to the endowment fund. Investment earnings remained in the endowment fund for the first ten years and could be used for grants after that time. The endowment fund, established in 2001, received deposits of over $100,000 for the 2004-2005 year (S. Hill, personal communication, February 5, 2007).

Shown in Table 59, between 25 and 30 innovative teaching grants totaling between $43,000 and $83,000, were annually awarded to all campuses within the district from these foundation funds. Individual grants ranged from $440 to $4,900, to be used at all campuses in the district (K. English, personal communication, February 5, 2007). Grants covered projects for addressing areas such as pregnancy and parenting, multimedia, science technology, exploratory mathematics, at-risk multi-sensory project, robotic automation, connections between parents and teachers, writing skills, freshman connections, woodworking projections, mobile science laboratory, science investigations, intramural sports, computer writing, and family health issues. Other grants were for purchases such as an LCD projector and mounted screen in the cafetorium, computer software for science, upper level math software, and a high definition video camera and for field trips to Sky Ranch (K. English, personal communication, February 5, 2007).

According to the coordinator, the individual donor was the lifeline of this education foundation. Gifts of all sizes from individuals helped fund a significant portion

of both the operations of the foundation and the innovative teaching grant program. Additional funding was distributed for district-wide enrichment programs and student scholarships. Support came from contributions of cash, annual pledges, memorials, honorariums, real estate, stock, or beneficiary designation in a will or trust or from other gifts. For the end-of-year June 2005, this foundation had net assets of $212,007 (S. Hill, personal communication, February 5, 2007).

Table 59

Disbursements from Foundation

Types of Grants	2002-2003	2003-2004	2004-2005
Enrichment Programs	$72,051	$28,048	$55,313
Grants-to-Teachers	$82,500	$43,000	$62,900
Student Scholarships	$9,000	$5,700	$8,200
Continuation Grants	$4,700	$2,500	$5,500
Undesignated Funds to School	$65,000	$50,000	$65,000
Total	$233,251	$129,248	$196,913

Source: S. Hill (personal communication, February 5, 2007).

Local Support Venues

The term *local support venues* refers to revenue generated locally. In some instances, some revenue is earned by the school districts through the superintendent's and/or the Board of Trustees' efforts to make financial agreements with corporations or individuals. Sixteen suggested revenue sources were included in the questionnaire submitted to each school district as a guide for initiating input. These funds are normally deposited into the general operating budget; however, if funds are to be used for specific activities or expenses, they will be deposited in trust and agency

funds (C. Drilling, personal communication, October 3, 2007).

These local support venue sources are categorized as other local and intermediate resources and are broken down into Revenue Object Codes 5720-5769. Table 60 shows the categories in which a school district submits its actual financial data to TEA for accountability purposes. The category referred to as *other local and intermediate revenue* is a culmination of local funds school districts receive from all sources other than local taxes. Revenue from partnerships, fundraising, foundations, and local support venues, if donated directly to school districts from sources such as non-profit organizations, foundations, gifts, and bequests, are assigned to Revenue Object Code 5744.

Even though two of the revenue sources are categorized as other local and intermediate revenue, they are actually considered as state funds instead of local revenue. Revenue Object Code 5721, local revenues resulting from sale of weighted average daily attendance (WADA) to other school districts and Revenue Object Code 5761, revenues from successors-in-interest to a former county education district. Since these two sources are included in TEA's annual report, these two codes will also be included in the tables shown for each of the 10 school districts. However, buying and selling WADA is considered state funding, not local. Revenue realized from the sale of WADA makes the districts appear wealthier than they actually are.

Miscellaneous revenue from intermediate sources, broken down into Revenue Object Code 5769, will be deleted for the total amounts of revenue raised as this research deals only with locally generated revenue. Therefore, revenue realized from administrative units or political subdivisions such as counties, municipalities, and utility

districts, which are classified as intermediate revenue, will not be included.

Table 60

Sources from Other Local and Intermediate Revenue

Revenue Object Code	Category of Revenue Source
5721	Local Revenues Resulting from Sale of Weighted Average Daily Attendance (WADA) to Other School Districts
5722	Shared Services Arrangements – Local Revenues from Member Districts
5723	Shared Services Arrangements – Local Revenues from Fiscal Agent
5729	Local Revenues Resulting from Services Rendered to Other School Districts
5739	Tuition and Fees
5742	Earnings from Temporary Deposits and Investments
5743	Rent
5744	Revenue from Foundations, other Non-Profit Organizations, Gifts and Bequests
5745	Insurance Recovery
5746	Tax Increment Fund
5749	Other Revenues from Local Sources
5751	Food Service Activity
5752	Athletic Activities
5753	Extracurricular/Cocurricular Activity Other than Athletics
5755	Enterprising Services Revenue
5759	Cocurricular, Enterprising Services or Activities
5761	Revenues from Successor-in-Interest to a Former County Education District
5769	Miscellaneous Revenues from Intermediate Sources

Source: A. McKenzie (personal communication, November 20, 2007).

Chapter 41 1A School

According to the business director, this school district received local support revenue from volleyball and basketball games' gate receipts. They also received

revenue from interest income and mineral royalties. The superintendent paid a rental fee as he was required to live in the school-owned house. Two programs, pre-kindergarten and drivers' education, added local revenue from tuition and fees to the general operating fund based upon fluctuating enrollment. The only contractual partnership, donating actual money to the district annually, was with Coca-Cola whose vending machines assisted in raising local revenue. The district received $2,000 annually for entering into this exclusive contract, and the money was used as a scholarship for a graduating senior student. Coca-Cola also made a one-time purchase of a scoreboard for the district.

Table 61

Revenue from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5739	Tuition & Fees from Local Services	$845	$6,603	$1,794
5742	Earnings from Temporary Deposits & Investments	$51,528	$67,750	$80,279
5743	Rent	$6,000	$6,000	$6,000
5744	Gifts/Bequests	$4,000	0	$2,000
5745	Insurance Recovery	$405,125	$496,698	$127,745
5749	Other Revenues Local Sources	$877	$2,068	$12,518
5751	Food Service Activity	$65,611	$61,872	$55,028
5752	Athletic Activity	0	$6,213	$2,049
5755	Enterprising Services Revenue	$148	0	0
5769	Miscellaneous Sources Intermediate Sources	0	$191	0
Total		$534,134	$647,013	$286,413

Source: TEA (2003, 2004, 2005).

All three years this school district received insurance recovery due to hailstorms

to pay for damages. These funds were reimbursement for repairs needed within the district. In fact, the majority of revenue was realized from insurance recovery for the first two years. All monies were deposited into the general operating fund (M. Davis, personal communication, February 20, 2007). Table 61 shows categorized revenue received from local support venues, which were submitted during these three years to TEA from this district. After deducting the miscellaneous revenue received from intermediate sources during 2003-2004, the combined revenue totals are shown in Table 61.

The largest amount of local revenue was realized from insurance recovery each of the three years. These funds were reimbursements from annual storm damage, accounting for 76%, 77%, and 45% respectively of locally generated revenue.

Chapter 42 1A School

Table 62 shows this district received local support revenue from athletic events' gate receipts, which were higher than normal during the 2002-2003 school year due to its football team winning the state championship. Other local revenue was obtained through interest income and mineral royalties. Some revenue was realized from the sale of property and from rental income. Insurance recovery accounts for some revenue during 2002-2003. The district allowed a local bank in an adjoining community and Coca-Cola to display logos on football and basketball scoreboards due to these businesses' willingness to assist the district financially. The school district had a $2,500 per year contract with Coca-Cola to exclusively use its products in the district's vending machines, providing another source of local revenue. This partnership was profitable

based upon periodical requests from the school district in obtaining equipment for the district. Tuition and fees from pre-kindergarten and drivers' education programs were also realized. As seen in Table 62, revenue from the sale of WADA during 2003-2004 netted the largest financial gain for this district during these three years. Even though this source of revenue is classified as local funds, revenue from the sale of WADA is actually state funds. This one source accounted for 38% of this district's local support revenue during 2003-2004, which reveals this Chapter 42 district realized little revenue from local support venues. These sources listed below were deposited into the general operating fund (D. Welch, personal communication, February 22, 2007).

Table 62

Revenue from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5721	Revenue from Sale of WADA		$103,151	$7,461
5739	Tuition & Fees from Local Services	$7,992	$12,050	$13,996
5742	Earnings from Temporary Deposits & Investments	$39,571	$32,860	$46,056
5745	Insurance Recovery	$669	0	0
5749	Other Revenues Local Sources	$18,315	$18,776	$6,383
5751	Food Service Activity	$123,512	$98,062	$71,332
5752	Athletic Activity	$47,526	$27,479	$19,418
Total		$237,585	$292,378	$164,646

Source: TEA, (2003, 2004, 2005).

Chapter 41 2A School

Table 63 shows this school district received local support revenue from athletic gate receipts, both extracurricular and co-curricular, and fine arts admission. Revenue

was also realized from interest income, sale of property, rental income, insurance recovery, and mineral royalties. Student parking fees and tuition and fees for enrollment in drivers' education and pre-kindergarten generated additional local revenue. Enterprising revenue through community sponsors' display of business logos added financial support for the school district. Co-curricular tournaments and activities also added income to the budget during 2002-2003. This district received revenue during 2002-2003 and 2003-2004 from its county education district, which is classified as state funds even though this category is listed as local revenue (P. Lyles, personal communication, September 19, 2007). Pepsi Cola had the exclusive contract for vending machines. The superintendent classified Pepsi Cola as this district's "major business partner" since this company was the only organization that contributed funds directly to the school district (C. Pierel, personal communication, February 15, 2007). As seen in Table 63, earnings from temporary investments and food service activity made the largest impact to local support revenue.

Table 63

Revenue from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5739	Tuition & Fees from Local Services	$41,463	$36,142	$44,505
5742	Earnings from Temporary Deposits & Investments	$407,313	$185,288	$248,843
5743	Rent	$6,754	$12,550	$20,323
5744	Non-Profits/Gifts/ Bequests	$46,556	$20,613	$135,580
5745	Insurance Recovery	$18,593	0	$7,975
5749	Other Revenues Local Sources	$805	$8,042	$114,316

(table continues)

Table 63 *(continued).*

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5751	Food Service Activity	$195,082	$309,348	$360,910
5752	Athletic Activity	$48,389	$60,997	$73,854
5753	Extra/Co-Curricular Activities	$4,599	$8,320	$10,607
5755	Enterprising Services	$17,396	0	0
5759	Co-Curricular Enterprising Services	$19,122	0	0
5761	Revenue from County Education District	$735	$945	0
Total		$806,807	$642,245	$1,016,913

Source: TEA (2003, 2004, 2005).

Chapter 42 2A School

This district received local support revenue from admission to athletic, choir, and band activities. Revenue also came from interest income and mineral royalties. Some rental income was realized from private individuals using the cafeteria and gymnasium. Students were charged drivers' education fees, and the district obtained a small commission on school pictures. Both extracurricular and co-curricular activities added local revenue. A local government apartment complex paid an annual fee to the school district in lieu of paying taxes. Vending machine sales also assisted in raising local revenue. During 2002-2003, the district received revenue from insurance recovery. This district acted as the fiscal agent and received payments from surrounding small districts for sharing an alternative campus. The superintendent stated that these sources of revenue were deposited into the general fund, assigned to Revenue Codes 5721

through 5769 as shown in Table 64. In addition to the revenue realized from food service activity, the largest amount of revenue was generated from the district's sale of WADA and earnings from temporary investments (G. Gilbert, personal communication, May 21, 2007).

The sale of WADA, considered state funds, accounted for 38% of the revenue from local support venues during 2002-2003, 20% during 2003-2004, and 65% during 2004-2005. This one category, shown in Table 64, makes the district appear wealthier than it actually is.

Table 64

Revenue from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5721	Revenue from Sale of WADA	$308,823	$98,382	$893,306
5723	Local Revenue Fiscal Agent	$10,802	$10,539	$11,733
5739	Tuition & Fees from Local Services	$1,500	$1,054	$650
5742	Earnings from Temporary Deposits & Investments	$150,911	$54,979	$85,098
5743	Rent	$1,056	$855	$675
5744	Non-Profits/Gifts/ Bequests	$2,000	$20,215	$47,312
5745	Insurance Recovery	$1,190	0	$830
5749	Other Revenues Local Sources	$29,646	$16,875	$37,160
5751	Food Service Activity	$194,724	$199,943	$209,959
5752	Athletic Activity	$41,154	$35,732	$39,160
5753	Extra/Co-Curricular Activities	$3,280	$2,873	$3,738
5759	Co-Curricular Enterprising Service	$58,317	$46,910	$34,886
Total		$803,403	$488,357	$1,364,507

Source: TEA (2003, 2004, 2005).

Table 65 shows this district received local support revenue from gate receipts for athletic and fine arts events.

Table 65

Revenue from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5722	Local Revenue from Member Districts	$583,053	$521,575	$609,452
5729	Local Revenue from Services to Other Districts	$52,346	$44,417	$46,956
5742	Earnings from Temporary Deposits & Investments	$204,809	$284,993	$476,600
5743	Rent	$5,043	$3,058	$8,050
5744	Non-Profits/Gifts/ Bequests	$6,968	$26,000	$8,500
5745	Insurance Recovery	0	0	$21,443
5749	Other Revenues Local Sources	$36,850	$34,574	$45,761
5751	Food Service Activity	$370,265	$372,255	$385,041
5752	Athletic Activity	$51,856	$50,412	$56,902
Total		$1,311,190	$1,337,284	$1,658,705

Source: TEA (2003, 2004, 2005).

Vending machines on the middle school and high school campuses added revenue to the budget due to the district's exclusivity contract partnership with Pepsi. Parking fees for the students and at athletic events added revenue to the general operating budget. Revenue was also received from interest income and mineral royalties. In 2004-2005, this district received revenue from insurance recovery. Strong community supporters paid for displaying sponsors' logos at the athletic stadium and baseball and softball fields. Additional revenue was realized from the sale of property. Rental income was

received from individuals using the cafeteria, gymnasium, and auditorium. Additional revenue was received from surrounding school districts as this district offered shared services for faculty and students. Onsite staff development and training opportunities for administrators and staff were held. By providing services and transportation for students in surrounding school districts who were hearing impaired and severely handicapped made the biggest financial impact to this district's budget (J. Shipman, personal communication, September 13, 2007). Table 65 shows that shared services arrangements with nearby member districts provided nearly 50% of this district's total revenue from local support venues.

Chapter 42 3A School

This district received local support revenue from athletic gate receipts and admission to band and choir concerts, which are listed in Table 66. Soft drink vending machine sales were deposited into the general operating fund. Interest income, mineral royalties, and the sale of property were other sources of local revenue. Rental income from the use of gymnasiums, cafeteria, auditorium, football stadium, and classrooms were another source of revenue. Parking fees, both for high school students and at athletic events, added additional local revenue as did tuition and fees from providing local services such as staff development for administrators and teachers and supplemental course offerings for their students. Surrounding school districts also joined, allowing this district to offer educational improvement activities for multiple school districts' personnel as well. Enterprising services revenue came from sources such as the cafeteria and bookstore. (M. White, personal communication, May 23,

2007). Table 66 shows this district realized the bulk of its local revenue from temporary investment earnings and food service activity. Revenue from the sale of WADA, classified as state funds, accounted for 6% of this revenue during 2002-2003 and only 1% during 2003-2004. This district's selling its WADA did not make a significant impact upon its local support revenue. Revenue received from intermediate sources during 2003-2004 was deducted since this category does not reflect revenue received from local support venues.

Table 66

Revenue from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5721	Revenue from Sale of WADA	$45,206	$9,177	0
5739	Tuition and Fees from Local Services	$53,354	$67,179	$54,225
5742	Earnings from Temporary Deposits & Investments	$88,865	$204,464	$207,745
5743	Rent	$4,950	$2,680	$7,268
5744	Non-Profits/Gifts/ Bequests	$44,934	$38,515	0
5749	Other Revenues Local Sources	$1,524	$9,833	$55,775
5751	Food Service Activity	$266,682	$299,886	$289,821
5752	Athletic Activity	$53,806	$70,884	$84,258
5755	Enterprising Services Revenue	$98,134	$120,862	$187,147
5769	Miscellaneous Revenue from Intermediate Sources	0	$22	0
Total		$657,455	$823,458	$886,239

Source: TEA (2003, 2004, 2005).

This district's local revenue is broken down by category in Table 67. Funds were obtained from gate receipts to athletics and fine arts productions. Interest income was realized from investments. Rental income for the school district's facilities also added revenue. The sale of a small portion of land added a sizeable monetary gain for the district. Numerous sponsors paid fees to display logos and advertisements at indoor and outdoor events. Students were required to pay participation fees for extracurricular activities. Students also purchased parking spaces, and for an extra fee, they could decorate their parking spot. Vending machines assisted in raising additional local revenue. Insurance recovery replaced necessary funds for two of the three year. Other enterprising services included such activities as the PTO-manned cafeteria service and stores on all campuses. These endeavors added additional revenue to this district's general operating fund, generating nearly 20% of its local revenue (K. Ingersoll, personal communication, April 24, 2007).

One of the most lucrative local support revenue opportunities this district offered was naming rights for various areas within the schools' structures (L. B. Coker, personal communication, February 27, 2007). Since the education foundation handled such financial agreements, these funds are included in the foundations section of this research. Table 67 reveals the impact that gifting plays within this district. Revenue Object Code 5744 shows the total revenue this district realized through gifting, which is handled totally through its education foundation. Nearly 50% of local support revenue came from this one source. Even though these figures are shown in the

foundation portion of this text, they are also listed here since revenue is categorized by revenue object code.

Table 67

Revenue from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5739	Tuition and Fees from Local Services	$393,581	$396,435	$386,358
5742	Earnings from Temporary Deposits & Investments	$662,065	$516,167	$1,308,422
5743	Rent	$60,812	$63,202	$80,571
5744	Non-Profits/Gifts/ Bequests	$2,645,817	$2,868,364	$3,736,055
5745	Insurance Recovery	$21,286	$1,696	0
5749	Other Revenues Local Sources	$173,491	$100,129	$84,728
5752	Athletic Activity	$330,834	$410,157	$351,056
5755	Enterprising Services Revenue	$1,146,337	$1,220,999	$1,175,693
Total		$5,434,223	$5,577,149	$7,122,883

Source: TEA (2003, 2004, 2005).

Chapter 42 4A School

This school district's local revenue, shown in Table 68, included funds from mineral royalties and a limited amount from the sale of property. Interest income from investments, gate receipts to all athletic and fine arts productions, and use of vending machines at the junior high and high school added revenue. Coca-Cola allowed the school district to receive funds annually based upon an exclusive contractual agreement. A limited number of sponsors were allowed to pay a fee for displaying logos and advertisements at the football stadium and baseball and softball fields. Student parking fees generated a small amount of revenue as did transportation fees. The final

year for drivers' education tuition to add revenue to the budget was in 2002-2003, the last time it was taught within the district. Funds from insurance recovery were received each of the three years. Revenue from enterprising services included income from food service catering for after school snacks and campus stores, which was deposited into the general operating budget. These sources of local revenue were deposited in the general operating fund, trust and agency funds, and student activity accounts, depending upon the specific expenditures to which they were tied (S. Adrian, personal communication, January 26, 2007).

Table 68

Revenue from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5721	Revenue from Sale of WADA	$189,539	$16,643	0
5739	Tuition and Fees from Local Services	$4,105	0	0
5742	Earnings from Temporary Deposits & Investments	$152,714	$136,039	$272,228
5744	Non-Profits/Gifts/ Bequests	0	$880	0
5745	Insurance Recovery	$8,937	$26,388	$21,295
5749	Other Revenues Local Sources	$384,158	$123,662	$117,948
5751	Food Service Activity	$464,679	$474,072	$460,727
5752	Athletic Activity	$88,321	$82,465	$75,259
5755	Enterprising Services Revenue	$188,556	$185,664	$188,315
5761	County Education District	$8,644	0	0
Total		$1,489,653	$1,045,813	$1,135,772

Source: TEA (2003, 2004, 2005).

Food service activity, earnings from investments, enterprising services funds,

and revenue generated from sources other than these specific categories were the primary sources which impacted the acquisition of local support revenue. County education districts levied and collected taxes. The assets, liabilities, and records of the former CEDs were assigned to successors-in-interest, agents who were responsible for the collection and distribution of delinquent taxes and related penalties. Revenue from the county education district was realized during 2002-2003. Receipt of these funds were in lieu of state funds. Revenue from the sale of WADA, also considered state funds, was realized during the first two years, but with a change in superintendents, negotiations were not pursued for the third year.

Chapter 41 5A School

The district utilized a variety of methods by which to raise local support revenue, which is shown in Tables 69 and 70. Keeping local dollars in the community and in the school district became a unified effort by the entire community. In September 1999, this district entered into a contractual agreement with the city to participate in the Tax Increment Financing Zone (TIF), established by the city for the construction of the town square. The school district's participation in the TIF, the only one of the ten districts, allowed the shielding of a minimum of $20 million from Texas's Robin Hood laws. Funds were used for the operations of three schools, the operation and maintenance of the stadium, and the transportation facility and to supplement the debt service on bonds related to those projects (D. J. Faltys, personal communication, February 21, 2007).

In August 2005, this district's trustees approved a merger of the communications department into the marketing department, creating a marketing program to identify and

secure outside revenue sources for district operations. A full-time marketing director position was created. Marketing/sponsorship contractual agreements were handled through this new marketing and communications department. Nearly $250,000 was raised annually, funds which were not subject to the Robin Hood school finance recapture. Money collected from these sponsorships went directly back into the district's general fund to purchase classroom supplies and materials, pay teacher salaries, and assist with the daily operations of the schools (J. Thannum, personal communication, April 10, 2007).

The school board must vote on any sponsorship packages that exceeded three years, exceeded $20,000, and/or provided exclusivity. For instance, Dr. Pepper had an exclusive agreement to be the only soft drink provider for the entire district, so prior school board approval had to be attained. Businesses receiving exclusivity were recognized on the school's Website, and these preferred vendors were listed on a special Web page link showing them as proud supporters. They signed contractual agreements with the school district and obtained permission to use the school's logo in advertising for one year. This school's logo is trademarked and cannot be used without written consent of the district (D. J. Faltys, personal communication, February 21, 2007). Table 69 is a compilation of exclusive contracts this school district maintains on repeated annual bases. Corporate sponsors making only annual contracts are not individually included (J. Thannum, personal communication, April 10, 2007). The contractual totals from Table 69 are included in the category of non-profits/gifts/bequests in Table 70 as part of the overall local support revenue this district realizes.

Table 69

Financial Contributions Received from Contractual Agreements

Business	2002-2003	2003-2004	2004-2005
Best Buy	$10,000	$15,000	$10,000
Dr. Pepper	$76,250	$76,250	$72,000
Frost Bank	$30,000	$30,000	$20,000
Metro Sports Communication	$30,000	$30,000	$20,000
Schroeder Orthodontics	$47000	$47,000	$37,000
Sewell Automotive	$17,500	$17,500	$12,500
Kelli Riley, Realtor	$4,000	$4,000	$2,000
Bailey Banks & Biddle Jewelers	$13,000	$13,000	$7,000
Roxann Taylor, Realtor	$6,500	$6,500	$6,512
Other Contractual Contributions	$50,000	$50,000	$20,000
Total	$283,250	$288,250	$207,012

Source: J. Thannum (personal communication, April 10, 2007).

The superintendent believes that the business sources have not really been tapped. He sees the need for the district to think like entrepreneurs and to fully develop these contractual agreements in order to have more locally generated revenue tied to the school district's budget (D. J. Faltys, personal communication, February 21, 2007).

Table 70 shows a breakdown of all local revenue sources. Tuition and fees also impacted the general operating budget as student were accessed multiple participation fees in addition to parking fees for both students and at extracurricular events. In addition, this school district conducted several revenue-generating initiatives, which included charging fees for parking, transportation, and participation in secondary student activities. Students wishing to park at the two high schools paid a $150 annual

parking fee. This district also provided bus transportation to all students. A fee of $215 was charged for students residing within two miles of their home campus. Families with more than one rider paid $215 for the first child and $165 for each additional child. Secondary students who participated in athletics were assessed a fee to help offset the cost of that program. Students in Grades 9-12 were charged a $100 annual activity fee, regardless of the number of activities in which the student participated. Students in Grades 7-9 were charged a $50 annual activity fee (C. Drilling, personal communication, October 3, 2007).

Table 70 shows the revenue obtained from investments and rental of district facilities, ranging from classrooms to cafeteria, gymnasiums, football stadium, aquatics center, and auditorium. A facility rental fee schedule for individuals or organizations using their facilities is strictly followed. Fees ranged from $10 for a band practice room to $360 for parking facilities. Other funds were realized from insurance recovery funds, which were received during 2003-2004 and 2004-2005 due to storm damage to various facilities. Athletic and fine arts activities, both extracurricular and co-curricular, impacted the general operating fund, trust and agency funds, and student activity accounts. Advertising signs on school buses, school facilities, and scoreboards were other entrepreneurial methods used by this district. These local support revenue sources were deposited into the general operating fund or, if specified, in trust and agency accounts or student activity accounts (C. Drilling, personal communication, October 3, 2007). In addition to food service activity, other categories making an impact upon local support revenue included tuition and fees from local services, athletic activity, and extracurricular and co-curricular activities, shown in Table 70. Tuition and fees

contributed 12%; athletic activity comprised 13%; and the extracurricular/co-curricular activity generated 8% of the funds.

Table 70

Revenues from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5729	Local Revenue – Services to Other Districts	$250	0	0
5739	Tuition and Fees from Local Services	$598,758	$535,781	$705,825
5742	Earnings from Temporary Deposits & Investments	$360,106	$276,959	$742,568
5743	Rent	$169,022	$305,651	$313,607
5744	Non-Profits/Gifts/ Bequests	$537,504	$325,523	$207,012
5745	Insurance Recovery	0	$549,374	$103,754
5746	Tax Increment Fund	$555,543	$1,427,462	$1,572,491
5749	Other Revenues Local Sources	-$3,254	$136,909	$149,935
5751	Food Service Activity	$1,879,043	$2,078,506	$1,925,280
5752	Athletic Activity	$652,514	$620,641	$608,887
5753	Extra/Co-curricular Activities	$433,376	$475,749	$497,331
5759	Co-curricular Enterprising Services Revenue	$11,644	-$2,921	0
5761	Revenue from County Education District	$2,358	$942	0
5769	Miscellaneous Revenue from Intermediate Sources	$202,125	$3,916	$53,700
Total		$5,196,864	$6,730,576	$6,826,690

Source: TEA (2003, 2004, 2005).

According to TEA's financial data report, in 2002-2003 the tax increment fund netted 11% of this district's local revenue, 21% during 2003-2004, and 23% during 2004-2005. Revenue was also realized for the first two years from the county education

district. Revenue from the tax increment fund and the county education district are both classified as state funding. With this district receiving funds from these sources, state funding is lowered. With the inclusion of these two categories in TEA's revenue from local support venues, this district appears to have received more local financial support, making it look wealthier than it actually is. Since all revenue object codes ranging from 5721 through 5761 are categorized by TEA as sources from other local revenue even though some are actually state funds, these are included in each district's local support venue table. However, revenue from intermediate sources, Code 5769, which are not classified as local funds, was deducted from the overall total in order to demonstrate the financial impact from locally generated funds.

Chapter 42 5A School

Table 71 shows the various local support revenue sources this district implemented to add funds to its general operating budget. Vending machines generated revenue at the intermediate, junior high, and high school campuses. Student parking fees assisted in raising local funds as did advertising signs for local businesses at the stadium and gymnasiums. A rental fee schedule was outlined for personal use of the district's gymnasiums, football stadium, baseball and softball fields, auditoriums, and classrooms. Sale of property was realized periodically. Interest income on investments added funds to the budget. Gate receipts for all athletic and fine arts events were deposited into the general operating fund. Local revenue was received from other districts because of special services extended to nearby districts. Tuition and fees from local services added funds to the general operating fund. Insurance recovery, co-

curricular activities, and enterprising services conducted throughout the district also added revenue to the budget. Revenue from all sources were dispersed among the general operating fund, trust and agency funds, and student activity funds (K. English, personal communication, February 5, 2007). The category raising the highest amount of funds, earnings from investments, impacted the overall local support resources from 29% to 58% during the three years.

Table 71

Revenue from Local Support Venues

Revenue Code	Source	2002-2003	2003-2004	2004-2005
5729	Local Revenue – Services to Other Districts	$70,002	$83,134	$109,596
5739	Tuition and Fees from Local Services	$116,011	$127,458	$138,829
5742	Earnings from Temporary Deposits & Investments	$2,235,539	$2,017,514	$1,149,837
5743	Rent	$57,406	$66,655	$84,813
5744	Non-Profit/Gifts/ Bequests	$233,251	$129,248	$196,913
5745	Insurance Recovery	0	$35,227	$6,092
5749	Other Revenues Local Sources	$195,043	$393,928	$439,825
5751	Food Service Activity	$1,670,787	$1,612,039	$1,499,214
5752	Athletic Activity	$256,445	$232,434	$244,415
5755	Enterprising Services Revenue	$115,377	$109,251	$98,089
5759	Co-Curricular Enterprising Services	$99,621	$92,396	$42,215
Total		$5,049,482	$3,449,284	$4,009,838

Source: TEA (2003, 2004, 2005).

Summary

Even though the size, location, M&O rates, and enrollment of the school districts varied, the majority of these ten school districts used three of the four areas from which to raise money. Even though the four areas of research – partnerships, fundraising, foundations, and local support venues – were present in nearly all of the ten school districts, the degree of participation and the amount of revenue generated from these sources varied widely among the districts.

Chapter 5 summarizes the findings from the data of these ten school districts and the impact partnerships, fundraising, education foundations and local support venues make on these school districts. Conclusions are drawn based upon the findings from this qualitative research to address the research questions.

CHAPTER 5

CONCLUSION

The purpose of the study was to examine methods school districts utilized locally to add additional funds to current budgets, specifically through the use of partnerships, fundraising, foundations, and local support venues. The following research questions guided the study:

1. Do the 10 identified Texas school districts participate in partnerships, fundraisers, foundations, and local support venues to add revenue to their existing budgets?
2. What level of revenue is added to the school districts' general operating budgets from partnerships, fundraisers, foundations, and local support venues during 2003, 2004, and 2005?
3. Does the school district's wealth influence the acquisition of funds from partnerships, fundraising, foundations and local support venues based on a per-student ratio?
4. Does the school district's size influence the acquisition of these funds based on a per-student ratio?

Summary of Results

An overview of each district's financial background, including the general operating budget and per-pupil impact, are shared. Methods of raising revenue from partnerships, fundraising, foundations, and local support venues are presented. The category referred to as other local and intermediate revenue, which is a culmination of local funds other than local taxes, is shown for each district. Its percentage of impact upon the general operating budget is also shown. These sources of revenue are broken down by Object Codes 5720 – 5769, which provide specific funding sources.

Background

Table 72 shows the 10 school districts' total assessed tax values for the three-year period used for formulating each district's annual budget. In 2004-2005, the Chapter 41 1A district realized $306 million more in tax values than the Chapter 42 1A district. The Chapter 41 2A district realized $433.3 million more than the Chapter 42 2A district. The Chapter 41 3A district had a $1.4 billion gain over its Chapter 42 3A district; the Chapter 41 4A district had $8.1 billion over its Chapter 42 4A district. The Chapter 41 5A district exceeded its Chapter 42 counterpart by $712.5 million.

Table 72

Districts' Total Assessed Value of Taxes for Formulating Budgets

School District	2002-2003	2003-2004	2004-2005
Chapter 41 1A	$357,827,808	$343,787,852	$378,910,903
Chapter 42 1A	$68,098,276	$69,700,667	$72,831,596
Chapter 41 2A	$552,702,163	$591,183,228	$646,458,636
Chapter 42 2A	$192,069,450	$207,380,080	$213,073,240
Chapter 41 3A	$1,824,371,943	$1,878,364,365	$1,881,865,188
Chapter 42 3A	$444,413,201	$477,450,550	$509,605,168
Chapter 41 4A	$8,513,166,560	$8,679,390,580	$8,975,808,957
Chapter 42 4A	$738,836,752	$780,036,081	$853,707,075
Chapter 41 5A	$3,615,586,592	$3,770,696,328	$3,893,042,559
Chapter 42 5A	$2,900,714,082	$3,193,659,075	$3,180,554,124

Source: TEA (2003, 2004, 2005).

Ranking the districts in assessed tax value during 2002-2003, the Chapter 41 4A district led the ten school districts with a value of $8.5 billion with the Chapter 41 5A

district ranking a distant second with $3.6 billion. The Chapter 42 5A district had a value of $2.9 billion, and the Chapter 41 3A district ranked fourth with a value of $1.8 billion.

The tax value per-pupil comparison among the ten school districts, seen in Table 73, indicates the school districts financial status based upon the $305,000 per-pupil threshold used to determine wealthy and poor school districts.

Table 73

Per-Pupil Value by District

School District	2002-2003	2003-2004	2004-2005
Chapter 41 1A	$898,154	$854,847	$1,015,244
Chapter 42 1A	$112,615	$111,193	$118,068
Chapter 41 2A	$411,038	$407,551	$403,793
Chapter 42 2A	$119,385	$127,951	$138,096
Chapter 41 3A	$1,064,251	$1,149,870	$1,137,206
Chapter 42 3A	$206,972	$214,041	$231,636
Chapter 41 4A	$1,190,769	$1,236,665	$1,269,197
Chapter 42 4A	$152,992	$164,340	$177,739
Chapter 41 5A	$472,845	$491,840	$498,114
Chapter 42 5A	$235,316	$251,380	$236,197

Source: TEA (2003, 2004, 2005).

Two school districts exceeded a per-pupil tax value of over $l million all three years: the Chapter 41 4A and 3A districts. The Chapter 41 1A district attained that level during the 2004-2005 school year. The Chapter 42 1A district ranked the lowest in per-pupil tax values of the 10 districts, closely followed by the Chapter 42 2A and the 4A districts, ranging from slightly over $100,000 to $175,000 per-student ratio. These three districts remain well below the $305,000 wealth threshold. The Chapter 41 2A and 5A

districts exceed the $305,000 threshold by over $100,000. The Chapter 42 5A district is approaching the threshold by just under $70,000, which means it is close to attaining Chapter 41 status.

Partnerships

All 10 school districts rely heavily upon the campus-level parent-teacher organizations (PTOs) and booster clubs. PTOs are primarily active at the elementary level while booster clubs are strongest at the secondary levels. If funds raised by the various parent-teacher organizations and the many different booster clubs are given to the school districts, they are normally linked to the school district's general operating funds, Code 199, or to trust and agency funds, coded as 800's (S. Adrian, personal communication, January 26, 2007). Some districts tie donations to specific portions of the school's budget, placing the money in trust and agency funds (L.B. Coker, personal communication, February 27, 2007).

Of the 10 selected schools, five are classified as rural districts, which affect available partnerships. Some of the Chapter 42 rural districts do not pursue business partnerships at all. Only two of the 10 school districts actually have formal partners-in-education or adopt-a-school programs on which to rely during this three-year period. Two other school districts are working with local Chamber of Commerce organizations to develop formal partnership programs. Although six of the 10 school districts actively pursue partnership development with local businesses, all the districts have businesses on which they rely for periodic purchases and volunteerism on an as-needed basis. The Chapter 41 4A and 5A school districts have even tied money to community projects to

shelter high community property tax values from recapturing methods, allowing the district to keep the money within the communities. The Chapter 41 4A district has made an agreement with property owners that the school district's maintenance and operation rate will continue to remain substantially lower if property owners will make a monetary contribution, a gift, to the school district to offset the price of paying higher taxes, thus keeping the district from having to pay an exorbitant wealth equalization transfer to the state or to other school districts (L. B. Coker, personal communication, February 27, 2007).

Nine of the school districts have formal athletic booster clubs. The sole school district that does not is in the process of organizing one. Nine of the districts have band booster clubs. The only school district without one has cut its music programs due to Robin Hood. All the districts have active PTO, PTA, or PTSA organizations; most are based at the elementary campus level. Three of the districts have other booster clubs that assist with additional programs. These partnerships have a vested interest in community projects that improve the business's status in conjunction with the local school district (L. B. Coker, personal communication, February 27, 2007). Overall, the 10 districts rely heavily upon the campus parent-teacher organizations and the various booster clubs for filling the needs of those specific organizations and campuses.

Not all school districts are recipients of donations of money from community partnerships; however, all districts acquire requested items from numerous local organizations. Five of the school districts do actually receive monetary donations through partnerships with local businesses, PTO's, and booster clubs. According to the administrator of the Chapter 41 5A school district, school administrators need to think

more entrepreneurially (D. J. Faltys, personal communication, February 21, 2007). By nurturing local businesses as partners, the school, the local businesses, and the entire community can benefit from both formal and informal partnerships. Some school districts do not have easy access to PTOs' and booster clubs' financial records, as the clubs are normally not financially tied to the school districts. Booster clubs closely guard personal financial records, and, in many instances, these records were unattainable. However, the organizations' presidents were willing to estimate the amount of funds raised.

Table 74 shows a compilation of the financial impact partnerships made upon the school districts during the three-year periods, revealing a wide discrepancy among business and booster club partnerships within the individual school districts.

Table 74

Partnership Funds

School District	2002-2003	2003-2004	2004-2005
Chapter 41 1A	$4,000	$4,500	$5,000
Chapter 42 1A	$42,000	$25,000	$24,500
Chapter 41 2A	$46,000	$46,000	$64,000
Chapter 42 2A	$15,000	$15,000	$15,000
Chapter 41 3A	$100,000	$100,000	$100,000
Chapter 42 3A	$50,000	$50,000	$50,000
Chapter 41 4A	$2,296,592	$2,730,668	$3,237,046
Chapter 42 4A	$108,238	$92,519	$227,602
Chapter 41 5A	$451,520	$502,960	$571,940
Chapter 42 5A	$315,700	$316,700	$317,700

The Chapter 41 1A district does not have any booster clubs to assist with financial support. The meager amount it receives is strictly through its parent-teacher organization. The Chapter 42 1A district supports a parent-teacher organization and both band and athletic booster clubs, which gives the district more intertwined financial assistance. The Chapter 41 2A district is close to a larger city, giving it a larger base for developing financial partnerships and a venue for conducting fundraising activities, whereas the Chapter 42 2A district is located in a rural area and does not have as many potential partnerships from which to draw. The Chapter 41 3A district has strong financial community support from local businesses and county and state entities. The Chapter 42 3A district, in contrast, relies only upon its strong local business support. The Chapter 41 4A district, located in a very affluent area, benefits from the philanthropic attitude of its large partnership base. Financially, this district significantly outranks the other nine school districts. The Chapter 42 4A district draws upon its small nucleus of business partners and relies on its booster clubs for other financial support. The Chapter 41 5A district ranks a distant second to the Chapter 41 4A district in financial partnerships but well above the other eight districts. The Chapter 42 5A district, the largest district of the 10 based upon enrollment, ranks third in partnership support. This district has a thriving community base and is working hard to develop an official partners-in-education program to utilize even more community support.

School districts do not rely upon these organizations to add revenue to their budgets. Yet, having access to these funds does impact the budgets as these funds from partnerships are used to purchase items for the benefit of the different organizations and clubs, and the district is not required to allocate a portion of the

existing revenue to specific organizations. The school districts also rely upon these partnerships for willing volunteers. Based upon these school districts' efforts in developing partnerships, it appears that all rely heavily upon informal partnerships, parent-teacher organizations and booster clubs to assist with volunteerism and to obtain requested equipment and supplies. Even if no, or only limited, funds are actually donated to a school district's budget, one can surmise that partnerships with local businesses and community organizations are worthwhile to pursue.

Fundraisers

Table 75 compiles the financial impact fundraising makes upon the school districts during the three-year periods, revealing a wide discrepancy among the students' efforts for their club and organizational activities. The Chapter 41 1A, the Chapter 42 1A, and the Chapter 42 2A districts are rural districts that have limited access for selling fundraising items within individual communities. The Chapter 41 2A district has access to a nearby larger city in which to sell its fundraising wares. The Chapter 41 3A, the Chapter 42 3A, and the Chapter 42 4A districts have larger communities that assist with school district fundraising. The Chapter 41 3A, 4A, and 5A districts have businesses that are willing to underwrite club activities, lessening the clubs' needs for conducting fundraising activities. Reflective in Table 75, the Chapter 41 4A and 5A districts raise approximately the same amounts of funds due to strong financial community support, as does the Chapter 42 5A district.

Table 75

Fundraising Funds

School District	2002-2003	2003-2004	2004-2005
Chapter 41 1A	$10,000	$10,000	$10,000
Chapter 42 1A	$7,200	$7,800	$7,500
Chapter 41 2A	$35,000	$35,000	$35,000
Chapter 42 2A	$16,000	$16,000	$16,000
Chapter 41 3A	$40,000	$41,000	$42,000
Chapter 42 3A	$38,300	$41,700	$47,675
Chapter 41 4A	$300,000	$300,000	$300,000
Chapter 42 4A	$140,645	$129,145	$128,926
Chapter 41 5A	$300,000	$300,000	$300,000
Chapter 42 5A	$234,000	$234,000	$234,000

All school districts participate in fundraisers. Some administrators initiate campus fundraising in order to finance individual campus needs. Some districts allow fundraising at all levels; some do not allow elementary campus students to be involved at all. The majority of fundraising is conducted at the high school campus levels through clubs and organizations, and the proceeds go to benefit individual clubs. Most funds are used for enrichment purposes and are not extended to the school district to be used for adding revenue to its existing budgets. However, the 4A and 5A school districts are recipients of portions of fundraising from district activities. Even when specific funds are not included in the district budget, these funds assist the overall finances of the district by not having to delegate a portion of the budget to the needs of campus administrators and organizations. Based upon these school districts' efforts, one can surmise that

fundraising, even though the amounts are primarily used for enrichment activities, is worthwhile to pursue.

Foundations

Table 76 compiles the financial impact foundations make upon the districts during the three-year period. A wide discrepancy is shown as five of the districts do not have foundations to assist them financially. Five of the school districts do have education foundations; one district even has two. Four of the five are Chapter 41 districts; the only Chapter 41 district not actively involved with foundation support is the 1A school district. The Chapter 41 2A district started its foundation during 2002-2003, and by the third year of its existence, the district reaped financial benefits of over $100,000. The Chapter 41 3A district is just one entity that receives financial assistance from its teacher-developed foundation, which was started for the entire county's benefit. The Chapter 41 4A district has close financial ties with its foundation, reaping an excess of between $2.6 million and $3.7 million annually. The Chapter 41 5A district is using the 4A district's foundation as a model for expanding its foundational support. One of the five districts that does not have a foundation, the Chapter 42 4A district, is already taking steps to develop such an endeavor. The Chapter 41 3A school district and one of the Chapter 41 5A school district's foundations were developed by individuals, teachers, or parents interested in making a strong, financial impact upon the community and school. The Chapter 42 5A district, the largest of the study, is the only district not classified as Chapter 41 with an education foundation.

Education foundation funds are primarily used as grants for teachers and students. These funds are normally deposited with the school district as trust and

agency funds until dispersement. However, the education foundations supporting the Chapter 41 4A and 5A school districts do extend funds to the districts, targeting undesignated teacher salaries and specific programs.

Table 76

Foundation Funds

School District	2002-2003	2003-2004	2004-2005
Chapter 41 1A	0	0	0
Chapter 42 1A	0	0	0
Chapter 41 2A	$46,556	$20,613	$135,580
Chapter 42 2A	0	0	0
Chapter 41 3A	$86,968	$86,000	$98,500
Chapter 42 3A	0	0	0
Chapter 41 4A	$2,645,817	$2,868,364	$3,736,055
Chapter 42 4A	0	0	0
Chapter 41 5A	$537,504	$337,523	$345,012
Chapter 42 5A	$233,251	$129,248	$196,913

Solid financial partnerships are usually the backbone in organizing a strong education foundation within school districts. Fundraising of any magnitude is normally conducted through education foundations, and the key factor in obtaining large amounts of funds for a school district is the establishment of an education foundation with a full-time director to focus on major fundraising events. Based upon these five foundations' lucrative fundraising efforts, teacher and student enrichment grants and funds actually being donated to the school district's budget make a significant impact upon the districts' programs if not upon the school districts' budgets. If a school district is housed in a community that can supply the necessary start-up funds for such an endeavor, one

can surmise that developing a foundation for the school district's use is a worthwhile endeavor.

Local Support Venues

Local support venues are locally generated revenue that each school district acquires from a variety of activities. This researcher coined the phrase *local support venue* in order to distinguish this unique source of revenue from the other three sources of income: partnerships, fundraising, and foundations. Table 77 shows the total amount of local revenue each district received during each of the three years. All school districts realize revenue from many of the same sources, such as gate receipts, vending machine sales, and interest income. Some districts realize revenue from unique sources such as shared services arrangements with other member districts, shared services arrangements from a fiscal agent, revenues from successor-in-interest to a former county education district, and a tax increment fund.

Table 77

Local Support Venue Funds

School District	2002-2003	2003-2004	2004-2005
Chapter 41 1A	$534,134	$647,013	$286,413
Chapter 42 1A	$237,585	$292,378	$164,646
Chapter 41 2A	$806,807	$642,245	$1,016,913
Chapter 42 2A	$803,403	$488,357	$1,364,507
Chapter 41 3A	$1,311,190	$1,337,284	$1,658,705
Chapter 42 3A	$657,455	$823,458	$886,239
Chapter 41 4A	$5,434,223	$5,577,149	$7,122,883

(table continues)

Table 77 *(continued).*

School District	2002-2003	2003-2004	2004-2005
Chapter 42 4A	$1,489,653	$1,045,813	$1,135,772
Chapter 41 5A	$5,196,864	$6,730,576	$6,826,690
Chapter 42 5A	$5,049,482	$3,449,284	$4,009,838

Source: TEA (2003, 2004, 2005).

Using the Texas Education Agency's actual financial data reports to confirm financial information for the school districts included in this research, the category referred to as other local and intermediate revenue is a culmination of local funds, other than local taxes, school districts receive. Breaking down revenue by Object Codes 5720 – 5769, four districts obtain local revenue resulting from the sale of weighted average daily attendance (WADA) to other school districts, Code 5721. Even though this revenue source is considered state funds, it is shown in the tables since TEA also includes it in its tables. Only one district, Chapter 41 3A, obtains revenue from shared services arrangements with member districts, Code 5722. Only one district, Chapter 42 2A, gains funds from revenue Code 5723, shared services arrangement from a fiscal agent. Three districts access financial support from Code 5729, local revenue resulting from services rendered to other school districts. Nine districts obtain local support from tuition and fees, Code 5739. All districts take advantage of Revenue Code 5742, earning additional funds from temporary deposits and investments. Eight districts obtain local revenue from rent, Code 5743.

Revenue Object Code 5744 lumps revenue from foundations, other non-profit organizations, gifts, and bequests altogether, and nine of the districts receive local support from this category. Financial support from partnerships, fundraising,

foundations, and local support venues that are considered gifts to the districts are designated to this lone category. Nine districts obtain revenue allotted to Code 5745, insurance recovery. Only Chapter 41 5A district receives local support from its tax increment fund, Code 5746. All districts receive other revenue from local sources, Code 5749, which refers to revenue that is not allocated to any of the other categories. Food service activity, Code 5751, is utilized by nine districts. Chapter 41 4A district allows its PTO to handle all cafeterias throughout its district; therefore, this district does not receive revenue from this source.

All districts obtain revenue from athletic activities, Code 5752; three districts receive funds from Code 5753, extracurricular/co-curricular activities other than athletics. Six districts obtain revenue from Code 5755, enterprising services revenue; and four receive funds from Code 5759, co-curricular, enterprising services or activities. Code 5761, revenue from successor-in-interest to a former county education district, is used by three districts.

Based upon these school districts' efforts in raising revenue from local support venues, one can surmise that some sources are standard, annual allocations. However, other sources can be more fully developed through school district leaders' creative thinking in order for the districts to realize stronger financial impacts from additional local revenue source.

Discussion by Research Questions

1. Do the 10 identified Texas school districts participate in partnerships, fundraisers, foundations and local support venues to add revenue to their existing budgets?

Table 78 lists the 10 school districts and shows participation in the four areas.

Even though only two districts have formal business partnership organizations, partners-in-education or adopt-a-school programs, all districts have partnerships with local businesses that supply volunteer services if not financial support. All districts allow fundraising by its students, primarily conducted at the high school campuses. Some district administrators initiate fundraising efforts, and in some districts, clubs and organizations conduct fundraisers without administrator involvement. Some clubs and organizations have booster clubs that allow more intensive fundraising. Five districts have access to foundations, and one district even has the support of two foundations from which to draw funds. All districts access revenue sources that add local support; some sources are the same for all districts, and some are unique to a specific district.

Table 78

District Participation

District	Formal Partnership Organizations	Fundraisers	Foundations	Local Support Venues
Chapter 41 1A	No	Yes	No	Yes
Chapter 42 1A	No	Yes	No	Yes
Chapter 41 2A	No	Yes	Yes	Yes
Chapter 42 2A	No	Yes	No	Yes
Chapter 41 3A	Yes	Yes	Yes	Yes
Chapter 42 3A	No	Yes	No	Yes
Chapter 41 4A	No	Yes	Yes	Yes
Chapter 42 4A	Yes	Yes	No	Yes
Chapter 41 5A	No	Yes	Yes - 2	Yes
Chapter 42 5A	No	Yes	Yes	Yes

2. What level of revenue is added to the school districts' general operating budgets from partnerships, fundraisers, foundations, and local support venues during 2003, 2004, and 2005?

To answer the second research question, the following tables, Tables 79-88, show the level of revenue each individual district raises from the four categories over the three years through partnerships, fundraising, foundations, and local support venues. Unfortunately, all revenue that is generated through these endeavors and shown in these tables is not added to the school districts' existing budgets.

Table 79 shows total income the Chapter 41 1A district receives for each of the three years, most of which is due to insurance recovery for repairs needed annually within the district. This district does not have an education foundation to assist it financially nor does it have athletic or band booster clubs. Its primary assistance comes from investments and funds recouped from storm damage.

Table 79

Chapter 41 1A: Revenue from Partnerships, Fundraising, Foundations, and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$4,000	$4,500	$5,000
Fundraising	$10,000	$10,000	$10,000
Foundations	0	0	0
Local Support Venues	$468,523	$585,332	$232,385
Total	$482,523	$599,832	$247,385

Table 80, revenue received by the Chapter 42 1A district, shows the largest amount of revenue is realized from local support venue due to investments and athletic activities. Partnership funds are realized from its athletic and band booster clubs and parent-teacher organization. This district does not have an education foundation.

Table 80

Chapter 42 1A: Revenue from Partnerships, Fundraising, Foundations, and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$42,000	$25,000	$24,500
Fundraising	$7,200	$7,800	$7,500
Foundations	0	0	0
Local Support Venues	$114,073	$91,165	$85,853
Total	$163,273	$123,965	$117,853

Annual revenue received by the Chapter 41 2A district is shown in Table 81. This district utilizes all four categories to obtain revenue, but the largest portion of local funds comes from its temporary investments. Athletic activities also impact local support revenue along with booster clubs' partnerships and its education foundation.

Table 81

Chapter 41 2A: Revenue from Partnerships, Fundraising, Foundations, and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$46,000	$46,000	$64,000
Fundraising	$35,000	$35,000	$35,000
Foundations	$46,556	$20,613	$135,580
Local Support Venues	$555,169	$312,284	$532,771
Total	$682,725	$413,897	$767,351

Table 82, the Chapter 42 2A district's revenue, shows local support venues contribute the majority of its revenue, impacting the district through investments and co-curricular enterprising services. Not having financial assistance from an education foundation and limited local business support impact this district's overall local revenue.

Table 82

Chapter 42 2A: Revenue from Partnerships, Fundraising, Foundations, and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$15,000	$15,000	$15,000
Fundraising	$16,000	$16,000	$16,000
Foundations	0	0	0
Local Support Venues	$293,520	$166,089	$208,687
Total	$324,520	$197,089	$239,687

The Chapter 41 3A district's financial status is shown in Table 83. Utilizing all four categories impacts its finances. Strong community support through its state-recognized parent-teacher organization and booster clubs assist this district in generating revenue. Its teacher-developed local foundation, local support revenue from shared services arrangements with other nearby districts, and earnings from temporary investments also impact this district's ability to raise funds.

Table 83

Chapter 41 3A: Revenue from Partnerships, Fundraising, Foundations, and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$100,000	$100,000	$100,000
Fundraising	$40,000	$41,000	$42,000
Foundations	$86,968	$86,000	$98,500
Local Support Venues	$928,914	$935,971	$1,257,114
Total	$1,155,882	$1,172,971	$1,497,614

The Chapter 42 3A district does not have a foundation to offer financial assistance, as seen in Table 84. Local support revenue makes the largest impact to its

budget by generating revenue through temporary investments, receipt of gifting contributions from local businesses and individuals, and its athletic activity. Strong booster clubs for band and athletic programs also assist in generating revenue for this district.

Table 84

Chapter 42 3A: Revenue from Partnerships, Fundraising, Foundations, and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$50,000	$50,000	$50,000
Fundraising	$38,300	$41,700	$47,675
Foundations	0	0	0
Local Support Venues	$300,633	$475,902	$596,418
Total	$388,933	$567,602	$694,093

Shown in Table 85, the Chapter 41 4A district generates nearly the same amount of revenue from three of the four categories. Strong financial partnerships through multiple booster clubs, its gifting program, and unifying financial pursuits through its local education foundation generate revenue for this district's budget. In addition to its gifting program, temporary investments and athletic activity add local support revenue.

Table 85

Chapter 41 4A: Revenue from Partnerships, Fundraising, Foundations and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$2,296,592	$2,730,668	$3,237,046
Fundraising	$300,000	$300,000	$300,000
Foundations	$2,645,817	$2,868,364	$3,736,055
Local Support Venues	$2,788,406	$2,708,785	$3,386,828
Total	$8,030,815	$8,607,817	$10,659,929

The Chapter 42 4A district's revenue, which is generated primarily from local support venues through investments, athletic activities, and donations from local businesses and individuals, is shown in Table 86. Its partners-in-education program and active parent-teacher organizations, along with band and athletic booster clubs, generate revenue for this district. No funds are yet realized from an education foundation, but plans are being made to develop one.

Table 86

Chapter 42 4A: Revenue from Partnerships, Fundraising, Foundations and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$108,238	$92,519	$227,602
Fundraising	$140,645	$129,145	$128,926
Foundations	0	0	0
Local Support Venues	$835,435	$554,218	$675,045
Total	$1,084,318	$775,882	$1,031,573

Revenue received by the Chapter 41 5A district, shown in Table 87, reveals support from all four areas, but local support venues generate more revenue than the other three categories combined. Numerous booster clubs are active throughout its district, and student fundraising is realized on all campuses. Its local education foundation assists with funding programs that this district could not otherwise offer. Yet the local support revenue is equally generated from tuition and fees, temporary investments, gifts and donations from local businesses and individuals, tax increment fund, athletic activity, and co-curricular activities.

Table 87

Chapter 41 5A: Revenue from Partnerships, Fundraising, Foundations and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$451,520	$502,960	$571,940
Fundraising	$300,000	$300,000	$300,000
Foundations	$537,504	$337,523	$345,012
Local Support Venues	$2,464,809	$4,614,797	$4,987,648
Total	$3,753,833	$5,755,280	$6,204,600

Table 88 shows the revenue that the Chapter 42 5A district generates. This district also realizes revenue from all four sources. Strong ties with its community and local civic organizations generate revenue sources for the district as does its local education foundation. Yet, local support venues make the biggest financial impact upon this district through its temporary investments, athletic activity, and tuition and fees.

Table 88

Chapter 42 5A: Revenue from Partnerships, Fundraising, Foundations and Local Support Venues

Type of Funds	2002-2003	2003-2004	2004-2005
Partnerships	$315,700	$316,700	$317,700
Fundraising	$234,000	$234,000	$234,000
Foundations	$233,251	$129,248	$196,913
Local Support Venues	$3,145,444	$3,157,997	$2,313,711
Total	$3,928,395	$3,837,945	$3,062,324

Combining the funds from all four sources – partnerships, fundraising, foundations, and local support venues, the five Chapter 42 districts acquired revenue ranging from $100,000 from the smaller districts to slightly more than $1 million in the

larger districts, with the exception of the Chapter 42 5A district. This 5A district, which is the largest, acquired in excess of $3 million. In contrast, the five Chapter 41 districts' combined funds from these four sources ranged from $.5 million in the 1A district to an excess of $8 million in the 4A district.

When a school district submits its actual financial data to TEA annually, its total revenue is divided into four categories: local taxes, other local and intermediate, state, and federal. This study focused upon the other local and intermediate revenue sources since any revenue donated to a school district is allocated to Revenue Object Code 5744: revenue from foundations, other non-profit organizations, gifts and bequests. Therefore, if any revenue from partnerships, fundraising, or foundations are actually realized by the school district, the funds are designated to this code. Revenue deposited into other codes ranging from 5720 to 5769 are categorized as local support venues, including such sources as shared services arrangements, tuition and fees, earnings from permanent funds and endowments, earnings from temporary deposits and investments, rent, insurance recovery, tax increment fund, food service activity, athletic activities, extracurricular and co-curricular activities. Code 5769 accounts for miscellaneous revenue from intermediate sources and for a true picture of local support revenue to be obtained, funds categorized as 5769 are deducted.

Table 89 outlines the total revenue each school district receives annually for the general fund. Also shown are per-student impacts from these general funds; other local and intermediate revenue, which includes revenue realized from partnerships, fundraising, foundations, and local support venues; and the percentage of impact this category makes on the districts' overall budgets.

Table 89

Actual Financial Data for All Districts, 2003, 2004 and 2005

School District	Year	Total Revenue	Per-Student Impact	Other Local & Intermediate Revenue	Impact on Budget
Chapter 41 1A	2002-03	$3,274,410	$8,971	$437,603	13.36%
	2003-04	$3,513,991	$9,575	$582,022	16.56%
	2004-05	$3,298,307	$9,588	$229,490	6.96%
Chapter 42 1A	2002-03	$3,603,556	$7,193	$102,257	2.84%
	2003-04	$3,826,639	$7,402	$186,365	4.87%
	2004-05	$3,681,022	$7,189	$86,450	2.35%
Chapter 41 2A	2002-03	$9,187,362	$7,385	$236,281	2.57%
	2003-04	$9,684,036	$7,200	$160,594	1.66%
	2004-05	$10,589,295	$7,145	$358,119	3.38%
Chapter 42 2A	2002-03	$6,534,057	$5,240	$444,637	6.80%
	2003-04	$6,741,259	$5,359	$207,978	3.09%
	2004-05	$7,403,630	$6,089	$1,084,070	14.64%
Chapter 41 3A	2002-03	$12,808,913	$7,652	$349,624	2.73%
	2003-04	$13,475,695	$8,449	$309,934	2.30%
	2004-05	$14,316,076	$8,931	$579,205	4.05%
Chapter 42 3A	2002-03	$9,761,538	$5,659	$271,724	2.78%
	2003-04	$10,871,638	$6,063	$249,143	2.29%
	2004-05	$10,869,011	$6,072	$323,921	2.98%
Chapter 41 4A	2002-03	$41,659,241	$6,971	$3,012,137	7.23%
	2003-04	$39,681,210	$6,563	$2,949,044	7.43%
	2004-05	$41,433,648	$6,737	$3,906,710	9.43%
Chapter 42 4A	2002-03	$23,019,136	$5,988	$809,977	3.52%
	2003-04	$24,059,234	$6,279	$367,620	1.53%
	2004-05	$25,906,255	$6,535	$440,969	1.70%
Chapter 41 5A	2002-03	$48,515,135	$6,751	$2,676,805	5.52%
	2003-04	$48,291,696	$6,647	$4,257,417	8.82%
	2004-05	$50,860,104	$6,944	$4,511,346	8.87%
Chapter 42 5A	2002-03	$63,599,063	$5,819	$1,006,173	1.58%
	2003-04	$68,187,467	$6,010	$1,224,868	1.80%
	2004-05	$71,607,839	$5,998	$1,006,026	1.40%

Source: TEA (2003, 2004, 2005).

Note the percentage of impact local support venues makes upon the districts' overall budgets. While this category impacts the Chapter 41 1A district's overall budget at an average rate of 12.29%, the Chapter 42 1A district's budget shows a substantially lower rate of 3.35%. However, the majority of the funds received by the Chapter 41 district are from insurance recovery due to storm damage, which results in making that district look like it realizes considerable more local revenue than its Chapter 42 counterpart. In contrast, the Chapter 41 2A district's budget is impacted at 3.68% while the Chapter 42 2A district's budget experiences a higher average of 8.18% due to it receiving state funds from the sale of WADA.

The Chapter 41 3A district's impact results in a 3.03% average while the Chapter 42 3A district's budget is impacted slightly lower at 2.68%. The Chapter 41 4A district's local support revenue impacts its budget at a rate of 8.03% due to significant charitable giving. In contrast, the Chapter 42 4A district nets a considerable lower percentage of impact of only 2.25%. The Chapter 41 5A district's budget is impacted by other local revenue by 7.74% while the Chapter 42 5A district's budget is only impacted by 1.59%. Therefore, the level of revenue realized from partnerships, fundraising, foundations, and local support venues makes only a minimal impact to some of the district's budgets, ranging from a meager 1.59% for the Chapter 42 5A district. In other situations, budgets experience greater impacts from these revenue sources, ranging to a 12.29% for the Chapter 41 1A district.

3. Does the school district's wealth influence the acquisition of funds from partnerships, fundraising, foundations and local support venues based on a per student ratio?

In order to answer Research Question 3, the following tables show the total revenue acquired from partnerships, fundraising, foundations, and local support venues.

An annual per-student ratio is calculated to determine if wealth influences the acquisition of funds.

Table 90 shows total revenue and student enrollment both dropped drastically between 2003-2004 and 2004-2005 school years for this Chapter 41 1A district. As a result, a per-pupil financial impact declined at a rate of over $900 during 2004-2005, even with a drop in enrollment.

Table 90

Chapter 41 1A: Total Acquisition of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$482,523	365	$1,322
2003-2004	$599,832	367	$1,634
2004-2005	$247,385	344	$719

In contrast, Table 91 shows the Chapter 42 1A district acquired less than one-half the revenue of the 1A wealthy district, and the per-pupil impact of the Chapter 42 1A district is well below that of the Chapter 41 1A district.

Table 91

Chapter 42 1A: Total Acquistion of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$163,273	501	$326
2003-2004	$123,965	517	$240
2004-2005	$117,853	512	$230

Using Tables 90 and 91 to compare the two 1A school districts reveals a marked difference in the amount of total funds raised and the per-pupil impact realized. The per-pupil impact realized by the Chapter 42 1A district resulted in attaining only 15% to 32% of the 1A wealthy district's per-pupil rate.

The Chapter 41 2A district, shown in Table 92, realized a slump in revenue of over $250,000 during 2003-2004. As a result, the per-student impact dropped by nearly $250. With revenue rising in 2004-2005, a per-pupil impact rose close to the 2002-2003 rate of over $500 per-pupil.

Table 92

Chapter 41 2A: Total Acquistion of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$682,725	1,244	$549
2003-2004	$413,897	1,345	$308
2004-2005	$766,351	1,482	$517

Seen in Table 93, the Chapter 42 2A district generated approximately one-half the revenue of the Chapter 41 2A district. This district also experienced a drop in revenue during 2003-2004, resulting in a per-pupil loss of over a $100 but rose close to $200 per-pupil during 2004-2005.

Table 93

Chapter 42 2A: Total Acquistion of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$324,520	1,247	$260
2003-2004	$197,089	1,258	$157
2004-2005	$239,687	1,216	$197

Tables 92 and 93 contrast the 2A school districts. The Chapter 41 district acquired more than twice the revenue of the Chapter 42 district, resulting in an average of more than $200 to $300 in per-pupil impact. The Chapter 42 district only realized from 38% to 51% of the Chapter 41 district’s per-pupil revenue.

Table 94 shows this Chapter 41 3A district raising revenue in excess of $1 million annually, and as a result, its per-pupil impact ranged from slightly under $700 to over $900 during these three years.

Table 94

Chapter 41 3A: Total Acquisition of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$1,155,882	1,674	$690
2003-2004	$1,172,971	1,595	$735
2004-2005	$1,497,614	1,603	$934

In contrast, Table 95 shows the Chapter 42 3A district generated revenue ranging from less than $400,000 to just under $700,000 during these three years. Its per-pupil impact ranged from $225 to just under $400.

Table 95

Chapter 42 3A: Total Acquisition of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$388,933	1,725	$225
2003-2004	$567,602	1,793	$317
2004-2005	$694,093	1,790	$388

Contrasting the Chapter 41 and Chapter 42 3A districts, Tables 94 and 95 show the Chapter 42 district raised approximately one-half the revenue as did the Chapter 41 district, resulting in the per-pupil impact of the Chapter 42 district reaching approximately 33% to 42% of its counterpart's impact.

The Chapter 41 4A district generated revenue between $8 million and $10 million, resulting in a per-pupil impact of $1,300 to $1,700, shown in Table 96. Revenue and student enrollment rose annually as did the per-pupil impact.

Table 96

Chapter 41 4A: Total Acquisition of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$8,030,815	5,976	$1,344
2003-2004	$8,607,817	6,046	$1,424
2004-2005	$10,659,929	6,150	$1,733

In contrast, the Chapter 42 4A district, shown in Table 97, managed to raise revenue of just over $1 million for two of the three years, but in 2003-2004, revenue fell to $775,000. As a result, per-pupil impact ranged from $200 to $280 annually.

Table 97

Chapter 42 4A: Total Acquisition of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$1,084,318	3,844	$282
2003-2004	$775,882	3,832	$202
2004-2005	$1,031,573	3,964	$260

Tables 96 and 97 show a remarkable difference in revenue, enrollment, and per-pupil impact between the two 4A school districts. Enrollment in the Chapter 42 district is almost one-half that of the Chapter 41 district. Total revenue of the Chapter 42 district amounts to only 9% to 14% of the Chapter 41 district's funds, and the Chapter 42 district's per-pupil impact is only 14% to 21% of the Chapter 41 district's per-pupil revenue.

Table 98 shows the Chapter 41 5A district's revenue ranges between $3.7 million and $6.2 million to accommodate over 7,000 students. As a result, its per-pupil impact ranges from $500 to over $800.

Table 98

Chapter 41 5A: Total Acquisition of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$3,753,833	7,186	$522
2003-2004	$5,755,280	7,265	$792
2004-2005	$6,204,600	7,324	$847

The Chapter 42 5A district's revenue, shown in Table 99, ranges from $3 million to $3.9 million to assist 11,000 to 12,000 students. Per-pupil impact ranges from $250 and $350.

Table 99

Chapter 42 5A: Total Acquisition of Funds and Per-Pupil Impact

Year	Amount	Enrollment	Per-Pupil Impact
2002-2003	$3,928,395	10,930	$359
2003-2004	$3,837,945	11,346	$338
2004-2005	$3,062,324	11,938	$257

Contrasting the two 5A school districts, the Chapter 41 district's revenue increased annually from $3.7 million to $6.2 million while the Chapter 42 district's revenue slightly decreased from $3.9 million to $3.0 million. The Chapter 42 district's enrollment outnumbered the Chapter 41 district by approximately 4,000 students, resulting in the Chapter 41 district's per-pupil impact outdistancing the Chapter 42 district more each year, from $163 per-student during the first year to $590 per-student during the third year.

In comparing the Chapter 41 district to its Chapter 42 counterpart, the per-student ratio is higher for all five Chapter 41 districts, shown in Tables 90-99 and Figure 25.

Figure 25 shows the financial per-student ratio for each of the ten school districts with 1 being the Chapter 41 1A district; 2 being the Chapter 42 1A district; 3, the Chapter 41 2A district; 4, the Chapter 42 2A district; 5, the Chapter 41 3A district; 6, the Chapter 42 3A district; 7, the Chapter 41 4A district; 8, the Chapter 42 4A district; 9, the Chapter 41 5A district; and 10, the Chapter 42 5A district. When placing each district's acquired revenue on a per-pupil impact, the Chapter 42 districts only realize a per-pupil impact of $157 to $388. In contrast, the Chapter 41 districts acquire revenue ranging from $247,000 to $10.6 million, resulting in a larger per-pupil impact of $308 to $1,733. In all instances, the school districts' wealth influences the acquisition of funds from partnerships, fundraising, foundations and local support venues when based on a per-student ratio.

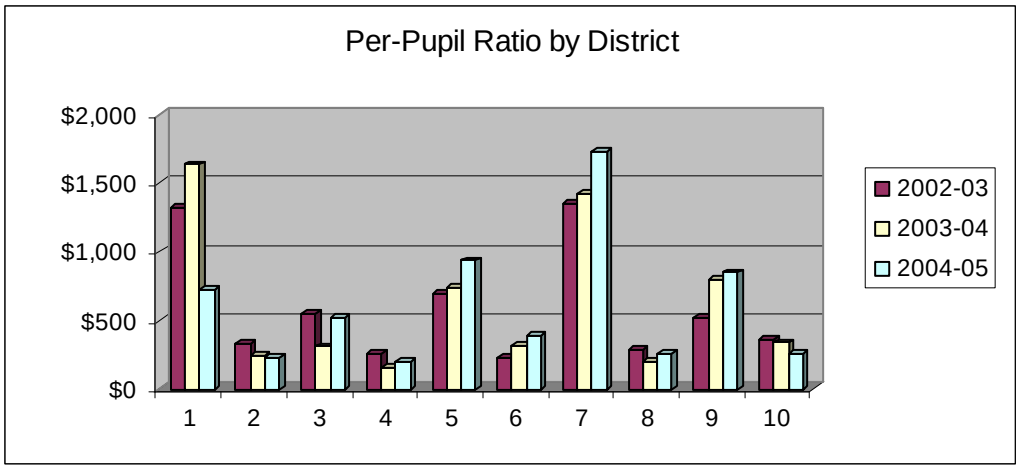

Figure 25. Per-pupil ration by district.

4. Does the school district's size influence the acquisition of these funds based on a per-student ratio?

Using Tables 90-99 and Figure 26, the Chapter 42 1A district enrollment outnumbers the Chapter 41 1A district by approximately 135 students while the two 2A school districts are close in enrollment figures. The Chapter 41 3A district has

approximately 100 more students than its Chapter 42 counterpart while the Chapter 41 4A district has between 2,100 and 2,200 more than its Chapter 42 counterpart. The Chapter 42 5A district's enrollment outnumbers the Chapter 41 district by 3,700 to 4,600 more students.

Figure 26 shows the student enrollment for each of the school districts with 1 being the Chapter 41 1A district; 2 being the Chapter 42 1A district; 3, the Chapter 41 2A district; 4, the Chapter 42 2A district; 5, the Chapter 41 3A district; 6, the Chapter 42 3A district; 7, the Chapter 41 4A district; 8, the Chapter 42 4A district; 9, the Chapter 41 5A district; and 10, the Chapter 42 5A district. Using Figure 26 and referring to Tables 90-99 to determine the size of the districts, the Chapter 41 1A district (1) has approximately 40% less enrollment than its Chapter 42 counterpart (2); the Chapter 41 3A district (5) has approximately 3% less than its Chapter 42 counterpart (6); and the Chapter 41 5A district (9) is approximately 40% smaller than its Chapter 42 counterpart (10).

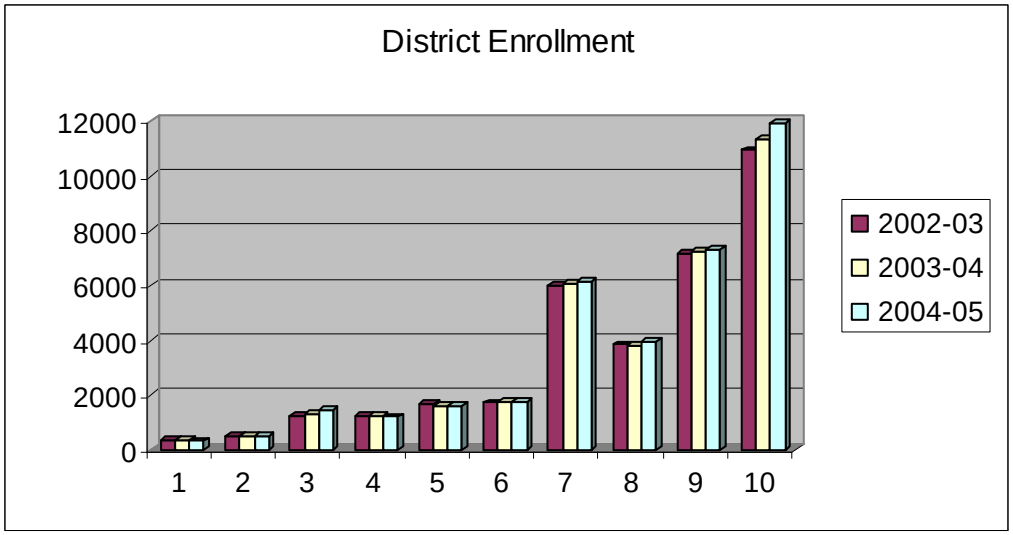

Figure 26. District enrollment.

Figure 25 shows the Chapter 41 1A school district's per-pupil ratio is substantially greater than the majority of the other school districts. The only district surpassing the Chapter 41 1A district when making a per-pupil comparison is the Chapter 41 4A district. Therefore, size does not influence the acquisition of funds when based on a per-pupil ratio.

Conclusions

The literature supports that school finance is a concern for all Texas school districts, and districts are forced to search for sources to assist with financing local education. The financial conditions among school districts reveal a reduction in state support over the years, forcing school administrators to rely more on local support. Literature shows that educational partnerships are becoming more active, turning to businesses, campus-level parent-teacher organizations, booster clubs, local civic organizations, and colleges and universities. Fundraising by campus administrators, students, and sometimes even district personnel have become almost mandatory in order to raise additional funds for short-term goals and activities. In recent years, researchers suggest that one of the hottest fundraising trends in public education has been through the development of education foundations, and the numbers are continuing to rise. A review of the literature also shows that school districts are considering obtaining funds from local support venues such as charging students a participation fee, charging for use of school facilities, investing excess funds, and selling naming rights. The percentage of these sources of income impact some budgets by

only a small percentage while in some cases, other budgets are impacted by substantial percentages, as much as federal funds.

Each of these Texas school districts participate in partnerships with local businesses, booster clubs, civic organizations, and colleges and universities, even when formal organizations such as partners-in-education or adopt-a-school programs do not exists. School districts rely upon these entities to donate both goods and services. Fundraising is conducted throughout all school districts, mainly by students' clubs and organizations and is used primarily for enrichment activities instead of being donated for the districts' budgets. Education foundations are found in only one-half of the school districts, either in the wealthy districts or in the larger poor districts that have a financial base from which to establish and maintain one. Most of these school districts utilize the same sources to obtain local support revenue, which are categorized by TEA as other local and intermediate revenue.

The level of revenue generated from partnerships, fundraisers, foundations, and local support venues does not significantly impact the school districts' existing budgets except in the larger Chapter 41 districts. The biggest impact is felt at the campus level since these funds are primarily used for enrichment activities. The financial impacts to school districts' budgets are obtained through contractual agreements with businesses and unified efforts of the PTO and foundations by making unspecified donations toward teacher salaries.

This study found that the school district's wealth did influence the acquisition of funds, even when based on a per-student ratio. In every instance, the Chapter 41 school districts realized more revenue from partnerships, fundraising, foundations, and

local support venues than did their Chapter 42 counterparts. However, the school district's size was found not to be a factor in acquiring funds when based on a per-student ratio. The per-student ratio of the Chapter 41 1A district exceeded all other districts, both Chapter 41 and 42 districts, with the exception of the Chapter 41 4A district. Even the Chapter 41 3A district exceeded the Chapter 41 5A district when revenue was determined at a per-pupil ratio.

This research supports the suggestions found in literature (Howell & Miller, 1997; Carey, 2004; Fitz & Beers, 2002; Rylander, 1999; Freeman, 2001; Nathan & Febey, 2001; Mabry, 2006; McGuire, 2003; Merz & Frankel, 1997; Zimmer et al., 2001; Renz, Lawrence, & Atienza, 2006; Strayhorn, 2002). Partnerships are becoming almost mandatory with local businesses, parent-teacher organizations, booster clubs, civic organizations, and colleges and universities. Fundraising is becoming essential for school administrators, campus-level clubs and organizations. Education foundations do make the strongest financial impact upon school districts, and these entities are continuing to increase yearly. School districts are also expanding revenue sources from local support venues, and searching for more entrepreneurial avenues. However, this research disagrees with the literature stating these sources affect the school districts' overall budgets by only a small percentage (Krop, 1996; Williams, Protheroe, & Cooke, 2003). This research found that some school districts realized increased revenue from partnerships, fundraising, foundations, and local support venues between 7% and 16%, generating as much revenue as federal funding in some situations.

Implications

This research revealed that a financial gap does exist between Chapter 41 and 42 school districts. Even though a gap does exist, all administrators, no matter the wealth of the district, feel the need to search for additional local funds. Reliance upon fundraising is used primarily for enrichment activities, not for adding revenue to the budgets. In order to obtain additional local funds, school districts must continue to nurture community support, encouraging entrepreneurial partnerships. Additionally, development of education foundations allows access to more lucrative financial support, especially within the larger school districts. Local support venues are limited only by administrators' creative mindsets. Implications derived from this study reveal that school administrators need to continue to find creative ways for obtaining locally generated revenue to supplant their general operating budgets. Even though the majority of local venues are used by all school districts, some administrators find unique ways to increase locally generated revenue.

Future Research

Based on the results of this study and the review of related literature, the following recommendations for further study investigating the impact of partnerships, fundraising, foundations and local support venues on school districts' budgets are suggested:

1. Future studies should include a broader range of school districts, with all districts being actively involved in all areas for obtaining supplemental revenue.

Out of the 10 districts, five districts that were selected for this research are located in rural communities, limiting involvement in partnerships and foundations. In

order to determine a clearer picture of the overall impact that these four revenue sources make in supplementing a district's budget, more districts need to be included from varied areas of the state. By selecting districts that are more urban, suburban, and urban-suburban instead of selecting so many rural districts, the possibility of finding a larger source of business partnerships, a larger base for conducting fundraising, and a stronger financial base that could support the development of education foundations may be more useful.

In order to obtain more consistent findings, one of the criteria needs to be that all districts included in future research must participate in all four areas of the study. Each district should be actively involved in either an organized partners-in-education or an adopt-a-school program; each district should have access to a foundation that impacts its students and teachers. Using districts that are not actively involved in all four areas for generating additional revenue makes it difficult to determine a per-pupil ratio and the impact each category makes upon the overall district's budget.

2. Future studies should be conducted regarding the unified financial effort as seen in the Chapter 41 4A school district and its community, tying all organizations to a gifting program that benefits the school district.

Since the Chapter 41 4A district realizes substantially more revenue than any of the other districts from its combined partnership and foundation efforts, it would be worthwhile to carefully study its gifting program. Its education foundation and local parent-teacher organizations jointly coordinate fundraising efforts and make substantial donations directly to the school district, even to the point of donating funds to be used toward unspecified teacher salaries. When a district-wide cafeteria program is totally run by its PTO and clubs and organizations unite to handle capital improvement issues so as not to pass bonds to cause indebtedness, this unique gifting program needs more

research to benefit all districts. All sources of gifting revenues are deposited into both the general operating budget and trust and agency funds and are tied to specific expenditures and programs within the district, which allows the community and the school district to become financial partners.

3. Another area of interest would be in the Chapter 41 5A school district's marketing and communications department.

The Chapter 41 5A district is the only district that has organized a marketing and communications department to focus upon developing contractual agreements to generate revenue for the district, attempting to use the Chapter 41 4A district's gifting program as its model. It would be worthwhile to pursue a more in-depth study of formulating a marketing and communications department for developing financial contractual partnerships within the community, becoming more entrepreneurial in financial agreements for the school district's benefit. This endeavor could possibly assist other school districts in generating revenue.

Summary

Although each of the 10 school districts participate at various levels of involvement in initiating revenue from partnerships, fundraising, foundations,and local support venues, when basing the revenue on a per-student ratio, the findings show that a school district's wealth does influence the acquisition of supporting funds, but the size of the district does not influence gains in revenue when based on a per-student ratio. Even though administrators in the two wealthiest districts focus more on entrepreneurial opportunities, the findings of this study continue to support Krop's (1996) findings: the level of revenue generated from local sources generally adds only a small percentage to

existing budgets. However, in four of the school districts, the level of revenue from partnerships, fundraising, foundations, and local support venues is in excess of 7%.

The results of this study support the practice of searching for additional revenue to supplement school districts' budgets through partnerships, fundraising, foundations, and local support venues. While there is a gap in raising revenue in Chapter 41 and 42 districts, the need for additional funds is felt by administrators in all districts. With business interest and involvement becoming more active in education since the early 1980s, reliance upon community support through partnerships, booster clubs, and parent-teacher organizations continues to be fostered. Entrepreneurial partnerships are being encouraged with local businesses, civic organizations, and local colleges and universities. The development of education foundations continue to increase and are used to support school districts financially and educationally. Administrators continue to find imaginative ways to capitalize on obtaining financial support locally. Even though the overall impact to most district's budgets is minimal, access to these funds allow schools to provide enrichment activities and extend educational programs without relying upon budget allotments.

APPENDIX

QUESTIONNAIRES

FOR SUPERINTENDENTS / ASSOCIATE SUPERINTENDENTS OF FINANCE:

I. Partnerships – volunteering of services and raising of funds without the aid of student solicitation from businesses (banks, insurance companies, YMCA, colleges/universities); PTOs; booster clubs; community organizations (Chamber of Commerce, Kiwanis, Rotary, Lions) primarily for enrichment purposes, not solely for improving academic excellence.

1. How long has your Partners In Education (PIE) or Adopt-a-School program been involved with your school district?

2. What is the purpose of the program?

3. Who organized the program?

4. Do you have a fulltime individual / director to oversee the program?

5. Who is/are your prominent business partner(s)?

6. Do you have a key nucleus of partners upon which you rely?

7. What types of assistance do you receive from each one? (donations, scholarships, equipment, services, special events, product sales)

8. Do you coordinate partnerships with organizations and booster clubs like PTOs, athletic boosters, and band boosters?

9. How do you develop partnerships?

10. How do you track funds received from partnerships?

11. What amount of financial assistance did the district receive from partnerships for each of the three-year periods: 2002-2003; 2003-2004; and 2004-2005?

12. What recognition do your partners receive from the school district?

13. Do your partners exert outside influence for education innovations? Do your partnerships offer volunteer manpower? If so, in what capacities?

14. Does your district have an agreement with any local colleges or universities to benefit your students? If so, what type of arrangement has been made?

15. Has your district developed any type of partnerships with local nonprofits or governmental agencies? If so, what types?

II. Fundraising – students' efforts to raise money at campus level by the campus administrator and clubs/organizations through innovative, entrepreneurial ideas.

1. Were any fundraisers initiated by the superintendent/central office for the district's benefit?

2. If so, what type(s) of fundraiser(s)?

3. How much money was generated from district-wide fundraising efforts for each of the three-year period: 2002-2003; 2003-2004; and 2004-2005?

4. For what was the money used?

5. What types of fundraisers were held on the individual campuses?

6. How much revenue was generated during the three-year period?

7. Do the PTOs and booster clubs initiate fundraising that require students to sell their products?

8. Can their financial reports be separated to determine which fundraisers used student participation and which were totally conducted by the organizations only?

9. Can these fundraisers be tracked by account codes in the school district's budget?

10. What revenue sources are used for fundraising opportunities?

___ concession stand ___ sale of campus publications
___ vending sales ___ gate receipts
___ parking fees ___ student activities / participation
___ Other (Please describe.)

III. Foundations -- developed by the school district, businesses, or by individuals for the sole purpose of raising money to assist the school district's academic focus.

1. Does your district have a local foundation?

2. How long has the foundation been in existence?

3. What is the purpose of the foundation?

4. What is the type of foundation (school-board controlled, autonomous, or embedded)?

5. Who organized the foundation?

6. Does an executive director oversee the foundation?

7. Are any staff hired to run the foundation? If so, how are they paid?

8. Does the foundation exert outside influence for education innovations?

9. What funds do the school district receive from this foundation? Annually?

10. Does the foundation offer scholarships or grants for teachers? For students?

11. Does the foundation offer curriculum enrichment programs? Teacher training? Instructional materials and services? Supplemental pay for teachers?

12. Does the foundation donate funds for facility renovation?

13. What types of fundraisers does the foundation hold? (black-tie dinner affair, auction, golf tournament, fashion show, bazaar, spaghetti dinner, raffle)

14. Does the foundation solicit donations? Payroll deductions for employee contributions? Employer – matching grants?

15. Does the foundation conduct annual fundraisers?

16. Does the foundation apply for grants?

17. Does the school district receive funds from any state foundations? If so, which ones & how much?

18. Does the school district receive funds from any national foundations? If so, which ones & how much?

19. Which type of fundraising method is most frequently used – institutional, major-donor, small-donor?

20. Do you have financial statements for the 2002-2003, 2003-2004, and 2004-2005 school years?

21. Do the foundation and school district coordinate fundraising efforts?

IV. Local Support Venues -- includes money earned by school districts through the superintendent and/or Board of Trustees' personal efforts and financial agreements

1. Do you receive revenue from any of the following sources?

___ mineral royalties	___ parking fees
___ sale of property	___ campus publications
___ interest/investment income	___ student participation
___ rental income	___ textbook sales
___ gate receipts	___ transportation
___ concession stands	___ tuition fees
___ vending machines	___ naming rights
___ display of sponsors' logos	___ Other (Please explain.)

2. Are there other local sources of revenue that the school district receives that are not listed?

3. How much revenue was generated in the three year periods: 2002-2003, 2003-2004, and 2004-2005, broken down by the categories listed in question #1 above?

4. Who are the key corporations/individuals that assist the school district in raising revenue from these sources?

5. What was your school district's student enrollment for the school years 2002-2003, 2003-2004, and 2004-2005?

FOR PARTNERS IN EDUCATION OR ADOPT-A-SCHOOL DIRECTOR:

1. How long has your Partners In Education or Adopt-a-School program been involved with your school district?

2. What is the purpose of the program?

3. Who organized the program?

4. Do you have a fulltime individual/director to oversee the program?

5. Who is/are your prominent business partner(s)?

6. Do you have a key nucleus of partners upon which you rely?

7. What types of assistance do you receive from each one? (donations, scholarships, equipment, services, special events, product sales)

8. Who coordinates partnerships with organizations and booster clubs like PTOs, athletic boosters, and band boosters?

9. How do you develop partnerships?

10. How do you track funds received from partnerships?

11. What amount of financial assistance did the school district receive from partnerships for each of the three-year period: 2002-2003; 2003-2004; and 2004-2005?

12. What recognition do your partners receive from the school district?

13. Do your partners exert outside influence for education innovations?

FOR CAMPUS ADMINISTRATORS:

1. Were any fundraisers initiated by the campus administrator for the campus's benefit?

2. If so, what type(s) of fundraiser(s)?

3. How much money was generated from fundraising efforts for each of the three-year periods: 2002-2003; 2003-2004; and 2004-2005?

4. For what was the money used?

5. What other types of fundraisers, generated by clubs and organizations, were held on your campuses?

6. What clubs and organizations on your campus actively pursue fundraisers?

7. How much revenue did they generate?

8. Do the PTOs and booster clubs initiate fundraising that require students to sell their products?

9. Can their financial reports be separated to determine which fundraisers used student participation and which were totally conducted by the organizations only?

10. What revenue sources are used for fundraising opportunities on your campus?

___ concession stand ___ sale of campus publications
___ vending sales ___ gate receipts
___ parking fees ___ student activities / participation
___ Other (Please explain.)

11. Can the revenue raised through fundraisers be tracked by account codes in the school district's budget?

FOR EDUCATION FOUNDATION DIRECTORS:

1. How long has the foundation been in existence?

2. What is the purpose of the foundation?

3. What is the type of foundation (school-board controlled, autonomous, or embedded)?

4. Who organized the foundation?

5. How many staff are hired to run the foundation? How are they paid?

6. Does the foundation exert outside influence for education innovations?

7. What funds do the school district receive from this foundation? Annually? One time funding?

8. Does the foundation offer scholarships or grants for teachers? For students?

9. Does the foundation offer curriculum enrichment programs? Teacher training? Instructional materials and services? Supplemental pay for teachers?

10. Does the foundation donate funds for facility renovation?

11. What types of fundraisers does the foundation hold? (black-tie dinner affair, auction, golf tournament, fashion show, bazaar, spaghetti dinner, raffle)

12. Does the foundation solicit donations? Payroll deductions for employee contributions? Employer – matching grants?

13. Does the foundation conduct annual fundraisers?

14. Does the foundation apply for grants?

15. Which type of fundraising method is most frequently used – institutional, major-donor, small-donor?

16. Do your financial statements for the 2002-2003, 2003-2004, and 2004-2005 school years show the amount of revenue going to the school district?

17. Do the foundation and school district coordinate fundraising efforts?

FOR BOOSTER CLUBS AND / OR PTO ORGANIZATIONS:

1. How do you set a goal for fundraising?
2. Does the principal give you a wish list or do you decide independently?
3. What fundraisers do you do?
4. Do you seek approval from the district or the campus administrator before participating in a fundraiser?
5. Do you have good internal controls for handling the money?
6. Do you expect district personnel to handle the money?
7. Do you have your own federal identification number?
8. Do you report this information to any school district personnel?
9. How are funds or items given to the campuses and/or the school district?
10. What donations have been given to the campuses and/or the school district during the three-year periods: 2002-2003, 2003-2004, and 2004-2005?
11. Are all your fundraisers conducted solely by the organization without use of the students to sell items?
12. If student involvement is solicited, can you separate your financial statement showing those funds raised by the organization itself and those funds where student participation is utilized?

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