

THE INFLUENCE OF PRIVATE CONTRIBUTIONS IN PUBLIC EDUCATION:
AN EXAMINATION OF EDUCATION FOUNDATIONS

by

Natalie Green Clogston, MEd

DISSERTATION

Presented to the Faculty of
The University of Houston-Clear Lake

In Partial Fulfillment

Of the Requirements

For the Degree

DOCTOR OF EDUCATION

in Educational Leadership

THE UNIVERSITY OF HOUSTON-CLEAR LAKE

DECEMBER, 2021

THE INFLUENCE OF PRIVATE CONTRIBUTIONS IN PUBLIC EDUCATION:
AN EXAMINATION OF EDUCATION FOUNDATIONS

by

Natalie Green Clogston

APPROVED BY

Thomas Cothorn, EdD, Chair

Michelle Peters, EdD, Committee Member

Amy Orange, PhD, Committee Member

Cheryl Sawyer, EdD, Committee Member

RECEIVED BY THE COLLEGE OF EDUCATION:

Felix Simicou, PhD, Interim Associate Dean

Joan Y. Pedro, PhD, Dean

Dedication

This dissertation is in honor of the stronghearted women whom I am lucky enough to have in my life – to the women who selflessly work in the service of others, fiercely love those they surround, and continually inspire me to be a better leader, administrator, volunteer, mother, and friend. I am forever indebted for their encouragement and support, and dedicate this body of work to each in name:

My incomparable mentor and role model, Dr. Nyla Watson

My amazing female colleagues on the Pearland ISD Education Foundation

My dearest girlfriends, Catherine, Melissa, Leah, Melissa, Lexi, and Keri

My loving grandmothers in heaven, Nana Josephine and Grandma Green

My kind and compassionate sister-in-law, Kelley Green

My incredible mother and #1 cheerleader, Barbara Green

And to the most important female in my life, my beautiful daughter, Henley

Acknowledgements

I would like to extend my deepest gratitude to my dissertation chair, Dr. Thomas Cothorn, for his genuine kindness, his guidance throughout the writing process, and his commitment to helping my dissertation come to a successful fruition. I am grateful to my methodologist, Dr. Michelle Peters, for sharing her expertise throughout the research process and for giving me the direction and motivation to continue forward. I would also like to thank Dr. Amy Orange and Dr. Cheryl Sawyer for contributing their time and knowledge as committee members.

I would further like to acknowledge and offer my sincerest thanks to the superintendents who took the time to be interviewed for the purpose of my study. The interviews allowed me the opportunity to meet and learn from 15 exceptional educational leaders. Their insight was indispensable to my research and I am grateful for their generosity and candidness.

Most importantly, I must acknowledge my nearest and dearest. To my parents and Green family, for their support and encouragement that has always given me the confidence to pursue every audacious goal I ever set for myself. Thank you for always being there with a lending ear, kind words, big hugs – and of course, good laughs over cold beverages. And to Jason, for his remarkable strength and unconditional love that motivates me every day to do better and strive harder. Thank you for challenging me to grow in ways I could have never imagined, and for always lifting up my heart and spirit in the times I have needed it most.

ABSTRACT

THE INFLUENCE OF PRIVATE CONTRIBUTIONS IN PUBLIC EDUCATION: AN EXAMINATION OF EDUCATION FOUNDATIONS

Natalie Clogston
University of Houston-Clear Lake, 2021

Dissertation Chair: Thomas Cothorn, EdD

The purpose of this mixed-methods study was to examine the influence of private contributions from education foundations in public education. This study included an analysis of archival data from the Internal Revenue Service (IRS), Texas Education Agency (TEA), and organizational websites from a purposeful sample of 256 Texas school districts identified as having a supporting education foundation with gross revenue of over \$50,000. A purposeful sample of 15 district superintendents were also interviewed in an effort to provide more in-depth understanding of the perceptions regarding private contributions in public education and the influence of education foundations on their school districts. The quantitative data were analyzed using Pearson's Product Moment Correlations (r) and Kruskal-Wallis test (χ^2), while the qualitative data obtained from superintendent interviews were analyzed using an inductive coding process. Quantitative analysis indicated the amount of private revenue generated by education foundations is correlated most consistently with the resources already residing

within the organization, school district, and community (i.e., organizational longevity, district size and location, and community wealth) rather than the support of government (i.e., public funding) or even key measures of the school district (i.e., accountability rating and racial/ethnic diversity). Qualitative analysis indicated most school districts seek external revenue to supplement district funding using common methods and strategies, including private revenue generated by education foundations; however, the majority of superintendents stated that private contributions are overall nominal and an insufficient substitution for funding provided by the government. On the other hand, the findings also demonstrated that these organizations and their efforts contribute nonfinancial benefits to school districts, including positive morale, community engagement, and advocacy. Lastly, the findings concluded that paid staff, strong board composition, district alignment, and superintendent involvement are key factors for successful education foundations.

TABLE OF CONTENTS

List of Tables	x
CHAPTER I: INTRODUCTION.....	1
Research Problem	1
Significance of the Study	3
Research Purpose and Questions	3
Definitions of Key Terms	4
Conclusion	5
CHAPTER II: REVIEW OF LITERATURE	7
Public School Finance.....	7
Historical Context of Public School Finance.....	8
Impact of School Finance Reform	9
Funding and Student Achievement	10
Private Contributions in Public Education.....	13
The Rise and Efforts of Education Foundations	17
Characteristics of Education Foundations	17
Stakeholders in Education Foundations.....	18
Fundraising in Education Foundations	19
Benefits of Education Foundations	21
Concerns of Funding Equity	25
Shift Towards Policy and Advocacy.....	26
Theoretical Framework	29
Conclusion	30
CHAPTER III: METHODOLOGY	31
Overview of Research Problem	31
Operationalization of Theoretical Constructs	32
Research Purpose and Questions	33
Research Design.....	33
Population and Sample	34
Participant Selection	36
Data Collection Procedures.....	36
Quantitative.....	36
Qualitative.....	37
Data Analysis	37
Quantitative.....	37
Qualitative.....	38
Qualitative Validity.....	39
Privacy and Ethical Considerations	39

Research Design Limitations	39
Conclusion	40
CHAPTER IV: RESULTS.....	41
Participant Demographics.....	41
School Districts.....	41
Education Foundations.....	44
Superintendents.....	45
Research Question One.....	46
Board Size.....	47
Years of Operation.....	48
District Size.....	48
Community Type	49
Community Wealth.....	50
Accountability Rating.....	52
Racial/Ethnic Diversity.....	53
Research Question Three	54
Public School Finance.....	54
Methods and Strategies	61
Financial Impact of Private Contributions.....	65
Research Question Four.....	66
Financial Impact of Education Foundations	67
Nonfinancial Benefits of Education Foundations	68
Key Factors of Successful Education Foundations.....	72
Conclusion	75
CHAPTER V: SUMMARY, IMPLICATIONS, AND RECOMMENDATIONS	76
Summary of Findings.....	77
Research Question One.....	77
Research Question Two	77
Research Question Three	79
Research Question Four.....	80
Financial Impact and Funding Equity.....	81
School Finance Policy and Advocacy.....	82
Implications.....	83
District Administrators.....	83
Education Foundation Leaders	84
Policymakers and Public School Advocates.....	85
Recommendations for Future Research.....	86
Conclusion	87
REFERENCES	89

APPENDIX A: INFORMED CONSENT	95
APPENDIX B: INTERVIEW GUIDE	98

LIST OF TABLES

Table 2.1 Literature Related to Public School Finance	12
Table 2.2 Literature Related to Private Contributions in Public Education	16
Table 2.3 Literature Related to Education Foundations	22
Table 2.4 Literature Related to Equity Concerns and Shifts to Policy	27
Table 3.1 Descriptive Analysis of Sampled Education Foundations.....	35
Table 3.2 Descriptive Analysis of School Districts with Sampled Education Foundations.....	35
Table 4.1 Demographic Breakdown of School Districts: Public Funding and District Size.....	42
Table 4.2 Demographic Breakdown of School Districts: Community Type, Community Wealth, and Accountability Rating.....	43
Table 4.3 Demographic Breakdown of School Districts: Racial/Ethnic Diversity	44
Table 4.4 Demographic Breakdown of Education Foundations.....	44
Table 4.5 Demographic Breakdown of Participating Superintendents.....	45
Table 4.6 Descriptive Statistics for Private Contributions and Public Funding	46
Table 4.7 Descriptive Statistics for Private Contributions and Board Size	47
Table 4.8 Descriptive Statistics for Private Contributions and Years of Operation	48
Table 4.9 Descriptive Statistics for Private Contributions and District Size.....	49
Table 4.10 Descriptive Statistics for Private Contributions and Community Type	50
Table 4.11 Descriptive Statistics for Private Contributions and Community Wealth.....	52
Table 4.12 Descriptive Statistics for Private Contributions and Accountability Rating.....	53
Table 4.13 Descriptive Statistics for Private Contributions and Racial/Ethnic Diversity.....	54

CHAPTER I: INTRODUCTION

Government support in K-12 schools has seen dramatic decline in numerous states over the last few decades (Leachman, Masterson, & Figueroa, 2017). At the same time, private contributions to support public schools have significantly increased (Nelson & Gazley, 2014; Zimmer, Krop, & Brewer, 2003). Studies show that contributions from education foundations increased nearly 350 percent from 1995 to 2010 (Nelson & Gazley, 2014). Education foundations can be defined as independent nonprofit organizations which primarily provide local school funding beyond taxpayers' dollars (Caruthers, 2017). Recently, these organizations hit an all-time national high, collectively fundraising nearly \$400 million and distributing \$165 million in programs for K-12 public schools (Caruthers, 2017). In addition to generating revenue on behalf of public schools, education foundations have been found to broaden public support and build community partnerships (Muro, 1995). The rise and efforts of these organizations, including the significant amount of generated revenue, elicits the need for critical examination of key educational issues such as the relationship between private and public funding, contributing factors of generated private revenue, and the perceived influence of contributions to school districts.

Research Problem

It is no secret that public funding for K-12 schools has dramatically declined in the United States (U.S.) over the last few decades (Leachman, Masterson, & Figueroa, 2017). Texas, the country's second largest state, was recently ranked 36th nationally in per-student education spending (Samuels, 2018) and had the sixth-highest decline in state funding levels from 2008 to 2015 (Chang, 2017). According to the Center on Budget and

Policy Priorities, “These trends are very concerning to the country’s future prospects . . . If we neglect our schools, we diminish our future” (Leachman et al., 2017, p. 3).

Less money for schools has lead to cost cutting, school decline and community distress. Teacher salaries, staff positions, facility maintenance, and student programs have been affected by these funding challenges (Chang, 2017), causing even fewer resources available for innovative curriculum, technology, fine arts, athletics, and experiential education, such as field trips and hands-on learning projects. According to the findings of *Public School Foundations: Their Organization and Operation* (1985), one of the earliest and most formative studies on private funding of public schools, community members with high expectations for academic excellence in their schools often become troubled when academic programs are dropped due to budget cuts and local taxes are unable to improve conditions.

In the midst of this financial uncertainty and public concern, a trend has emerged. School leaders, concerned parents, and engaged community members have come together to find solutions, often turning to education foundations as an alternative source of funding. Developing over the last three decades, these organizations have served as a method for addressing public education funding issues, preventing district cutbacks, and ensuring academic excellence in schools (Clay, Hughes, Seely, & Thayer, 1985).

Researchers have examined education foundations in states including California (Deitrick, 2009), Florida (Fernandez, 2014), and Pennsylvania (Spangler, 2017). These studies have provided analysis of existing education foundations and their functions. Research on education foundations has also explored issues of equity and funding disparities (Addonizio, 2000), measured financial impact on school districts (Abzug, Olbrecht, Sabrin, & DeLeon, 2016), and investigated nonfinancial benefits, such as public relations and community building. This study will contribute to former analyses by

providing further examination into the influence of private contributions from education foundations in public education.

Significance of the Study

The underfunding of public education in the U.S. is significant and chronic (American Federation of Teachers, 2018). For many, the consequences of underfunding public education are poor teacher pay, outdated materials, and deteriorating facilities. School districts must seek a variety of funding alternatives to offset dwindling budgets. As state funding for public education continues to decline and revenue from private sources continues to increase, it is imperative to understand the relationship between private and public funding, contributing factors of generated private revenue, and the perceived influence of contributions to school districts. This study could further provide a significant contribution to the overall discussion about the influence of education foundations in public education.

Research Purpose and Questions

The purpose of this study was to examine the influence of private contributions from education foundations in public education. The following research questions were addressed in this study:

1. Is there a relationship between the amount of private revenue generated by education foundations (private contributions) and the amount of funding provided by the government to school districts (public funding)?
2. To what extent does: (a) board size, (b) years of operation, (c) district size, (d) community type, (e) community wealth, (f) accountability rating, and (g) racial/ethnic diversity influence the private contributions of education foundations?

3. What are the perceptions of district superintendents regarding private contributions in public education?
4. What are the perceptions of district superintendents regarding the influence of private contributions from their education foundations?

Definitions of Key Terms

501(c)(3) Nonprofit Charitable Organization: an independently-operated organization with a charitable mission and federal tax exemption status under the Internal Revenue Service code (Internal Revenue Service, n.d.). Most nonprofits, including education foundations, are classified under this status.

Accountability rating: a district performance measurement of the state accountability rating system (Texas Education Agency, n.d.).

Board size: the number of voting members of the nonprofit organization (IRS, n.d.).

Community type: a categorization of school districts based on regional factors such as enrollment, growth in enrollment, economic status, and proximity to urban areas (Texas Education Agency, n.d.).

Community wealth: a categorization of school districts based on regional property wealth, an indicator of a district's ability to raise local funds on a per pupil basis. Property wealth is a measurement of total taxable property value divided by the total number of students (Texas Education Agency, n.d.).

District size: the total number of students enrolled in a school district at all grades, from pre-kindergarten through grade 12 (Texas Education Agency, n.d.).

District superintendent: the executive leader of an independent school district responsible for managing the operations and administration of the organization (My Texas Public School, n.d.).

Education Foundations: independent nonprofit organizations which primarily provide funding beyond taxpayers' dollars to local area school districts (Caruthers, 2017).

Fundraising: the activity of organizing and implementing various methods and techniques designed to produce revenue for a variety of programs and causes (Muro, 1995).

Independent School District: a type of school district that operates independently of any municipality, county, or state (Texas Education Agency, n.d.).

IRS Form 990: a tax report required of nonprofit organizations to be filed annually with the Internal Revenue Services (IRS, n.d.).

Private contributions: revenue generated by private sources (Muro, 1995).

Public funding: the total sum of state, local, and federal funds received by a school district (Texas Education Agency, n.d.).

Racial/ethnic diversity: percentage of total students reported as African American, Hispanic, White, American Indian, Asian, Pacific Islander, and two or more races (Texas Education Agency, n.d.).

Revenue: contributions received by a nonprofit organization through a variety of sources, including individuals, foundations, affiliated organizations, and federal, state or local governments (IRS, n.d.).

Years of operation: the number of years in which a nonprofit organization has existed legally under state or foreign law (IRS, n.d.).

Conclusion

This chapter introduced the critical issue of underfunding in public education, the relationship between private and public funding, and the concept of education foundations. The chapter also presented the research problem, significance of the study,

research purpose and questions, and definitions of key terms relevant to the study. The next chapter provides a literature review of the major constructs examined in this study.

CHAPTER II:

REVIEW OF LITERATURE

Education is second only to religious organizations in receiving charitable contributions and experienced an increased giving of 10.1 percent in 2019, according to The Giving Institute (2020). The rising trend of private fundraising for public education is likely in response to the documented decline in public funds available for K-12 schools (Addonizio, 2000; Brunner & Imazeki, 2005; Brunner & Sonstelie, 2003; Else, 2004; Nelson & Gazley, 2014; Sattem, 2007; Zimmer, Krop, & Brewer, 2003). The decline of public education spending, the impact of school finance reform, and the rapid growth of private fundraising, including both benefits and criticism, have been well researched (Addonizio, 2000; Green, 2005; Hill & Kiewiet, 2015; Hill, Kiewiet, & Arsneault, 2013, 2014; Nelson & Gazley, 2014; Zimmer et al., 2003). The purpose of this study was to examine the influence of private contributions from education foundations in public education. To address each issue, this literature review focused on: (a) public school finance, (b) private contributions in public education, including equity concerns and advocacy initiatives, and (c) the rise and efforts of education foundations, including organizational characteristics, fundraising activities, key stakeholders, and use of funds.

Public School Finance

The roots of public school finance in the U.S. predate colonization (Owings & Kaplan, 2019). The founding fathers believed that an educated citizenry was essential to a thriving democratic society and established fundamental laws to support the public funding of schools. Today, the U.S. spends over \$700 billion on public schools (National Center for Education Statistics, 2020). Through the years, the U.S. public school finance system has been affected and influenced by laws, economics, and societal shifts.

Examining historical contexts, legislative implications, and spending outcomes is important to understanding why and how the U.S. funds public education.

Historical Context of Public School Finance

The Massachusetts Act of 1642 is the first U.S. public school finance law (Owings & Kaplan, 2019), which enacted penalties for parents and masters who failed to meet the educational needs of the colony's sons and servants. Early colonial laws, such as this, established formal school systems within communities and identified property taxes as the basis for funding schools. This method of taxing property owners to fund public education primarily remains to this day. Following the American Revolution and the ratification of the United States Constitution, state and federal legislators continued to develop school systems and structures for funding public education based on the esteemed principle that a society of educated citizens was an essential component to a strong democratic nation (Owings & Kaplan, 2019). During this emergent time for public education, the U.S. population experienced one of the highest literacy rates of all time (Barker, 2002).

Public education funding significantly dropped during the Great Depression, adversely affecting schools, children, and teachers (Owings & Kaplan, 2019). However, a new trend of securing nontraditional funding sources for public education emerged thanks to the rise of major U.S. philanthropic organizations (Generals, 2000). During this time, private foundations, such as Rockefeller Foundation, the Rosenwald Foundation, and the Jeanes Foundation, began to contribute significant funds to support innovative and progressive educational programs in urban and impoverished rural schools (Generals, 2000).

The U.S. economy thrived following World War II, and public education was greatly affected by societal shifts towards science and technology as well as significant

federal legislation, such as the Civil Rights Act of 1964 (Owings & Kaplan, 2019). The Elementary and Secondary Education Act of 1965 (ESEA) contained five aid programs to finance education for specific student populations. Considered to be one of the most important federal education laws, the ESEA infused substantial amounts of federal funds into local schools and laid the groundwork for future legislation including the No Child Left Behind of 2001 (NCLB) and Every Student Succeeds Act of 2015 (ESSA).

Impact of School Finance Reform

Because U.S. public schools have been traditionally funded through local property taxes, wealthy communities with larger tax bases tend to have fewer needs and spend more per student compared to poorer communities (Owings & Kaplan, 2019). In the last quarter of the 20th century, U.S. policymakers began to wrestle with the task of achieving more adequate and equitable funding for schools as a means of achieving educational equality (Hill & Kiewiet, 2015; LaFortune, Rothstein, & Schanzenbach, 2018; National Research Council, 1999). In landmark cases such as California's *Serrano v. Priest* (1971), New Jersey's *Robinson v. Cahill* (1973), and Texas' *Edgewood v. Kirby* (1984), state courts ruled that the school finance systems then in place were unconstitutional because of the funding disparities between wealthy and poor communities. Nineteen states declared their state school funding systems to be unconstitutional during this time and most states have since initiated similar efforts to reallocate school aid from local control in order to equalize funding disparities among public school districts (Addonizio, 2000; Hill & Kiewiet, 2015; LaFortune et al., 2018; National Research Council, 1999).

Studies on the subsequent effects of school finance reform on the adequacy and equity of school funding have produced mixed results. A 2015 study by Hill and Kiewiet concluded that school finance reform laws have resulted in more equitable school funding across local school districts. However, other studies have indicated that an overall decline

in education expenditures continues to occur (Hill, Kiewiet, & Arsneault, 2013, 2014; Nelson & Gazley, 2014; Sattlem, 2007). In a study addressing public education funding, researchers found that overall state tax revenue had declined by 12 percent since 2008, the sharpest decline on record (Nelson & Gazley, 2014).

In their study on private contributions in California, Brunner and Sonstelie (2003) further explain, “the combination of equalization across districts and the slower increase in average revenue has led to a relative decline in the funding of districts” (p. 2158). Thus, communities, donors and parents are willing to raise funds for their schools to close the gap between the excellence they expect and the quality that can be provided through state funding. At the same time, a donation to purchase technology, equipment or instructional materials helps to alleviate constrained district budgets.

In addition to declining school expenditures due to the finance equalization process, local control has also become more restricted. School district administrators, governing officials, and concerned community groups have sought a variety of funding alternatives to property taxes. External revenue through private contributions and nontraditional sources is a means for school districts to overcome the effects of state legislative mandates and meet the demands of increased student enrollment and improved educational performance (Hansen, Hall, Brewer, & Hannaway, 2008; Nelson & Gazley, 2014; Owings & Kaplan, 2019).

Funding and Student Achievement

As state legislators and school leaders continue to seek ways to increase funding, a larger dispute persists as to whether school spending and educational outcomes, specifically student achievement, are interrelated. Formative educational reports such as *The Coleman Report* (1966) and *A Nation at Risk* (1983) sparked the debate regarding school spending and student achievement (Owings & Kaplan, 2019); however, contrary

to the ongoing public discourse, several studies have indicated positive connections between school funding and student achievement (Hyman, 2017; Jackson, Johnson, & Persico, 2016; LaFortune, et al., 2018).

A 2016 study by Jackson, Johnson, and Persico measured the effects of increased school spending on educational outcomes. In the study, longitudinal data on a nationally representative sample of children born between 1955 and 1985 and followed through adulthood were matched with data on school spending and court-ordered finance reform from 1972–2010. The research indicated that increased spending produced improvements in both educational and labor market outcomes such as increased income and reduced poverty, particularly for low-income children. The researchers concluded that school spending matters (Jackson et al., 2016).

In a similar study, Hyman (2017) explored the effects of school spending on postsecondary attainment using student-level panel data from Michigan measured with school spending information. The research indicated that public school students exposed to approximately 10 percent more spending per year experienced a 7 percent increase in college enrollment and a 11 percent increase in post-secondary graduation. Hyman concluded that “increases in education expenditures improve the later life outcomes of students” (p. 258).

A 2018 study by LaFortune, Rothstein, and Schanzenbach also examined the effects of school finance reforms on student achievement. In the study, an event study research design was employed using representative samples from the National Assessment of Educational Progress. Researchers found that school finance reforms were effective in providing additional school funding, especially to low-income districts. The research indicated that increased funds were correlated with increased educational quality and improved achievement, particularly of students in low-income districts.

Table 2.1

Literature Related to Public School Finance

Study	Purpose	Participants/ Data Sources	Design/ Analysis	Outcomes
Hill and Kiewiet (2015)	To examine the effects of school finance reform on school spending	Measures for the 1972-92 panels was provided by authors of Murray et al. (1998) and supplemented with US Census Bureau data; Data on education expenditures from the National Center for Education Statistics	Regression models	Results indicated that finance reform mandates have led to a decrease in inequality in per student expenditures, but have not produced overall change in average expenditures per state
Hyman (2017)	To examine the effects of school spending on educational attainment	Student-level panel data from Michigan; sample included 746,834 students and 518 districts	Regression models	Results concluded that increases in expenditures are correlated with improvements in the later life outcomes of students

Table 2.1 (continued)

Study	Purpose	Participants/ Data Sources	Design/ Analysis	Outcomes
Jackson, et al. (2016)	To examine the effects of school spending on educational and economic outcomes	Sample included 93,022 adult person-year observations of 15,353 individuals from 1,409 school districts	Regression models	Results indicated that increased spending produced improvements in both educational and labor market outcomes
LaFortune, et al. (2018)	To examine the effects of school finance reform on student achievement	Representative samples were selected from the National Assessment of Educational Progress	Event study research design; empirical analysis	Results showed that school finance reforms were effective in providing additional funding; increased funds correlated with increased educational quality and improved achievement, particularly of students in low-income districts

Private Contributions in Public Education

Private fundraising in the field of education has long existed in the U.S., dating back to campaign efforts to raise funds for the opening of Harvard College in 1641 (Worth, 1993). Private fundraising for K-12 public education has also existed, most commonly through charitable groups such as parent-teacher associations, booster clubs, philanthropic endowments, and education foundations (Hansen, et al., 2008; Nelson &

Gazley, 2014). Other nontraditional sources of external revenue for public schools include tuition fees, facility leasing, advertising, commercial agreements, and corporate partnerships are (Addonizio, 2000; Brent & Lunden, 2014). While studies have been conducted to examine the various forms of private contributions in public education, the research is often broad and cursory due to significant data limitations (Addonizio, 2000; Hansen, et al., 2008; Nelson & Gazley, 2014; Zimmer, et al., 2003).

In a 2014 study by Brent and Lunden, school-based commercial activities as a nontraditional source of external revenue were examined. Commercial activities include exclusive right agreements to sell or promote commercial products or services, program and activity sponsorship, appropriation of space, electronic marketing, fundraising and incentive programs, and sponsored materials. The researchers surveyed a purposeful sample of school business officials in New York and Pennsylvania. The results indicated that granting exclusive agreements and appropriated space were the most lucrative endeavors, but the overall extent and nature of commercial activity use in schools was much more limited than assumed. Additionally, the survey results found that the central reason for pursuing commercial activities was to fund specific programs and activities for students; however, supplementing local revenue and providing property tax relief were also common reasons.

Nelson and Gazley (2014) conducted a longitudinal analysis to take a closer look at private contributions in public education. Using panel data aggregated from Internal Revenue Service (IRS) Form 990 filings, National Center for Education Statistics (NCES) and census information, the researchers examined a primary sample of 16,383 school-supporting nonprofit organizations. A secondary analysis sample included 13,058 unique school-supporting nonprofits. Following a series of regression models, the data showed that revenue generated by public school charities increased nearly 350 percent

from 1995 to 2010 and totaled \$880 million in 2010. In the same study, revenue generated specifically by education foundations increased 485 percent. An increasing reliance on private contributions to support public schools was evident.

In another study (Zimmer et al., 2003), researchers collected qualitative data from 6 school districts and 10 schools in a selected regional area to examine how private giving activities vary according to district size, academic performance, socioeconomic status, and demographic characteristics. The top revenue-generating groups were identified as education foundations, booster clubs, parent-teacher associations, other school-based clubs/associations, and district leadership, such as superintendents and principals. Private contributions were most commonly used towards curricular enrichment activities, school supplies and equipment, technology, instructional materials, and professional development. Lastly, the researchers found that socioeconomic status affected private giving. For example, while schools and districts in wealthier communities had more parental monetary and in-kind support, district and schools in lower income areas had greater support from corporations, community-based and philanthropic organizations.

Table 2.2

Literature Related to Private Contributions in Public Education

Study	Purpose	Participants/ Data Sources	Design/ Analysis	Outcomes
Brent and Lunden (2014)	To examine school-based commercial activities as a nontraditional source of external revenue	A purposeful sample of school business official from New York and Pennsylvania	Mixed-methods survey tool	Some activities are lucrative; the overall extent and nature of commercial activity use in schools was limited; common reasons were to fund specific programs and activities for students, supplement local revenue, and provide property tax relief
Nelson and Gazley (2014)	To conduct a longitudinal study on private contributions in public education	Panel data from Internal IRS and NCES; sample included 16,383 school-supporting nonprofit organizations	Regression models	Revenue generated by public school charities increased nearly 350 percent from 1995 to 2010 and totaled \$880 million in 2010

Table 2.2 (continued)

Study	Purpose	Participants/ Data Sources	Design/ Analysis	Outcomes
Zimmer et al. (2003)	To examine private giving activities in a pilot study of public school districts	Qualitative data was collected from sample of 6 school districts and 10 schools	Qualitative analysis	Research identified top revenue generating groups and common uses of funds; also determined that socioeconomic status does affect private giving

The Rise and Efforts of Education Foundations

Existing research regarding education foundations includes a collection of baseline information in states such as California, Florida, Indiana, Illinois, Michigan, Oklahoma, Oregon, South Carolina, Virginia, and Wisconsin. These studies examined the establishment, organization, board membership, funding sources, programming, benefits, and concerns of local education foundations (Addonizio, 1998; Carlson, 2011; Cruser, 2012; Culbertson, 2008; Dietrick, 2009; Woodworth, 2007). Several studies have also sought to measure the benefits and disadvantages of private contributions through education foundations.

Characteristics of Education Foundations

Certain characteristics can impact the success of these charitable organizations. Through a mixed-methods study of 132 local education foundations, Allen (2014) found that key factors among the highest-earning organizations in Virginia were: (a) organizational longevity, (b) large boards, and (c) hired support staff. A study of education foundations in Florida by Carlson (2011) found that the total number of board

members and the fundraising capacity of the paid staff were two factors that appeared to have the greatest influence on organizational success and revenue generation. Abzug, Olbrecht, Sabrin, and DeLeon (2016) reported similar results in New Jersey.

The composition of the board was another common trait cited in the literature on education foundations. According to Muro (1995), the foundation board must “reflect the nature of the community with respect to age, ethnicity, involvement or lack of it with school, business, industry, labor, civic organizations, religious groups, and, if available, representatives from local institutions of higher education” (p. 12). A representative makeup of the board is important for credibility, policymaking, and fundraising.

Stakeholders in Education Foundations

According to Clay et al. (1985), “successful foundations garner support from a broad spectrum of the community” (p. 6). The core stakeholders for an education foundation usually include the superintendent, school board trustees, community leaders and actively engaged parents. While these individuals effectively serve the organization in a voluntary capacity, paid foundation staff also plays an important role in an organization’s operations (Clay et al., 1985). Zimmer et al. (2003) stated that school principals are also essential stakeholders as they have continually built relationships with potential donors, including parents, businesses, teachers, and alumni.

Most critical is the relationship between the organization and school district leadership. The superintendent should have a prominent role in the organization, can lend credibility to fundraising efforts, and help ensure funds are used to effectively support students and schools. Clay et al. (1985, p. 32) explains, “A successful foundation movement requires district administration support and involvement. If the district is not supportive, negative views will become readily known throughout the community and will stall foundation initiatives.”

In addition to the individuals supporting the operations of the organization, donors are another essential component of an effective education foundation. According to research (Cruser, 2012), most donations come from individuals. Roughly 60 cents of every dollar come from individuals or families with incomes of \$50,000 (Warwick, 2000). Studies also show that those closer to public education are more likely to donate to education foundations (Muro, 1995). Building relationships with individual donors, such as alumni, teachers and district staff, parents, local business, should be the primary fundraising initiative of the organization (Muro, 1995).

Fundraising in Education Foundations

While the amount of funds generated by education foundations differs greatly, the literature indicates that there are similarities in how these organizations raise funds. Using an explanatory mixed method to examine 51 education foundations in Indiana, Cruser (2012) identified five key revenue sources: (a) individual donations, (b) business donations, (c) corporate sponsorships, (d) endowment gifts, and (e) fundraising event. Culbertson (2008) and Allen (2014) found similar results in Texas and Virginia.

In a series of studies on education foundations in California, Hill, Kiewiet and Arsneault (2013, 2014) concluded that the size of school district enrollment and wealth income of the community are two factors in how much funds can be generated. Using IRS 990 filings, 468 charitable organizations were examined. Findings showed that few foundations can raise significant amounts of funds. Conversely, education foundations in smaller school districts and in higher income areas were found to be better able to raise more support.

Abzug et al. (2016) conducted a study to examine the financial impact of private funds raised by education foundations in New Jersey Abzug by examining the relationships between level of education foundation granting and explanatory variables

including: (a) level of state aid to district, (b) heterogeneity in school district, (c) percentage of African American students in school district, (d) median household income in district, (e) age of education foundation, (f) standardized test scores in district, and (g) urbanization of school district. Utilizing the GuideStar database, the researchers selected 121 out of over 300 New Jersey LEFs based on 990 filing status with the Internal Revenue Service (IRS) and identification with a single school district. A standard statistical approach was implemented by using correlation analysis and regression modeling utilizing data aggregated from the IRS, National Center for Education Statistics (NCES) and State of New Jersey Department of Education. The study found that only the age of the education foundation was statistically and positively correlated to the level of education foundation granting. In other words, more established organizations with readily available resources were better able to raise and distribute more funds regardless of the other variables such as government funding, student demographics, academic achievement, district location, and community wealth. The study also demonstrated that education foundations have little financial impact on school finance reform. Still, the researchers concluded that education foundations continue to garner public attention and provide “unique contributions as private financiers of public services (p. 146).

There are also reported commonalties in what education foundations fund with raised revenue. Research shows that foundations typically serve as grant-makers, funding classroom supplies and equipment (Deitrick, 2009; Sattem, 2007; Zimmer et al., 2001). Funds have also been used to provide access to programs and activities often subject to budget cuts, such as art and music. Additionally, education foundations have funded core curriculum, such as English and Mathematics, salaried teaching positions, training and development, and capital improvement projects (Culbertson, 2008; Woodworth, 2007). Else (2004) identified five major funding areas: (a) classroom teacher grants, (b)

enrichment activities, (c) equipment, (d) improved school-community relations, and (e) technology.

Benefits of Education Foundations

Beyond fundraising and grant awards, researchers have concluded that education foundations contribute other benefits to school districts, their schools, and the community (Abzug et al., 2016; Allen, 2014; Carlson, 2011; Cruser, 2012; de Luna, 1998; Dietrick, 2009; Muro, 1995; Woodworth, 2007). Woolworth (2007) explained that these organizations could revitalize communities by increasing volunteerism and providing opportunities for active engagement and participation. Education foundations can also broaden community support for schools, inform citizens of issues facing public education, and help build a more positive image (Muro, 1995). These organizations serve as a public relations tool for schools as they have proven to boost teacher and student morale, help improve attitudes about public education, and open communication between schools and the community (Sherry, 1995).

Table 2.3

Literature Related to Education Foundations

Study	Purpose	Participants/ Data Sources	Design/ Analysis	Outcomes
Abzug et al. (2016)	To examine the financial impact of private funds raised by education foundations in New Jersey	Used IRS 990 data from a purposeful sample of 121 New Jersey local education foundations	Regression model and Pearson correlations	Findings indicated that organizational and district resources were positively related to the granting level of education foundations
Allen (2014)	To determine whether there was an increase in the number of public school foundations in Virginia and to identify foundation characteristics	Used IRS 990 data and a purposeful sample of 132 public school foundations in Virginia	Descriptive mixed-methodology design	Study found 42 percent increase in number of Virginia public school foundations compared to findings of a similar study conducted one decade ago
Carlson (2011)	To better understand the characteristics that lead to revenue generation in K-12 education foundations	The sample included 30 education foundations from a field of 55 education foundations in Florida	T-test comparisons and analysis of variance; Sequential multiple regression analyses	Results indicated a relationship among education foundation revenue, level of the executive director's behavior in fundraising activities, and total number of the foundation board members

Table 2.3 (continued)

Study	Purpose	Participants/ Data Sources	Design/ Analysis	Outcomes
Cruser (2012)	To examine the effectiveness of Indiana public education foundations	A purposeful sample of 51 Indiana public education foundations	Mixed-methodology design including case study review	Majority surveyed believed that school foundations in Indiana have been effective in supporting the educational programs in their school districts
Dietrick (2009)	To provide a mapping of existing education foundations in California and their functions	A purposeful sample of existing California education foundations	Mixed-methodology design including case study review	Data showed is that most share common mission, but operationalization and the extent of success varies considerably
Fernandez (2014)	Examines how local education foundations carry out a partnering relationship with the school district	Interviews with 40 individuals, and collected data from a purposeful sample of local education foundations in Florida	Multiple-case narrative design	There are common themes, opportunities, and challenges of being a legally separate but essentially embedded organization within a larger bureaucratic structure

Table 2.3 (continued)

Study	Purpose	Participants/ Data Sources	Design/ Analysis	Outcomes
Hill et al. (2013, 2014)	To examine the impact of education foundations in California	Using IRS 990 filings, 468 charitable organizations were examined	Regression model	Concluded that education foundations in smaller school districts and in higher income areas were found to be better able to raise more support
Spangler (2017)	To examine the characteristics of Pennsylvania's school-supporting foundations	Interviews, survey tool, and collected data from a purposeful sample of local education foundations in Pennsylvania	Mixed-methodology design	There are common attributes that played a role in fundraising ability included longevity of the foundation and community type
Woodworth (2007)	Examines the impact of public school foundations on Indiana school districts	Interviews with 35 foundation officials and 33 school superintendents or designees and collected data from a purposeful sample of local education foundations in Indiana	Mixed-methodology design	Majority surveyed believed that school foundations in Indiana have been effective in supporting the educational programs in their school districts

Concerns of Funding Equity

Researchers, policymakers, and educational leaders have raised concerns regarding the equity of private contributions in public education. Hill, Kiewiet, and Arsneault (2013) outlined three common critiques: (a) funding inequities may be reinforced when wealthier students are further advantaged by significant private funding, (b) local individuals or groups may exert influence over education and curriculum priorities, and (c) wealthier communities may lose focus on the critical topic of inadequate school funding. Addonizio (2000) explained that private contributions, including education foundations, might exacerbate the disparities that state-mandated equalization has sought to reduce. In her mixed-methods study on education foundations in California, Deitrick (2009) stated, “If and when local education funds represent a significant portion of a school district’s budget, the influence of a private foundation board could become significant to the point of mitigating the decision-making of a public elected school board” (p. 193).

Despite these concerns, several studies have shown that private contributions have little effect on school operations, decision-making and student performance. Using IRS 990 data reported by the 30 largest school foundations as identified by the Foundation Center, Greene (2005) found that while private contributions accounted for between \$1.5 and \$2 billion, overall public school spending was \$427 billion. Greene likened education philanthropy to “dumping buckets of water into the ocean of public school spending” (p. 74) and stated that private contributions to public schools “are simply too small to significantly raise the level of resources available to schools” (p. 49).

Brunner and Sonstelie (2003) examined private contributions to public schools in the state of California. For the study, nonprofit school-supporting organizations were sampled from over 15,000 identified through data provided by the Internal Revenue

Service (IRS), the Registry of Charitable Trusts (RCT) in the California Attorney General's Office and the California Consortium of Educational Foundations. Data from the sample of 4,826 California public schools, including revenue per pupil, parental income, and parental education, was collected from state census records and the California Department of Education. Through use of estimations and regressions, the researchers established a baseline model between contributions and enrollment. The baseline model was further tested with a series of explanatory variables, including regional location, race and ethnic enrollment, state aid, starting teacher salary, and family household demographics. The researchers concluded that contributions are not significant enough to substantially undermine school finance reform. The researchers further stated that private contributions are not a substantial substitute for state funding.

Brunner and Imazeki (2005) updated the California data and found that average revenues per pupil increased 62.5 percent, from \$24 in 1992 to \$39 in 2001. The authors explained the similar conclusion that "it seems unlikely that contributions will ever be the source of wide-scale disruptions in the distribution of revenue across communities" (p. 51). Overall, the research indicates that the average amount of funds generated by education foundations is small and has not caused disparities in school finance reform (Brunner & Sonstelie, 2003; Brunner & Imazeki, 2005).

Shift Towards Policy and Advocacy

Research regarding private contributions in public education has further explored how philanthropic organizations, especially education foundations, are engaged in high-leverage activities such as policy advocacy and lobbying (Deitrick, 2009; Greene, 2005; Hess, 2005; Reckhow & Snyder, 2014). Deitrick (2009) noted that education foundations are often recognized as community leaders and are increasingly engaged in education policy. Greene (2005) argued that initiatives focused on redirecting future public funding

might have more potential to influence real long-term systemic change. This includes supporting advocacy efforts. Hess (2005) further asserted that the scope of influence from education foundations could have a significant effect on legislative policy since most foundations are organized at state and local jurisdictional levels (Hess, 2005).

Reckhow and Snyder (2014) conducted a longitudinal study of the nation's top 15 foundations to examine major changes in the role of educational philanthropy over the last decade, including greater focus on policy advocacy. In their review of IRS 990 forms from 2000 to 2010, the sample of philanthropic organizations nearly doubled (23 percent) the dollars invested in policy advocacy and research. The researchers explained that many foundations now view private funding to affect change through educational policy. As support for public schools from state legislatures and state boards of education continued to decline, contributions by philanthropic organizations seeking to challenge current systems increased.

Table 2.4

Literature Related to Equity Concerns and Shifts to Policy

Study	Purpose	Participants/ Data Sources	Design/ Analysis	Outcomes
Brunner and Imazeki (2005)	To update California study conducted by Brunner and Sonstelie (2003)	Updated data and sources used in Brunner and Sonstelie (2003)	Estimation and regression models	Researchers affirmed that the average amount of funds generated by education foundations is small and has not caused disparities in school finance reform

Table 2.4 (continued)

Study	Purpose	Participants/ Data Sources	Design/ Analysis	Outcomes
Brunner and Sonstelie (2003)	To examine funding inequity in private contributions from California nonprofit school-supporting organizations	A purposeful sample of 4,826 California public schools with nonprofit school-supporting organizations	Estimation and regression models	Contributions are not significant enough to substantially undermine school finance reform
Greene (2005)	To examine funding inequity in private contributions	Used IRS 990 data from sample of 30 largest school foundations	Regression model	Concluded overall that private contributions to public schools “are simply too small to significantly raise the level of resources available to schools” (p. 49)
Reckhow and Snyder (2014)	To conduct a longitudinal study of the nation’s top foundations to examine major changes in the role of educational philanthropy over the last decade	Used IRS 990 data from a sample of the nation’s top 15 foundations from 2000 to 2010	Regression model	Philanthropic organizations nearly doubled (23 percent) the dollars invested in policy advocacy and research; seek to challenge current systems and affect change through educational policy

Theoretical Framework

For the purpose of this study, the theoretical framework of resource dependence theory (RDT) was used for examining the influence of private contributions from education foundations in public education. Although resource dependence theory was derived from organizational management theory, the concept is applicable to educational research as both school districts and education foundations function as complex organizational systems. Using the theoretical framework of resource dependence theory helps to distinguish the connection between the public school finance system, issues of school funding, and the rise and efforts of education foundations.

Resource dependence theory (RDT), first coined in 1978 by Pfeffer and Salancik, is one of the most influential concepts in organizational management theory (Hillman, Withers, & Collins, 2009). Resource dependence theory asserts that organizations are inherently interdependent with other entities and will often seek action to manage the uncertain effects of these external interdependences (e.g., a school district's reliance on the amount of funding provided by the government). The theory further explains that an organization's responsive actions often produce new patterns of dependence and interdependence, which further affects the continued behavior and power shifts of the organization (Hillman et al., 2009). RDT helps to explain the critical interdependence between public schools, the environmental effects of state funding, and school district efforts to manage environmental constraints by seeking alternative revenue.

In addition to providing a conceptual framework for understanding the interrelationship between public schools and state funding, resource dependence theory also provides further context to the rise and efforts of education foundations. According to Pfeffer and Salancik (Hillman et al., 2009), most organizations follow a common set of actions to minimize external interdependences. These actions include: (a) joint ventures,

(b) board of directors, and (c) political action. With the theoretical framework of resource dependence theory, education foundations can be understood as a joint venture with the school district in which a board of directors with influence and resources can work towards offsetting dependencies on state funding. Thus, RDT also helps to explain the interdependence between public schools and education foundations, and the influence of private contributions in public education.

Conclusion

This chapter provided a review of relevant literature relating to the major constructs examined in this study. The research supports the purpose of this study, which is to examine the influence of private contributions from education foundations in public education. The next chapter presents the methodology of the research study, which includes research design, population and sampling, data collection and analysis, and other research considerations.

CHAPTER III: METHODOLOGY

The purpose of this study was to examine the influence of private contributions from education foundations in public education. This study used a mixed-methods design in which both quantitative and qualitative data were collected. Quantitative data were collected from a purposeful sample of school districts in Texas with a supporting education foundation using archival data from the Internal Revenue Service (IRS), Texas Education Agency (TEA), and organizational websites. The perceptions of private contributions in public education as well as the perceived influence of education foundation and their contributions to school districts were obtained through interviews using a purposeful sample of district superintendents. The quantitative data were analyzed using Pearson's Product Moment Correlations (r), Kruskal-Wallis test (χ^2), and Mann-Whitney U test while an inductive coding process was used to analyze the qualitative data obtained from the interviews. This chapter presents an overview of the research problem, operationalization of theoretical constructs, research purpose and questions, research design, population and sample, participant selection, data collection procedures, data analysis, privacy and ethical considerations, and research design limitations.

Overview of Research Problem

Government support in K-12 schools has seen dramatic decline in numerous states over the last few decades (Leachman, Masterson, & Figueroa, 2017). Less money for schools has lead to cost cutting, school decline and community distress. Community members with high expectations for academic excellence in their schools often become troubled when academic programs are dropped due to budget cuts and local taxes are unable to improve conditions (Clay et al., 1985). In the midst of financial uncertainty and

public concern, school leaders, concerned parents, and actively engaged community members have turned to education foundations as an alternative source of funding. Recently, these charitable organizations have hit an all-time national high, collectively raising nearly \$400 million and distributing \$165 million in programs for K-12 public schools (Caruthers, 2017). The rise and efforts of these organizations, including the significant amount of generated revenue, elicits the need for critical examination of key educational issues such as the relationship between private and public funding, contributing factors of generated private revenue, and the perceived influence of contributions to school districts.

Operationalization of Theoretical Constructs

This study consisted of the following constructs: (a) public funding, (b) private contributions, (c) board size, (d) years of operation, (e) district size, (f) community type, (g) community wealth, (h) accountability rating, and (i) racial/ethnic diversity. Public funding was measured as the total revenue received by governmental funds as reported by TEA school district profile reports. Private contributions were measured as the total net assets of an education foundation as reported on the IRS Form 990. Board size was defined as the number of volunteers serving as a voting member or director of the governing board of an education foundation. Years of operation represented the number of years an education foundation has functioned in existence as nonprofit organization. The years of operation was measured using the organization's ruling year, which is the year the IRS granted an organization tax-exempt status. Board size and years of operation were collected from the IRS Form 990 and organizational websites.

District size was measured as the total number of students enrolled in the school district as reported by the TEA district profile reports. Community type was categorized on a scale ranging from major urban to rural according to TEA reporting. Community

wealth was defined as total taxable property value divided by the total number of students and is used as an indicator of a district's ability to raise local funds on a per pupil basis. Accountability rating was a measurement of the district accountability rating according to TEA reporting. Racial/ethnic diversity was measured as percentage of total students reported as African American, Hispanic, White, American Indian, Asian, Pacific Islander, and two or more races. The data for these constructs was collected from the TEA district profile reports.

Research Purpose and Questions

The purpose of this study was to examine the influence of private contributions from education foundations in public education. The following research questions were addressed in this study:

1. Is there a relationship between the amount of private revenue generated by education foundations (private contributions) and the amount of funding provided by the government to school districts (public funding)?
2. To what extent does: (a) board size, (b) years of operation, (c) district size, (d) community type, (e) community wealth, (f) accountability rating and (g) racial/ethnic diversity influence the private contributions of education foundations?
3. What are the perceptions of district superintendents regarding private contributions in public education?
4. What are the perceptions of district superintendents regarding the influence of private contributions from their education foundations?

Research Design

The research design for this study was a sequential mixed-methods design. The design consisted of two phases: first, a quantitative phase to collect and analyze archival

data and second, a qualitative phase that included conducting interviews. For the quantitative analysis, a purposeful sample of school districts in Texas with a supporting education foundation was selected for the study. Data collected on the sampled school districts included total state revenue, student population, community type, community wealth, accountability rating, and racial/ethnic diversity. Data collected on the sampled education foundations included total net assets, size of governing board, and years of operation. Correlations between the variables were analyzed using Pearson's Product Moment Correlations (r), Kruskal-Wallis test (χ^2), and Mann-Whitney U test. For the qualitative phase, semi-structured interviews were used to generate more in-depth data on the perceptions of district superintendents regarding private contributions in public education and the influence of education foundations on their school districts. The qualitative data obtained from the participants' interview transcripts were analyzed using an inductive thematic coding process.

Population and Sample

The population of this study consisted of all school districts in the state of Texas. The state of Texas is comprised of 1,200 school districts and charter schools with a total of 5,385,012 students (Texas Education Agency, 2018). Using data from the Internal Revenue Service (IRS), Texas Education Agency (TEA), and organizational websites, 367 Texas school districts were identified as having a supporting education foundation. The percentage of Texas school districts with a supporting education foundation was 30.6 percent. Education foundations with gross revenue of over \$50,000 must file annually the IRS Form 990.

A purposeful sample of 256 Texas school districts with a supporting education foundation having filed an IRS Form 990 was utilized for this study. Table 3.1 provides a descriptive analysis of the 256 sampled education foundations including board size, years

of operation, and total net assets. The mean number of board size was 18.5 voting board directors, and the mean years of operation was 17.5 years. The total net assets of the 256 sampled education foundations were \$366,404,694.00. Table 3.2 provides a descriptive analysis of the 256 sampled school districts with a supporting education foundation including district population and revenue. The total district revenue of the 256 sampled school districts with a supporting education foundation was \$33,878,699,688.00 with a total population of 3,560,043 students.

Table 3.1

Descriptive Analysis of Sampled Education Foundations

	N	Minimum	Maximum	Sum	Mean
1. Board Size	256	4	63	n/a	18.5
2. Years of Operation	256	2	51	n/a	17.5
3. Total Net Assets	256	\$1,996.00	\$51,362,459.00	\$366,404,694.00	\$1,431,268.30

Table 3.2

Descriptive Analysis of School Districts with Sampled Education Foundations

	N	Minimum	Maximum	Sum	Mean
1. District Size	256	149	209,040	3,560,043	13,906
2. District Revenue	256	\$1,920,453.00	\$2,088,104,058.00	\$33,878,699,688.00	\$132,338,670.70

Participant Selection

Following the analysis of the quantitative data, a purposeful sample of district superintendents was selected from the 256 sampled school districts with a supporting education foundation. The district superintendents were selected to provide a wide range of perspective and experience based on examined variables of their school district (i.e., district size, community type, community wealth, accountability rating, and racial/ethnic diversity) and supporting education foundation (i.e., private contributions, board size, years of operation). The selected sample of district superintendents were sent an e-mail soliciting their participation in a 20-30 minute semi-structured interview.

Data Collection Procedures

Quantitative

The researcher gained approval from the UHCL's Committee for Protection of Human Subjects (CPHS) before any data were collected. Using the Texas Education Agency 2019 School District Snapshot Report, state archived district data (e.g., state funding, district size, community type, community wealth, accountability rating, and racial/ethnic diversity) were downloaded and merged into a SPSS database for further analysis. Using the IRS Form 990 and organizational websites, archived education foundation data (e.g., total net assets, board size, and years of operation) were also downloaded and merged into the SPSS database.

To collect financial data on education foundations in Texas, a document analysis was conducted using recent filings of the IRS Form 990. Typically prepared by a certified public accountant, the IRS Form 990 is a reliable tool for collecting dependable data. The IRS Form 990 provides relevant information such as organizational mission, ruling year, annual revenue and expenses, and net assets. The total revenue generated was recorded

on an Excel spreadsheet and then downloaded and merged into the SPSS database for further analysis.

Qualitative

Following the collection of the quantitative data, interview questions were developed to provide a more in-depth understanding of the perceptions of district superintendents regarding private contributions in public education and the influence of education foundations on their school district. A purposeful sample of district superintendents was solicited from the sampled school districts to participate in a 20-30 minute semi-structured interview. Those superintendents who volunteered to participate in the interview process were asked to consent to the interview prior to data collection. The consent form stated the purpose of the study, confirmed voluntary participation, assured confidentiality, and provided information about the interview process. All sessions were recorded and transcribed. Transcripts were provided to the participants for their review and corrections to the data. Data collected will be stored in two locations, the researcher's hard drive and on a flash drive. The data will be maintained confidentially for five years following the conclusion of the study before it is destroyed.

Data Analysis

Quantitative

Using Texas Education Agency (TEA) 2019 Snapshot School District Profile, district data (e.g., state funding, district size, community type, community wealth, accountability rating, and racial/ethnic diversity) were downloaded and merged into an IBM SPSS database. Using IRS Form 990 and organizational websites, data on education foundations (e.g., total net assets, board size, and years of operation) were downloaded and merged into an IBM SPSS database. To answer research question one, Pearson's Product Moment Correlations (r) was conducted to examine whether there are any

relationships between private contributions and state funding. To answer research question two, Pearson's Product Moment Correlations (r), Kruskal-Wallis test (χ^2), and Mann-Whitney U test were used to analyze correlations between the variables.

Pearson's Product Moment Correlations (r) was conducted to determine the statistical significance between private contributions raised by the education foundation and number of board directors, years of operation, district size, and racial/ethnic diversity. Cohen's d and the coefficient of determination (r^2) were used to assess effect size. Given that some of the groups of the independent variables were not equal in size, the normal distribution assumption was violated. Thus, the Kruskal-Wallis test (χ^2), an alternative and more appropriate nonparametric statistical test, was conducted to examine the statistically significant median differences between groups of the independent variables (i.e., community type, community wealth, and accountability rating). Follow-up tests were conducted to evaluate pairwise differences among the groups using a Mann-Whitney U test.

Qualitative

The qualitative data, obtained from the interviews, were analyzed using an inductive coding process to investigate what influence private contributions from education foundations have on school districts as perceived by district superintendents. The collected data were reduced to make it more understandable and to determine important themes and patterns. This process was accomplished by transcribing the audio recording of the interviews, organizing the data, identifying themes, and summarizing the data. Interview responses were organized into themes based on the constructs of the study. In-vivo codes were identified, and themes and patterns were investigated. The findings were used to draw the conclusions.

Qualitative Validity

Validity of this study was strengthened by triangulation of individual superintendent responses. Member checking of the data was established by having the interview participants review the transcripts to ensure that their responses were accurately documented during the transcription process. The questions and results were peer reviewed by experienced educators including district level administrators to enhance validity. The peer reviews provided feedback related to questions posed to district superintendents related to their perceptions regarding private contributions in public education and the influence of education foundations on school districts.

Privacy and Ethical Considerations

The researcher gained approval from the University of Houston-Clear Lake's Committee for Protection of Human Subjects (CPHS) prior to collecting any data. The data will be secured in two locations, the researcher's computer hard drive and on a flash drive. Upon completion of the study, the data will be maintained confidentially for five years as required by CPHS guidelines. The researcher will destroy all data files after five years. Prior to conducting the interviews, all participants were provided with an informed consent detailing the purpose of the study, acknowledging their voluntary participation, and ensuring complete confidentiality (see Appendix A). Participant identities were kept anonymous, and no obvious undue risks were endured. During the interview process, the researcher remained as neutral and objective as possible to not impose personal beliefs upon any of the participants. All information obtained from the interviews were transcribed with accuracy to ensure the internal and external validity of the study.

Research Design Limitations

There were several limitations to this study. First, the archival data used in this study is subject to human errors, such as data entry and edits. The inaccuracy of data

entry and the correct reporting of data cannot be controlled. As a result, such errors could jeopardize the validity of the findings. Second, the interviews conducted in this study are subject to the openness and reliability of participant responses. Participant responses may produce bias which could affect the validity of the qualitative research. Third, the findings of this study will have limited generalization given the sample of education foundations and school districts are in the state of Texas. The small sample size of the superintendents interviewed also presents limited generalization of this study.

Conclusion

This chapter provided the research purpose, questions, and design methods employed in this study. The purpose of this study was to examine the influence of private contributions from education foundations in public education. The quantitative data were collected from IRS, TEA, and organizational websites. The qualitative data were collected through interviews with district superintendents on their perceptions concerning private contributions in public education and the influence of education foundation on their school district. The next chapter will provide analysis of the collected data and report on the findings of the study.

CHAPTER IV:

RESULTS

The purpose of this study was to examine the influence of private contributions from education foundations in public education. Utilizing Internal Revenue Service (IRS), Texas Education Agency (TEA), and organizational websites, archival data were downloaded into a SPSS database for the purposes of analysis. The quantitative data were analyzed using Pearson's Product Moment Correlations (r), Kruskal-Wallis test (χ^2), and Mann-Whitney U test, while the qualitative data obtained from superintendent interviews were analyzed using an inductive coding process. This chapter presents a detailed description of the participant demographics, data analysis for each of the four research questions, and a concluding summary of the findings.

Participant Demographics

School Districts

Using archival data from the Internal Revenue Service (IRS), Texas Education Agency (TEA), and organizational websites, a purposeful sample of 256 Texas school districts, identified as having a supporting education foundation with gross revenue of over \$50,000, was chosen for participation in this study. Table 4.1 provides a demographic breakdown for all of the participating districts in terms of public funding and district size. Public funding ranged from \$1,920,453.00 to \$2,088,104,058.00 with mean of \$132,338,670.70 and total public funding of \$33,878,699,688.00. District size ranged from 149 to 209,040 students with mean of 13,906 and total district size of 3,560,043.

Table 4.1

Demographic Breakdown of School Districts: Public Funding and District Size

	N	Range	Mean
1. Public Funding	256	\$1,920,453.00 – \$2,088,104,058.00	\$132,338,670.70
2. District Size	256	149 – 209,040	13,906

Table 4.2 provides a demographic breakdown for all of the participating districts in terms of community type, community wealth, and accountability rating. The majority of the districts participating in this study were identified as Other Central City Suburban representing 29.3% ($n = 75$) of the sample with Major Suburban as the next largest community type at 25.0% ($n = 64$). The majority of the districts participating in this study had community wealth of \$329,469 to < \$456,961 representing 25.4% ($n = 65$) of the sample. The accountability ratings of the districts participating in this study were: (a) Rating A at 28.1% ($n = 72$), (b) Rating B at 62.1% ($n = 159$), (c) Rating C at 8.6% ($n = 22$), and (d) Rating D at 1.2% ($n = 3$).

Table 4.2

Demographic Breakdown of School Districts: Community Type, Community Wealth, and Accountability Rating

	N	Frequency (n)	Percentage (%)
1. Community Type	256		
Major Urban		7	2.7
Major Suburban		64	25.0
Other Central City		32	12.5
Other Central City Suburban		75	29.3
Independent Town		25	9.8
Non-Metropolitan: Fast Growing		3	1.2
Non-Metropolitan: Stable		29	11.3
Rural		21	8.2
2. Community Wealth	256		
Under \$250,173		49	19.1
\$250,173 to < \$329,469		51	19.9
\$329,469 to < \$456,961		65	25.4
\$456,961 to < \$606,813		43	16.8
\$606,813 and Over		48	18.8
3. Accountability Rating	256		
A		72	28.1
B		159	62.1
C		22	8.6
D		3	1.2

Table 4.3 provides a demographic breakdown for all of the participating districts in terms of racial/ethnic diversity. The total student population for all of the participating districts was 3,559,977. The student racial/ethnic diversity of the school districts were: (a) African American at 14.0% ($n = 449,675$), (b) Hispanic at 48.0% ($n = 1,707,685$), (c) White at 28.8% ($n = 1,026,894$), (d) American Indian at 0.4% ($n = 14,370$), (e) Asian at 5.8% ($n = 207,789$), (f) Pacific Islander at 0.2% ($n = 6,720$), and (g) Two or More Races at 2.7% ($n = 96,844$).

Table 4.3

Demographic Breakdown of School Districts: Racial/Ethnic Diversity

	N	Frequency (<i>n</i>)	Percentage (%)
Racial/Ethnic Diversity	3,559,977		
African American		449,675	14.0
Hispanic		1,707,685	48.0
White		1,026,894	28.8
American Indian		14,370	0.4
Asian		207,789	5.8
Pacific Islander		6,720	0.2
Two or More Races		96,844	2.7

Education Foundations

In this study, 256 education foundations were chosen for participation. Table 4.4 provides a demographic breakdown for all of the participating education foundations in terms of private contributions, board size, and years of operation. Private contributions ranged from \$1,996.00 to \$51,362,459.00 with average of \$1,431,268.30 and total private contributions of \$366,404,694.00. Board size ranged from four to 63 board directors with mean board size of 18.5. Operating years ranged from two to 51 years with mean of 17.5 years.

Table 4.4

Demographic Breakdown of Education Foundations

	N	Range	Mean
1. Private Contributions	256	\$1,996.00 – \$51,362,459.00	\$1,431,268.30
2. Board Size	256	4 – 63	18.5
3. Years of Operation	256	2 – 51	17.5

Superintendents

The qualitative data were obtained from a total of 15 superintendents who participated in individual, in-depth interviews. Table 4.5 provides a demographic breakdown for all of the participating superintendents. Ten of the participants were white males between the ages of 45 and 74. Five superintendents were female with an age range of 45 to 64 with three White, one African American, and one Hispanic. The experience of the 15 superintendents ranged from 25 to 47 years of service in public education. Superintendents were represented from the following community types: Major Suburban ($n = 7$), Major Urban ($n = 2$), Non-metropolitan Fast Growing ($n = 1$), Other Central City ($n = 1$), Other Central City Suburban ($n = 3$), and Rural ($n = 1$).

Table 4.5

Demographic Breakdown of Participating Superintendents

	N	Frequency (n)	Percentage %
1. Gender	15		
Female		5	33.3
Male		10	66.7
2. Racial/Ethnic Diversity	15		
African American		1	6.7
Hispanic		1	6.7
White		13	86.6
3. Community Type	15		
Major Suburban		7	46.7
Major Urban		2	13.2
Non-metropolitan Fast Growing		1	6.7
Other Central City		1	6.7
Other Central City Suburban		3	20.0
Rural		1	6.7

Research Question One

Research question one, *Is there a relationship between the amount of private revenue generated by education foundations and the amount of funding provided by the government to school districts?*, was answered by conducting Pearson's Product Moment Correlations (r) between private contributions and public funding. Private contributions are the total net assets of education foundations as reported on the IRS Form 990. Public funding is the total sum of state, local, and federal revenue received by school districts as reported by TEA school district profile reports. Table 4.6 provides a demographic breakdown of the private contributions from education foundations and public funding for all of the participating districts. The average amount of private contributions was \$1,431,268.30, while the average amount of public funding was \$132,338,670.60. Results of the Pearson's r indicated a statistically significant positive relationship exists between private contributions and public funding, $r(256) = .147$, $p = .019$, $r^2 = .022$. The more public funding received by a school district, the more private contributions from the education foundation. The proportion of variation in private contributions from education foundations attributed to public funding was 2.2%.

Table 4.6

Descriptive Statistics for Private Contributions and Public Funding

	N	Mean	Std. Deviation
1. Private Contributions	256	\$1,431,268.30	\$4,432,419.70
2. Public Funding	256	\$132,338,670.60	\$209,350,779.40

Research Question Two

Research question two, *To what extent does: (a) board size, (b) years of operation, (c) district size, (d) community type, (e) community wealth, (f) accountability rating and (g) racial/ethnic diversity influence the private contributions of education foundations?*, was answered by conducting Pearson's Product Moment Correlations (r) and Kruskal-Wallis test (χ^2). Pearson's Product Moment Correlations (r) was conducted to determine the statistical significance between private contributions raised by the education foundation and number of board directors, years of operation, district size, and racial/ethnic diversity. Kruskal-Wallis test (χ^2) was conducted to examine the statistically significant differences between private contributions raised by the education foundation among community type, community wealth, and accountability rating.

Board Size

Table 4.7 provides a demographic breakdown of the private contributions and the number of board directors of education foundations for all of the participating districts. The average amount of private contributions was \$1,431,268.30, while the average number of board directors was 18.5. Results of the Pearson's r indicated a statistically significant relationship does not exist between private contributions and board size, $r(256) = .052$, $p = .411$. The number of board directors has no bearing on private contributions from education foundations.

Table 4.7

Descriptive Statistics for Private Contributions and Board Size

	N	Mean	Std. Deviation
1. Private Contributions	256	\$1,431,268.30	\$4,432,419.70
2. Board Size	256	18.5	9.4

Years of Operation

Table 4.8 provides a demographic breakdown of the private contributions and number of operating years from education foundations for all of the participating districts. The average amount of private contributions was \$1,431,268.30, while the average years of operation was 17.5. Results of the Pearson's r indicated a statistically significant positive relationship exists between private contributions and years of operation, $r(256) = .168$, $p = .007$, $r^2 = .028$. The more years in operation, the more private contributions from the education foundation. The proportion of variation in private contributions from education foundations attributed to operating years was 2.8%.

Table 4.8

Descriptive Statistics for Private Contributions and Years of Operation

	N	Mean	Std. Deviation
1. Private Contributions	256	\$1,431,268.30	\$4,432,419.70
2. Years of Operation	256	17.5	9.0

District Size

Table 4.9 provides a demographic breakdown of the private contributions from education foundations and the total student population for all of the participating districts. The average amount of private contributions was \$1,431,268.30, while the average district size was 13,906.4. Results of the Pearson's r indicated a statistically significant positive relationship exists between private contributions and district size, $r(256) = .137$, $p = .028$, $r^2 = .019$. The larger the size of a school district, the more private contributions from the education foundation. The proportion of variation in private contributions from education foundations attributed to the size of the district was 1.9%.

Table 4.9

Descriptive Statistics for Private Contributions and District Size

	N	Mean	Std. Deviation
1. Private Contributions	256	\$1,431,268.30	\$4,432,419.70
2. District Size	256	13,906.4	21,873.4

Community Type

Table 4.10 provides a demographic breakdown of the private contributions from education foundations and the types of community for all of the participating districts. The average amounts of private contributions from education foundations based on the community types of the districts participating in this study were: (a) Major Urban at \$4,276,916.10 ($n = 7$), (b) Major Suburban at \$1,686,007.80 ($n = 64$), (c) Other Central City at \$1,067,179.10 ($n = 32$), (d) Other Central City Suburban at \$1,310,025.50 ($n = 75$), (e) Independent Town at \$523,357.50 ($n = 25$), (f) Non-Metropolitan: Fast Growing at \$329,066.30 ($n = 3$), (g) Non-Metropolitan: Stable at \$843,136.20 ($n = 29$), and (h) Rural at \$2,744,669.00 ($n = 21$). Major Urban districts had the highest average amount of private contributions from education foundations ($M = \$4,276,916.10$, $SD = \$4,590,514.00$), followed by Rural districts ($M = \$2,744,669.00$, $SD = \$6,093,224.60$). Non-Metropolitan: Fast Growing districts had the lowest average amount of private contributions from education foundations ($M = \$329,066.30$, $SD = \$174,394.50$).

A Kruskal-Wallis test was conducted to examine the statistically significant median differences between private contributions among the types of community. Table 4.10 provides the median ranks of each community type. Results of the Kruskal-Wallis indicated a statistically significant median difference exists between private contributions among community types, $\chi^2(7, N = 256) = 33.309$, $p = .000$. The proportion of variation in private contributions attributed to the types of community was 11%.

Follow-up tests were conducted to evaluate pairwise differences among the groups using a Mann-Whitney *U* test. The results of these tests indicated that there was a statistically significant median difference in private contributions among Other Central City Suburban and Independent Town, and Major Urban, Major Suburban, and Other Central City ($p < .05$). No statistically significant median difference exists among the other community types.

Table 4.10

Descriptive Statistics for Private Contributions and Community Type

	N	Mean	Std. Deviation	Mean Rank
Community Type				
Major Urban	7	\$4,276,916.10	\$4,590,514.00	208.4
Major Suburban	64	\$1,686,007.80	\$4,435,259.70	151.4
Other Central City	32	\$1,067,179.10	\$1,108,065.50	156.6
Other Central City Suburban	75	\$1,310,025.50	\$5,978,498.10	111.7
Independent Town	25	\$523,357.50	\$1,137,198.80	83.4
Non-Metropolitan: Fast Growing	3	\$329,066.30	\$174,394.50	109.0
Non-Metropolitan: Stable	29	\$843,136.20	\$1,346,106.10	114.4
Rural	21	\$2,744,669.00	\$6,093,224.60	125.3
Total	256	\$1,431,268.30	\$4,432,419.70	

Community Wealth

Table 4.11 provides a demographic breakdown of the private contributions from education foundations and the community wealth for all of the participating districts. The average amount of private contributions from education foundations based on the community wealth of the districts participating in this study were: (a) under \$250,173 at \$512,707.8 ($n = 49$), (b) \$250,173 to < \$329,469 at \$800,153.1 ($n = 51$), (c) \$329,469 to < \$456,961 at \$994,229.7 ($n = 65$), (d) \$456,961 to < \$606,813 at \$1,326,353.6 ($n = 43$), and (e) \$606,813 and over at \$3,725,334.8 ($n = 48$). Districts with community wealth of

\$606,813 and over had the highest average amount of private contributions from education foundations ($M = \$3,725,334.8$, $SD = \$9,416,681.9$), followed by districts with community wealth of \$456,961 to < \$606,813 ($M = \$1,326,353.6$, $SD = \$2,244,129.1$). Districts with community wealth of under \$250,173 had the lowest average amount of private contributions from education foundations ($M = \$411,078.1$, $SD = \$2,054,640.9$).

A Kruskal-Wallis test was conducted to examine the statistically significant median differences between private contributions among the levels of community wealth. Table 4.11 provides the median ranks of each level of community wealth. Results of the Kruskal-Wallis indicated a statistically significant median difference exists between private contributions among levels of community wealth, $\chi^2(4, N = 256) = 10.752$, $p = .029$. The proportion of variation in private contributions attributed to the levels of community wealth was 2.7%.

Follow-up tests were conducted to evaluate pairwise differences among the groups using a Mann-Whitney U test. The results of these tests indicated that there was a statistically significant median difference in private contributions among the groups of under \$250,173 and \$606,813 and over ($p < .05$). No statistically significant median difference exists among the other levels of community wealth.

Table 4.11

Descriptive Statistics for Private Contributions and Community Wealth

	N	Mean	Std. Deviation	Mean Rank
Community Wealth				
Under \$250,173	49	\$512,707.80	\$728,259.10	107.1
\$250,173 to < \$329,469	51	\$800,153.10	\$1,700,058.50	116.4
\$329,469 to < \$456,961	65	\$994,229.70	\$1,618,809.20	132.3
\$456,961 to < \$606,813	43	\$1,326,353.60	\$2,054,640.90	135.6
\$606,813 and Over	48	\$3,725,334.80	\$9,416,681.90	151.7
Total	256	\$1,431,268.30	\$4,432,419.70	

Accountability Rating

Table 4.12 provides a demographic breakdown of the private contributions from education foundations and the accountability rating for all of the participating districts. The average amount of private contributions from education foundations based on the accountability ratings of the districts participating in this study were: (a) Rating A at \$2,458,588.10 ($n = 72$), (b) Rating of B at \$1,058,270.10 ($n = 159$), (c) Rating of C at \$940,457.10 ($n = 22$), and (d) Rating of D at \$143,780.60 ($n = 3$). A-rated districts had the highest average amount of private contributions from education foundations ($M = \$2,458,588.10$, $SD = \$7,786,073.60$), followed by B-rated districts ($M = \$1,058,270.10$, $SD = \$1,850,765.30$). D-rated districts had the lowest average amount of private contributions from education foundations ($M = \$143,780.60$, $SD = \$129,390.50$).

A Kruskal-Wallis test was conducted to examine the statistically significant median differences between private contributions among accountability ratings. Table 4.12 provides the median ranks of the accountability ratings. Results of the Kruskal-Wallis indicated a statistically significant median difference does not exist between private contributions among accountability ratings, $\chi^2(3, N = 256) = 3.201$, $p = .36$.

Table 4.12

Descriptive Statistics for Private Contributions and Accountability Rating

	N	Mean	Std. Deviation	Mean Rank
Accountability Rating				
A	72	\$2,458,588.10	\$7,786,073.60	132.00
B	159	\$1,058,270.10	\$1,850,765.30	129.55
C	22	\$940,457.10	\$1,632,576.10	118.95
D	3	\$143,780.60	\$129,390.50	59.00
Total	256	\$1,431,268.30	\$4,432,419.70	

Racial/Ethnic Diversity

Table 4.13 provides a demographic breakdown of the private contributions from education foundations and the racial/ethnic diversity of the districts participating in this study in terms of African American, Hispanic, and White student populations. The average amount of private contributions was \$1,431,268.30, while the average racial/ethnic diversity percentage of the school districts were: (a) African American at 10.4%, (b) Hispanic at 40.9%, (c) White at 42.4%, (d) American Indian at 0.4%, (e) Asian at 5.8%, (f) Pacific Islander at 0.2%, and (g) Two or More Races at 2.3%. Results of the Pearson's r indicated a statistically significant relationship does not exist between private contributions and the racial/ethnic diversity of school districts: (a) African American, $r(256) = -.059$, $p = .344$, (b) Hispanic, $r(256) = -.071$, $p = .255$, (c) White, $r(256) = .089$, $p = .158$, (d) American Indian, $r(256) = .045$, $p = .471$, (e) Asian, $r(256) = .057$, $p = .365$, (f) Pacific Islander, $r(256) = -.029$, $p = .645$, and (g) Two or More Races, $r(256) = -.060$, $p = .338$. The racial/ethnic diversity of a school district has no bearing on private contributions from the education foundation.

Table 4.13

Descriptive Statistics for Private Contributions and Racial/Ethnic Diversity

	N	Mean	Std. Deviation
1. Private Contributions	256	\$1,431,268.30	\$4,432,419.70
2. Racial/Ethnic Diversity	256		
African American		10.4	11.6
Hispanic		40.9	22.2
White		42.4	23.3
American Indian		.43	.42
Asian		2.8	5.3
Pacific Islander		.14	.35
Two or More Races		2.8	1.6

Research Question Three

Research question three, *What are the perceptions of district superintendents regarding private contributions in public education?*, was answered by using a qualitative inductive coding process. In an effort to gain more in-depth understanding of the role of private contributions in public education, 15 superintendents were interviewed for their perceptions on the issue. The inductive coding process revealed three emergent themes related to private contributions and its role in public education: (a) public school finance, (b) methods and strategies, and (c) financial impact. The emergent themes and subsequent themes are provided below including a sample of the superintendent comments.

Public School Finance

Issues surrounding public school finance emerged when analyzing the perceptions of superintendents on private contributions in public education. One hundred percent of the superintendents mentioned the public school finance system. Five subcategories under public school finance were: (a) state revenue, (b) funding formulas, (c) local taxes

and tax rates, and (d) legislation. As one superintendent from a small and fast-growing district with low property wealth succinctly stated, “Public school funding, I would say, is very complicated and has become increasingly complicated.”

Fourteen of the 15 superintendents (93.3%) expressed frustration with and criticism of the public school finance system. One superintendent shared, “I think public school is somewhat at war when it comes to fighting for funding that is needed to continue to be successful.” A superintendent from a major urban community with a large student population and significant state funding said of the public school finance system:

Public school funding in Texas has been largely a mess and is a band-aid approach. We take what we did before, and then we take whatever the problem is, and we layer a band-aid on top of it – without essentially rewriting the old stuff – and then two years later, or four, or six years later, we will add another band-aid and another.

State Revenue

Three of the 15 superintendents (20%) discussed issues with state revenue as it relates to public school finance. The superintendents expressed concerns about limited revenue sources. As one superintendent explained, legislators are “going to have to develop some additional revenue streams.” Another superintendent more assertively explained:

Texas has a revenue problem. We have systematically reduced the ways we collect revenue over the years. And now we’ve reduced property taxes and increased spending on things like schools. That is not a sustainable formula. At some point, we are going to go back to cutting things, or we are going to have to have a revenue conversation in this state.

Four of the 15 superintendents (26.7%) mentioned the consequential impact of charter programs on state revenue. One of these superintendents stated, “We're dealing with fighting for funding with charter schools.” Another superintendent explained, “With funds going to charter schools, there is a dual system which is adding more expenses to the state.” The superintendent continued, “There needs to be a commitment from the state to fund public schools”

When asked, “*How has funding affected your district over time?*,” three of the 15 superintendents (20%) shared their experiences with having to make drastic budget cuts to salaries, programs, and positions during the 2011-2012 school year due to issues with state revenue. One of these superintendents explained, “They cut our funding to the bone.” Another superintendent said, “None of us have forgotten the fear of what happened when districts had to cut teachers and employees.”

In sum, state revenue was presented as a complex facet of the public school finance system with significant impact on school district funding. Based on the perceptions of the superintendents, it appears that sufficient funding levels, limited sources, and competing systems are some of the common concerns with state revenue. Furthermore, the issue appears to be a likely factor for school district efforts in seeking external revenue.

Funding Formulas

The superintendents differed on their opinions of the funding formulas used in the public school finance system. For example, a superintendent from a “Other Central City Suburban” community with student population of less than 3,000 explained:

In our district, we receive about 60% of our revenue from the state, so we are not concerned about the funding formulas. We trust the legislative bodies to disburse funds and we work within what is received.

However, other superintendents, particularly those from communities categorized as “property wealthy,” expressed criticism of the funding formulas and discussed the negative effects on their district. A superintendent from a property wealthy community with less than 6,000 students explained:

We understand that there are inequities in districts and that there are districts that need more funding per pupil because of their student demographics, but there are issues when the mechanism that tries to fix those problems begins to disadvantage districts in high-wealth areas. Our community sends more than \$100 million a year to the state, but we’re still spending over 100 million dollars a year.

Additionally, a superintendent from a major suburban community with over 20,000 students explained how the funding formula for their school district was put into effect years ago and thus, no longer reflective of the socioeconomic status in their community today:

With the outdated formulas, we are considered “property wealthy” and so we get very little of our revenue from the state, even though 59% of our students live in poverty. For a school district like ours, these formulas are outdated.

Funding formulas were presented as another complex facet of the public school finance system with significant impact on school districts. Based on the perceptions of the superintendents, it appears that funding formulas issues are related to the community wealth of school districts. Although funding formula issues were correlated most consistently with school districts in “property wealthy” communities, the issue is another likely factor for school district efforts in seeking external revenue.

Local Taxes and Tax Rates

One hundred percent of the superintendents mentioned local taxes and tax rates as they relate to public school finance; however, the superintendents differed on the impact

of local taxes and tax rates in their school districts. For example, a superintendent from a major suburban community with over 50,000 students explained:

I really do think that we have pretty good system in place overall; however, the designation of property rates has been a struggle for our district because we have been frozen into a tax rate that affects the funding we receive. So, overall, I believe some aspects are fair, but other things hurt us and should be cleaned up by the state.

Another superintendent further explained the nuances of local taxes and tax rates and its impact on their district:

Recently our property tax rate has lowered, which decreases the burden on local taxpayers, and that is a good thing; but, then we rely on the state for more of the funding and we are in bad shape because our M&O tax rate is so low and cannot generate enough funds.

Alternatively, some of the superintendents were critical of the impact that local taxes and tax rates have had on their districts. One superintendent succinctly stated, “For the last 25 years, the state has been giving less funding and more has been expected out of local taxpayers.” Another superintendent explained, “We had a very low tax rate about 12 or 15 years ago and we have since gotten frozen into that and it's just continued on now for a decade and a half.”

A superintendent from a major suburban community with less than 20,000 students discussed the complications between the public school finance system, how it affects their district, and the misperceptions among parents and taxpayers in the community:

We receive less from the state, even though our community growth is fast and property values are increasing, and so our parents are paying more and more in

property taxes. They are thinking that our schools are getting more, but we are not getting this influx of money.

A superintendent from a small non-metropolitan fast growing community concurred with the disconnect between school funding and taxpayers:

Because our citizens are paying more in taxes, they think our schools are getting more money, and so when we keep our tax rate at the level that it is at or we increase it, because we're trying to build buildings and because we're growing, there's a tension within our community and a lack of understanding because it's so convoluted in the way that that it all works.

Local taxes were presented as an important component of the public school finance system with significant impact on both the community and school district funding. Based on the perceptions of the superintendents, it appears that concerns about local taxes and tax rates were consistent among school districts irrelevant of their community type, district size, or property wealth. The seemingly burdensome tax system, including perceived effect on local taxpayers, is another likely factor for school district efforts in seeking external revenue.

Legislation

Over the years, much state legislative reform has been presented to address public school finance (Hill & Kiewiet, 2015; LaFortune, Rothstein, & Schanzenbach, 2018; National Research Council, 1999). Texas House Bill 3 (HB3) was a comprehensive school finance bill passed by the Texas Legislature in 2019 (Texas Education Agency, n.d.). One hundred percent of the superintendents mentioned House Bill 3 as a significant reform on public school finance; however, the superintendents differed on the legislation's financial impact in their school districts. While one hundred percent of the superintendents agreed that House Bill 3 was an overall effective school finance bill, four

of the 15 superintendents (26.7%) felt that the legislation did not positively benefit their school district. As one superintendent explained, “With House Bill 3, there are certainly winners and losers.” Examples of the varying impact of House Bill 3 are provided below.

A superintendent from a major urban community with one of the largest state revenues shared a mixed response on the legislation:

House Bill 3 has been a game changer. Although it doesn’t completely rewrite finance in Texas, it does take it down to the bone a little bit and start to rebuild the structures. But they never fixed the formula, and so there is a pattern of the state paying less and less as a percentage, and locals paying more and more.

Another superintendent from a major suburban community with over 50,000 students highlighted the positive and negative aspects of the legislation:

House Bill 3 really was wonderful for the state as a whole, pouring billions of dollars in additional revenue for education. The new funding formula was good for the state as a whole, but some high property wealth districts are disadvantaged in the equalization process.

A superintendent from property wealthy community supported the overall benefits of the legislation despite certain drawbacks for their own district:

House Bill 3 absolutely increased funding for schools that are more economically disadvantaged and that’s a good thing, but it also hurt less economically disadvantaged districts, like ours, a little. But, overall, it’s a good bill and I hope the state continues with its commitments.

Responses varied significantly among superintendents from distinct community types and community wealth. For example, a superintendent from a major suburban community with significant property wealth said, “Our district did not prevail very well in House Bill 3, we were not a winner. When you look at the dollars, we are near the

bottom in revenue.” A superintendent from a small, rural town shared how certain aspects of the legislation had a negative effect on smaller districts. The superintendent explained, “Even in House Bill 3, the Career and Technical Education (CTE) special funding allotment for small schools was promised to be corrected but with our CTE student enrollment going up the past two years, the small school funding allotments have actually hurt us.”

In summary, one hundred percent of the superintendents mentioned the public school finance system as it relates to the influence of private contributions in public education. The most common issues with public school funding included state revenue, funding formulas, local taxes and tax rates, and legislative efforts, including House Bill 3. Based on the perceptions of the superintendents, it appears that there are many complexities to state funding and that it is likely the main basis for school district efforts in seeking external revenue.

Methods and Strategies

Common methods and strategies for seeking external revenue emerged when analyzing the perceptions of superintendents on private contributions in public education. One hundred percent of the superintendents indicated that their district seeks external revenue from a variety of methods and strategies. Three subcategories under methods and strategies were: (a) government grants, (b) commercialization, and (c) private philanthropic foundations. Issues of limited access to private support were also mentioned and unique types of external revenue were presented.

Government Grants

Seven of the 15 superintendents (46.7%) mentioned government grants as a common source of external revenue. This included both state and federal grants. Most of these superintendents have at least one district employee tasked with securing

government grants and managing the funds. One superintendent explained, “We have a grant group of about six to eight people, and they generate about seven times grant funding what those people cost per year, so they are really successful and have done extremely well.” A superintendent from a major suburban community agreed: “As a district, we definitely apply for all the state and federal grant dollars that we qualify for and we look for different revenue sources in various ways.”

Common uses of grant funding emerged when discussing government grants. The grant funds are most commonly used to support staff salaries, curriculum and instruction, student services, and special programs. Government grants can also support specific community needs. For example, a superintendent from a district based within a military community explained, “We have a fair number of both government and private grants that support military children and families, everything from transitioning services to counseling and social emotional wellness.”

Commercialization

Four of the 15 superintendents (26.7%) mentioned commercial activities as a common source of external revenue. This included facilities leasing and rentals, naming rights, advertising and marketing, and special events. One superintendent explained how their athletic stadium is used for commercial activities, “We have generated over a million dollars with stadium scoreboard advertising and naming rights to parts of the stadium. Now, we are planning to establish an enterprise revenue stream with the stadium. We are going to rent it out to the community for private events and our food services department will be used to provide catering services.”

Alternatively, one of the 15 superintendents (6.7%) shared his district’s philosophy against commercialization:

Our district has had a long-standing position against soliciting private revenue such as advertising, leasing, and licensing, and so we do not advertise on our buses or have sponsorships for football stadium marquees. Our leaders fundamentally come back to if we can educate our children without doing that, then we won't go down that road.

Private Philanthropic Foundations

Three of the 15 superintendents (20%) mentioned private philanthropic foundations as a source of external revenue. Private philanthropic foundations vary from community-based foundations, family foundations, and large endowments. A superintendent from a major urban community with over 50,000 students described, "Our district received a significant grant award from a well-known private foundation, and it was to establish a college exploration program which provided funding for additional counselor positions as well as student activities." Another superintendent from a "Other Central City" community with significant property wealth indicated that their district regularly benefits from several family foundations in the area. The funds have been used towards new buildings and facilities, staff salaries for up to 25 positions, reading literacy programs, and workforce readiness initiatives.

Some of the superintendents interviewed presented unique perspectives on seeking external revenue. For example, unique types of private support included external revenue from solar farms, wind turbines, and broadband towers. Other types of indirect private support included land donations and cooperative agreements with local districts and community colleges. Three of the 15 superintendents (20%) discussed generating external revenue from early childhood and afterschool programs. Three of the 15 superintendents (20%) also mentioned public-private partnerships with local corporations for special projects such as robotics and student entrepreneurship programs.

A superintendent from a “Other Central City Suburban” community with significant property wealth and less than 6,000 students shared their unique approach to securing private support. The superintendent discussed how corporate funds, supplemental environmental projects, and Chapter 313 agreements, which allow school districts to offer tax breaks to local businesses, have collectively raised over one hundred-million in revenue for their district. The superintendent explained their unique standpoint on private support, “My mindset and our community are different from most. We don’t qualify for a lot of government grants because of our student demographics, and because we do not want to be beholden [*sic*] to the state, we have diversified our revenue with an ‘entrepreneurial’ vision.”

Although all of the superintendents interviewed indicated that their district seeks external revenue from a variety of methods and strategies, some experience limited access to private support. Two of the 15 superintendents (13.3%) mentioned issues of limited access to external revenue sources due to community type. A superintendent from a small, rural district explained, “Because we’re a small town, we don’t have a whole lot of opportunities and people aren’t just knocking on our door to pay for things like advertising, partnerships, and tournaments.” Another superintendent from a small, non-metropolitan community agreed, “We don’t even have a red light in our town, so that is challenging in terms of forming partnerships because we lack large employers and industry.”

In summary, one hundred percent of the superintendents discussed a variety of methods and strategies to seeking external revenue as it relates to the influence of private contributions in public education. The most common sources of external revenue were government grants, commercialization, and private philanthropic foundations. These funds are most commonly used towards district operations such as facilities, staff salaries,

and student services. Some of the curricular activities and instructional programs that have been funded with external revenue include reading and literacy, college exploration, and work readiness. Although most school districts seek external revenue through common methods and strategies, some benefit from unique sources of revenue while others experience limited access to private support. Furthermore, based on the perceptions of the superintendents, it appears that there are varied results to the overall impact of external revenue through private contributions.

Financial Impact of Private Contributions

Responses were varied on the financial impact of private support when analyzing the perceptions of superintendents on private contributions in public education. When the superintendents were asked, “*Do private contributions supplement or supplant district funding?*,” thirteen out of the 15 superintendents (86.6%) answered *supplement*. One superintendent explained, “These other funding sources are good but they’re a drop in the bucket compared to our general operating fund which is close to \$850 million.” A superintendent from a major suburban community with over 50,000 students further commented:

Although we have been successful at obtaining additional revenue from stadium naming rights and facility leasing, our budget is nearly \$1.5 billion and so a half-million or a million dollars really has very little impact. If we eliminated those efforts, it would have very little impact on our budget because we’re so large.

Another superintendent agreed and highlighted the more intangible benefits of private support:

You could say that private contributions do not supplant district funds, but I would say that they help districts to be able to provide opportunities that our normal budget would not be able to fund. My perception is that the public

appreciates when we go out and secure private support, rather than asking the public to pay.

Two of the 15 superintendents (13.3%), both from property wealthy suburban communities, considered private support as a *supplant* to district funding. The private support in their districts have fully funded student programs, teacher salaries, and professional development. As one superintendent commented, “We could not balance our budget if it wasn’t for our private support.” Another superintendent explained, “Our PTAs actually pick up a lot of the actual operational costs. They fund all on-campus printing expenses and run our cafeterias which are not part of the federal lunch program.” The superintendent concluded, “We could not operate this district at the level we do without private contributions.” Based on the perceptions of these superintendents, it appears that private contributions in property wealthy communities are effectively *filling the gap* between state funding and school district needs.

Research Question Four

Research question four, *What are the perceptions of district superintendents regarding the influence of private contributions from their education foundations?*, was answered by using a qualitative inductive coding process. In an effort to gain more in-depth understanding of the influence of education foundations and their contributions to school districts, 15 superintendents were interviewed for their perceptions on the issue. The inductive coding process revealed three emergent themes related to education foundations and the influence of their private contributions: (a) financial impact, (b) nonfinancial benefits, and (c) key factors for success. The emergent themes and subsequent themes are provided below including a sample of the superintendent comments.

Financial Impact of Education Foundations

The financial contributions of education foundations were comparable when analyzing the perceptions of superintendents on the influence of private contributions from their education foundations. When asked to describe how their education foundations financially contribute to their school district, one hundred percent of the superintendents said that their education foundation primarily funds teacher grants. One-third of the superintendents responded that their education foundation also funds student scholarships. Four of the 15 superintendents (26.7%) mentioned that the private contributions from their education foundation are from external revenue sources, such as grants from private foundation and corporate partnerships.

Responses were varied on the financial impact of private contributions from education foundations when analyzing the perceptions of superintendents on the influence of education foundations. Fourteen of the 15 superintendents (93.3%) viewed the private contributions from education foundations as supplemental to district funding. One superintendent explained, “In terms of the amount that our foundation gives for teacher grants compared to our overall budget, its super miniscule. I think it will grow in time, but at this point the foundation’s work is not necessarily a factor in the district’s budget.” However, a superintendent from a high-grossing education foundation stated, “Our education foundation does a phenomenal job of supporting the district, and we would not be able to function the way we function currently without their efforts.” The superintendent continued, “The foundation asks the district about the biggest need and will do whatever it takes to help fund those needs.”

Superintendents described the impact and significance of private contributions from their education foundations. A superintendent from one of the longest-standing and highest-grossing education foundations stated, “The student scholarships that are funded

by the foundation have a real impact, particularly on our low-income and minority students. It gets them off to a great start and really makes a real difference for those attending local community colleges because the courses are reasonably priced.”

Regarding the teacher grants, a superintendent from an education foundation with ten years of operation explained, “The education foundation grants are significant for our teachers and they really like them because they can be more innovative with the teaching and learning process, and there’s a stable source of annual funding for it.”

Nonfinancial Benefits of Education Foundations

Several nonfinancial benefits of education foundation emerged when analyzing the perceptions of superintendents on the influence of education foundations. Four subcategories under nonfinancial impact of education foundations were: (a) morale and culture, (b) public relations, (c) community engagement, and (d) advocacy. As one superintendent succinctly described, “There is a monetary benefit to an education foundation, but there are other intangibles that are important as well.” Another superintendent agreed, “You can’t put a price tag on having a foundation that works solely for the benefit of your teachers and students.”

Morale and Culture

One hundred percent of the superintendents indicated that positive morale and culture were a nonfinancial benefit of their education foundations. A superintendent from one of the longest-standing and highest-grossing education foundations stated, “The foundation is a big morale booster for our teachers because they host teacher appreciation events in addition to funding their classrooms.” Another superintendent explained the intangible impact of foundation grants on teacher morale: “The grant money is well received and appreciated, but it’s about the pat on the back, and saying great job, and

thank you to our teachers for choosing to do what they do and doing it well. Recognizing teaching excellence is more than the dollars received.”

A superintendent from an education foundation with 25 years of operation explained the positive influence on district culture, “Because it has been around so long, the foundation is part of the culture of our district. The notion of being engrained in the culture of our school district is important, so that employees know about it, care about it, and support it.” Another superintendent concluded, “It goes far beyond money. It’s showing our teachers and staff that the people in their community appreciate and respect what they are doing, and care about them.”

Community Engagement

Nine of the 15 superintendents (60%) indicated that community engagement was a nonfinancial benefit of their education foundations. One superintendent explained the increase in community engagement: “Our education foundation helps to increase pride in the school district, which increases pride in the community, and for leaders and business owners in the community.” A superintendent from an education foundation with a large board of directors shared, “Our foundation board demonstrates the support of the community for our school district, and they help to develop positive relationships between the district and the community.” Another continued, “It gives people who are not a teacher or who are not associated with the school district an opportunity to get involved and feel like they can make a difference.” A superintendent from one of the longest-standing and highest-grossing education foundations described:

I don’t know if we would even notice if the foundation funds were suddenly gone, but the best thing about the foundation is that it gives our community something to rally around and it gives people the opportunity to give back which increases

that sense of community. The foundation's community events build cohesive support for the school district.

Public Relations

One-third of the superintendents mentioned positive public relations as a nonfinancial benefit of their education foundations. A superintendent from a major urban community with over 50,000 students explained, "Our foundation helps us to promote all the great things happening in our district as well as publicize the needs of the district out into the community, and also to be positive advocates for our district, especially in challenging times to help keep the focus on educating children." Another superintendent agreed, "We receive a lot of positive press from the foundation, particularly on social media when we post photos from the grants. It's just a great way to show good things happening in the district."

Advocacy

While one hundred percent of the superintendents answered 'no' when asked if a focus of their education foundation was legislative advocacy or policy change at the local, state, or national level, one-third of the superintendents discussed how their foundation board of directors often served as 'advocates' of the school district. As one superintendent concisely stated, "Foundation board members are the greatest ambassadors for a school district." Another agreed, "They are very important for not only raising money, but also for the connections with community leaders who become advocates for the district."

The superintendents explained how they have relied on foundation board directors for various efforts and initiatives.

I do go to foundation board directors on a fairly regular basis if there are issues and ask them in their individual capacity or perhaps in their company's capacity

to lean in on some of those things and ask them to do some advocacy because they are often influential in the local community.

One superintendent discussed using the influence of foundation board directors to help promote a bond referendum among the community.

When we went out for a bond, we went to the individuals of the foundation board because they understand our needs, we will have their support, and they will be influential in the community.

Another superintendent explained how foundation board directors are active and reliant participants.

It's a whole network of people that we can lean on to come do other work within our system. If I ever need any of those men or women to come volunteer for something – such as sitting on a strategic planning committee or advocating for a bond referendum – I know they are willing to come do that.

Two superintendents discussed foundation board directors and their leadership and involvement in other district initiatives. According to one superintendent, “Several of our foundation board directors serve on the community leadership committee, where we talk about issues in our school district, and they will work out in the community or with the legislature to advocate on behalf of the school district.” Another superintendent stated, “The foundation board is a way to grow community leaders. They often also serve on our parent advocacy group which presents the district’s position to legislators.”

In summary, one hundred percent of the superintendents discussed the contributions of education foundations to their school districts as it relates to the influence of private contributions in public education. The nonfinancial benefits to education foundations included positive culture and public relations as well as increased community engagement and advocacy. While most school districts receive external

revenue from their education foundations, results varied regarding the overall financial impact of these organizations. Additionally, based on the perceptions of the superintendents, it appears that there are certain factors that can influence the perceived success of education foundations.

Key Factors of Successful Education Foundations

Common characteristics of successful education foundations emerged when analyzing the perceptions of superintendents on the influence of education foundations. One hundred percent of the superintendents indicated that there are specific key factors for the success of education foundations. Four subcategories under key factors for success were: (a) board directors, (b) executive staff, (c) district alignment, and (d) superintendent involvement.

Board Directors

One hundred percent of the superintendents agreed that a strong board of directors was a key trait of successful education foundations. One superintendent asserted, “The most important is who’s on your board. They have to have the right mindset, focus, and a servant’s heart.” Another superintendent agreed, “Having board directors that really have a heart for public education is an important factor.” A superintendent with a large foundation board of directors concluded, “The board has to consist of a group of individuals that are focused and well-respected in the community.”

The superintendents discussed the importance of board recruitment. A superintendent explained:

Picking foundation board directors wisely is key. The most important thing is who you put on there and their connections. You want the people that have the time and the ability to roll up their sleeves, and do the work, and have the connections. If you have that group, then you know it can take off.

A superintendent from one of the longest-standing and highest-grossing education foundations stated, “You need to find those people with clout in the community and access to resources or networks with resources.”

One superintendent from an education foundation with one of the largest board of directors discussed the importance of board engagement. The superintendent explained, “I think educating and onboarding board directors is the most important factor. Helping board directors to understand their role on the foundation board, how the district works, and the relationship between the district and the foundation.” The superintendent continued, “Having effective ways to keep board directors active and engaged is critical for a large-sized board like ours.”

One superintendent from a small, rural district shared about the consequential impact of ineffective board directors. The superintendent explained, “Our education foundation is struggling right now because of leadership turnover. The board hasn’t met often recently, and funds are starting to dwindle because no fundraisers have been planned.” The superintendent concluded, “We need our outside folks to take the lead and take their charge.”

Executive Staff

Four of the 15 the superintendents (26.7%) agreed that a paid executive leader was another key trait for successful education foundations. A superintendent stated, “You’ve got to have the right person working to make that connection at the district and in the foundation.” Another superintendent agreed, “I think the leadership of the person who oversees the organization is really critical because it has to be someone with initiative, knowledge, and access to community resources.” One superintendent further concluded, “Clearly, the school district liaison or executive leader who works for the school district and is tied to the foundation is one of the most important factors because

they can help translate between the school district and the organization and find points of synergy.”

District Alignment

Three of the 15 the superintendents (20%) agreed that alignment with the district was a key trait of successful education foundations. One superintendent stated, “It’s important to have the foundation goals in alignment with our district.” A superintendent from a major urban community with over 50,000 students agreed, “Understanding the priorities and needs of the school district and the strategic plan of the school district are definitely important.”

Superintendent Involvement

Three of the 15 the superintendents (20%) agreed that superintendent involvement was a key trait of successful education foundations. A superintendent from an education foundation with 25 years of operation explained, “My role is keeping the organization connected to the school district and advising the board on what is going on in the school district, so that their efforts are aligned with our efforts and initiatives.” A superintendent with experience from three different education foundations agreed, “The superintendent plays a key role in the success of the education foundation. It’s important for the superintendent to share their vision so that they can align their efforts with district initiatives and needs.”

In summary, one hundred percent of the superintendents agreed that there are specific factors related to the success of education foundations. These key factors included a strong composition of board directors, paid executive staff, district alignment, and superintendent involvement. Based on the perceptions of the superintendents, it appears that school districts positively benefit from having a successful education foundation.

Conclusion

This chapter presented the results of the quantitative and qualitative data analysis of this study. The purpose of this study was to examine the influence of private contributions from education foundations in public education. The next chapter provides a discussion of the findings presented in this chapter in comparison to prior studies documented in the research literature. The implications of the findings concluded for this study will be discussed and recommendations for future research will also be presented.

CHAPTER V: SUMMARY, IMPLICATIONS, AND RECOMMENDATIONS

Public funding for K-12 schools has seen dramatic decline in numerous states over the last few decades (Leachman, Masterson, & Figueroa, 2017). At the same time, private contributions in public education have significantly increased, including nearly \$400 million annually raised through education foundations (Caruthers, 2017; Nelson & Gazley, 2014; Zimmer, Krop, & Brewer, 2003). Although many studies have been conducted to examine private fundraising in public education (Addonizio, 2000; Green, 2005; Hill & Kiewiet, 2015; Hill, Kiewiet, & Arsneault, 2013, 2014; Nelson & Gazley, 2014; Zimmer et al., 2003), research on the impact of education foundations is more limited (Abzug et al., 2016; Deitrick, 2009; Fernandez, 2014; Spangler, 2017).

The purpose of this study was to examine the influence of private contributions from education foundations in public education. To investigate education foundations and the influence of private contributions in public education, quantitative data were collected and analyzed from a purposeful sample of 256 school districts in Texas with a supporting education foundation using archival data from the Internal Revenue Service (IRS), Texas Education Agency (TEA), and organizational websites. Qualitative data were collected from interview transcripts for 15 district superintendents and analyzed using an inductive coding process. In this chapter, the findings of this study are discussed and contextualized in the larger body of research literature. Implications for district administrators, education foundation leaders, and public school finance are also presented, as well as recommendations for future research.

Summary of Findings

Research Question One

In research question one, the researcher examined whether a relationship existed between the amount of private revenue generated by education foundations and the amount of funding provided by the government to school districts. Findings from this study indicated that there is a statistically significant positive relationship between private contributions and public funding. In other words, as the amount of funding provided by the government to school districts increases, so does the amount of private revenue generated by education foundations. These findings support the theoretical framework of this study, resource dependence theory (RDT), which asserts that organizations inherently interdependent with other entities will seek action to minimize the effects of external dependences. This suggests that school districts interdependent on public funding seek private contributions to minimize the effects of financial dependency, regardless of the amount of funding provided by the government. These findings are further supported through research by Abzug et al. (2016) who concluded that an inverse relationship did not exist between public funding and private contributions, meaning more private contributions did not necessarily indicate less in public funding.

Research Question Two

In research question two, the researcher examined to what extent certain variables influence the private contributions of education foundations. First, findings from this study indicated that a statistically significant positive relationship exists between private contributions and years of operation as well as district size. In other words, the amount of private revenue generated by the education foundation increases as the total student population of the school district increases as well as the age of the education foundation increases. These findings are aligned with research by Allen (2014) who found that

organizational longevity was a key trait among the highest-earning education foundations in Virginia. Spangler (2017) also found that longevity played a significant role in the fundraising ability of education foundations in Pennsylvania. With regards to district size, studies by Hill et al. (2013, 2014) in California found an inverse relationship between district size and private contributions and concluded that education foundations in smaller school districts were found to be better able to raise more support. However, based on the quantitative and qualitative findings in this study, there was sufficient evidence to suggest that a positive relationship exists between private contributions and district size.

Second, findings from this study indicated that a statistically significant median difference exists between private contributions of education foundations among the community types and community wealth of school districts. In other words, the type of community and the wealth of the community can influence the amount of private revenue generated by the education foundation. This is supported by the research literature. In a study by Zimmer et al. (2003), the researchers found that the socioeconomic status of the community affected private giving. For example, school districts in wealthier communities had more parental monetary and in-kind support, whereas school districts in lower income areas had greater support from corporations, community-based and philanthropic organizations. Findings from Abzug et al. (2016) indicated that school district and community resources were positively related to the granting level of education foundations.

Next, this study found that a statistically significant relationship does not exist between the private contributions of education foundations and (a) board size, (b) accountability rating, and (c) racial/ethnic diversity. In other words, neither the number of board directors, the accountability rating of a school district nor the racial/ethnic diversity of a school district have any bearing on the amount of private revenue generated by the

education foundation. These findings contrast with research from Allen (2014) who found that having a large board was a key trait among the highest-earning education foundations in Virginia. A study of education foundations in Florida by Carlson (2011) also concluded that the total number of board members appeared to have the greatest influence on organizational success and revenue generation. Abzug et al. (2016) reported similar results in New Jersey. However, based on the quantitative and qualitative findings in this study, there was sufficient evidence to suggest that the amount of private revenue generated by education foundations is correlated most consistently with the composition of board directors rather than the number of board directors.

Overall, the findings of this study conclude that the amount of private revenue generated by education foundations is correlated most consistently with the resources already residing within the organization, school district, and community rather than the support of government or even the key measures of the school district (i.e., accountability rating and racial/ethnic diversity). The findings suggest that established education foundations from communities differentiated by larger size, more wealth, and suburban location are able to attract and distribute more money than newer organizations in other communities. Moreover, the private contributions of education foundations appear to be impervious to the academic performance and student demographics of the school district.

Research Question Three

In research question three, the researcher examined the perceptions of district superintendents regarding private contributions in public education. The inductive coding process revealed that public school finance and external revenue were emergent themes related to private contributions and its role in public education. The majority of the superintendents viewed issues with public school funding as the main basis for seeking private contributions and expressed frustration with complexities of the public school

finance system, including state revenue, funding formulas, local taxes and tax rates, and legislation. Similar to these findings, several studies confirm that external revenue through private contributions and nontraditional sources is a means for school districts to overcome the effects of state legislative mandates (Hansen et al, 2008; Nelson & Gazley, 2014; Owings & Kaplan, 2019).

All of the superintendents interviewed stated that their school district used means to solicit and secure external revenue; however, the methods and strategies varied. Most school districts sought out government grants (46.7%) while less than a quarter reported receiving private contributions from commercial activities (26.7%) and private philanthropic foundations (20%). Two of the 15 superintendents (13.3%) mentioned issues of limited access to external revenue sources. These findings are aligned with a study by Brent and Lunden (2014) in which school-based commercial activities as a source of external revenue were examined. The results indicated the overall extent and nature of commercialization in schools was much more limited than assumed. Additionally, the researchers found that supplementing local revenue and providing property tax relief were common reasons for pursuing external revenue.

Research Question Four

In research question four, the researcher examined the perceptions of district superintendents regarding the influence of private contributions from their education foundations. The inductive coding process revealed emergent themes related to education foundations and their influence on school districts including nonfinancial benefits of education foundations and key factors for success. One hundred percent of the superintendents discussed the nonfinancial benefits to education foundations including positive culture and public relations as well as increased community engagement and advocacy. Similar to these findings, several studies confirm that education foundations

contribute other benefits beyond fundraising and grant awards (Abzug et al., 2016; Allen, 2014; Carlson, 2011; Cruser, 2012; de Luna, 1998; Dietrick, 2009; Muro, 1995; Sherry, 1995; Woodworth, 2007). The research collectively concludes that education foundations can revitalize communities by providing opportunities for active engagement, inform citizens of issues facing public education, and help build a more positive image. These organizations have also been found to serve as a public relations tool for schools, boost teacher and student morale, and open communication between schools and the community.

All of the superintendents interviewed also agreed that there are specific factors related to the success of education foundations including board directors, executive staff, district alignment, and superintendent involvement. These findings are aligned with a study by Allen (2014) who found that one of the key factors among the highest-earning organizations in Virginia was hired support staff. In a similar study of education foundations in Florida, Carlson (2011) found that the fundraising capacity of the paid staff appeared to have the greatest influence on organizational success and revenue generation. In another study, the researcher examined foundation boards and concluded that a representative makeup of the board is important for credibility, policymaking, and fundraising (Muro, 1995).

Financial Impact and Funding Equity

In both research question three and four, the financial impact of private contributions was discussed. At the same time, research was presented regarding the equity of private contributions in public education (Addonizio, 2000; Brunner & Sonstelie, 2003; Brunner & Imazeki, 2005; Dietrick, 2009; Greene, 2005; Hill et al., 2013). Based on the quantitative and qualitative findings of this study, the amount of funds generated by education foundations is not significant enough to substantially

undermine funding equity in public education. This is supported by one study conducted on 30 of the largest school foundations, which found that although private contributions accounted for between \$1.5 and \$2 billion, overall public school spending was comparatively \$427 billion (Greene, 2005). In another a similar study, Brunner and Imazeki (2005) examined private contributions from nonprofit school-supporting organizations in California and concluded that the average amount of funds generated by education foundations is small and has not caused disparities in school finance reform. The findings of this study, including the research literature, further suggest that private contributions are not a substantial substitute for state funding.

School Finance Policy and Advocacy

In both research question three and four, issues with the public school finance system were discussed. The findings of this study suggest that the public school finance system is complex and continues to present funding challenges for school districts despite legislative policy efforts to address disparities. Additionally, research was presented on a shift towards advocacy efforts to affect change on educational policy (Deitrick, 2009; Greene, 2005; Hess, 2005; Reckhow & Snyder, 2014). In a study by Reckhow and Snyder (2014), the researchers found that philanthropic organizations nearly doubled (23 percent) the dollars invested in policy and advocacy with many foundations utilizing private funding to challenge legislative systems. Although one hundred percent of the superintendents interviewed in this study confirmed that their education foundation does not engage as an organization in policy and advocacy at any legislative level, the findings indicated that many superintendents have positively benefited from community supporters, including foundation board directors, actively engaged in advocacy efforts on behalf of the school district. Based on the quantitative and qualitative findings of this study supported by the research literature, the scope of influence from education

foundations could have a significant effect on public education through educational policy and advocacy.

Implications

As a result of this study on education foundations and the influence of private contributions in public education, implications for district administrators and education foundation leaders emerged. For district administrators, this study revealed the need to understand the interdependent relationship between private and public funding as well as the influence of private contributions in public education, including revenue generated by education foundations. District administrators should have a clear plan in place for seeking external revenue to supplement district funding and should take advantage of the benefits contributed by education foundations. For education foundation leaders, this study showed the significant influence of their organizations and revealed key factors for building a successful education foundation. Finally, the research highlighted the complexities of the public school finance system including the critical need for adequate state funding and the influence of public school policy and advocacy. Policymakers and public school advocates should yield their collective powers to affect positive change for public education at the legislative level.

District Administrators

Based on the findings of this study, district administrators should be knowledgeable of the public school finance system and how their school districts are funded. The topic of school finance could be addressed through professional development and trainings with the district business office. Next, district administrators should understand the role of private contributions in their school district and the contributing factors of generated private revenue. Whether public funding sustains or declines, district administrators with a clear plan in place for seeking external revenue can effectively

supplement district funding for staffing, curriculum and instruction, and even new or existing programs.

Finally, school districts should take advantage of the benefits contributed by education foundations, either by increasing engagement with an existing organization or creating a new one. Although the findings of this study indicated the amount of private revenue generated by education foundations is correlated most consistently with the resources already residing within the organization, school district, and community (i.e., organizational longevity, district size and location, and community wealth), education foundations also provide important nonfinancial benefits to school districts. Additionally, the findings showed that education foundations are able to generate private contributions for their school district regardless of their board size, the amount of funding provided by the government, or even key measures of the school district such as academic performance and student demographics.

Education Foundation Leaders

Based on the findings of this study, education foundation leaders should be aware of the significant influence that these organizations can have on school districts and promote the benefits to district administrators, teachers, parents, business leaders, and the greater community. Marketing and communications should be focused sharing the mission of education foundations and highlighting the achievements of the organization to key stakeholders.

The findings of this study showed that there are four specific factors to successful education foundations: (a) strong composition of board directors, (b) paid executive staff, (c) district alignment, and (d) superintendent involvement. First, education foundation leaders should focus their efforts on building a strong and cohesive board of directors. A board development committee can be tasked with recruiting directors and developing the

strength and skills of the board through education and training. Second, education foundation leaders should consider the feasibility of hiring at least one part-time employee. Education foundations may solicit a fundraising campaign or specific donors to fund operational costs, apply for grant funding opportunities, or work with the school district for possible partnership. Next, the organization should focus their efforts on being knowledgeable of and in alignment with the needs and goals of the school district. Education foundation leaders should be familiar with the strategic plan of the school district. District administrators could be invited to foundation board meetings to present on district initiatives. Lastly, education foundation leaders must actively engage with superintendent for continued involvement. This may include a permanent role for the superintendent on the foundation board of directors. By focusing on these four factors, education foundation leaders can ensure success as well as organizational longevity which this study found to be statistically and positively correlated with the amount of private revenue generated by education foundations.

Policymakers and Public School Advocates

Based on the findings of this study, there are significant implications from a policy and advocacy perspective. Most critically, the public school finance system should be adequately funded, and policymakers should address disparities among school districts through appropriate legislative action. Although there are many positive benefits of private contributions in public education, the findings of this study confirmed that schools cannot rely on private financing and private support should only be used as a supplement to adequate state funding. Finally, the findings of this study showed the importance of public school policy and advocacy. School districts should engage and empower community members to become public school advocates. The superintendent

could create a district advisory committee. These influential activists could work both in the community and at the legislative level to affect positive change for public education.

Recommendations for Future Research

This study involved collecting data on school districts with a supporting education foundation from the Internal Revenue Service (IRS), Texas Education Agency (TEA), and organizational websites, and obtaining perceptions from district superintendents. Although the findings of this study provided further information on education foundations and the influence of private contributions in public education, recommendations for future research will help to expand knowledge on this topic. The following recommendations are based on data and findings from this study.

This study utilized archival data from state agency reports and federal tax filings given the lack of a national reporting structure for private funding in public education. According to the U.S. Department of Education's National Center for Education Statistics (NCES), the *Annual Survey of School System Finances* collects data on private funds in public education; however, the form is not required by law nor must states report each line item (Vara-Orta, 2017). Additionally, only a final dollar amount is reported making it difficult to discern the amounts and types of private funding. Because measuring the influence of private contributions in public education at a national level remains an obscure task, a recommendation for future research would be to establish a national data set standard and improve federal reporting of private funding in public education. A larger sample size at the national level could provide a more in-depth study of greater significance and magnitude.

This study collected data from district superintendents to provide a more in-depth understanding of their perceptions regarding private contributions in public education and the influence of education foundations on their school districts. Exploring the perceptions

of other key stakeholders would be another recommendation for future research. Study participants could include executive, or paid, foundation staff, board directors, and donors. These key stakeholders could likely provide more insight into education foundations, the contributing factors of generated private revenue, and the perceived influence of private contributions in public education.

Lastly, although this study focused on the private revenue generated by education foundations and its broader influence on school districts, there are other aspects that could be addressed in future research. For example, the research in this study indicated that most education foundations serve as grant-makers, funding teacher grants, classroom supplies, and equipment, and distributing hundreds of millions to K-12 programming and activities (Caruthers, 2017; Deitrick, 2009; Else, 2004; Sattem, 2007; Zimmer et al., 2001). Because the private contributions of education foundations primarily fund grant projects, future research could focus on the academic impact of foundation granting. It would be beneficial to know what types of projects are funded by these organizations. Data from foundation-funded projects could be collected from both students and teachers, and this research could provide more insight into the impact and effectiveness of private contributions on learning outcomes and student achievement.

Conclusion

The underfunding of public education in the U.S. is significant and chronic (American Federation of Teachers, 2018), and yet revenue generated by public school charities increased nearly 350 percent within 15 years (Nelson & Gazley, 2014). As state funding for public education continues to decline and revenue from private sources continues to increase, it is imperative to understand the relationship between private and public funding, contributing factors of generated private revenue, and the influence of private contributions to school districts. This study could provide a significant

contribution, not only regarding education foundations and private funding, but to the overall discussion about the prevailing role of money, education, and opportunity.

REFERENCES

- Abzug, R., Olbrecht, A., Sabrin, M., & DeLeon, E. (2016). Nonprofit financing to the rescue? The slightly twisted case of local educational foundations and public education in New Jersey. *Nonprofit and Voluntary Sector Quarterly*, 45(1), 133-149.
- Addonizio, M. (1998). Private funding of public schools: Local education foundations in Michigan. *Educational Considerations*, 26(1), 2.
- Addonizio, M. F. (2000). Private funds for public schools. *The Clearing House: A Journal of Educational Strategies, Issues and Ideas*, 74(2), 70-74.
- Allen, H. M. (2014). *Public School Foundations' Support of K-12 Public School Divisions in Virginia* (Doctoral dissertation, Virginia Tech).
- American Federation of Teachers. (2018). *A Decade of Neglect: Public education funding in the aftermath of the great recession*. Retrieved from <https://www.aft.org/sites/default/files/decade-of-neglect-2018.pdf>.
- Barker, H. (2002). *Press, politics, and the public sphere in Europe and North America 1760-1820*. New York, NY: Simon Burrows Press.
- Brent, B. O., & Lunden, S. (2014). Pennies for Perils? An Accounting of School-Based Commercial Activities. *School Business Affairs*, 13.
- Brunner, E. J., & Imazeki, J. (2004). Fiscal stress and voluntary contributions to public schools. *Developments in School Finance*, 39-54.
- Brunner, E.J., & Sonstelie, J. (2003). School finance reform and voluntary fiscal federalism. *Journal of Public Economics*, 87(9-10), 2157-2185.

- Carlson, S. (2011). *Characteristics of Florida's education foundations and the relationship to revenue generation* (Doctoral dissertation). Available from ProQuest Dissertations and Theses database. (UMI No. 3496900).
- Caruthers, D. (2017). *Stepping Up: The Nation's Top K-12 Education Foundations*. Retrieved from Caruthers Institute website:
<http://caruthers.institute/studies/studies-education/>.
- Chang, J. (2017, November 29). *Study: Texas lags behind most states in school funding*. Retrieved from <https://www.statesman.com/article/20171129/NEWS/311299760>.
- Clay, K., Hughes, K., Seely, J., & Thayer, A. (1985). *Public School Foundations: Their Organization and Operation*. Arlington, VA: Educational Research Service.
- Cruser, A. B. (2012). *Effectiveness of public education foundations in Indiana school districts* (Doctoral Dissertation). Available from ProQuest Dissertations and Theses database. (UMI No. 3548457).
- Culbertson, B. K. (2008). *Supplementing annual school district budgets: Partnerships, fundraisers, foundations, and local support venues* (Doctoral dissertation). Available from ProQuest Dissertations and Theses database. (UMI No. 3326791).
- de Luna, P. (1998, January). Local education foundations: Right for many schools. *Phi Delta Kappan* (79)5, 385-389.
- Deitrick, L. J. (2009). *California education foundations: A mixed-methods study* (3415610). Available from ProQuest Dissertations & Theses Global. (734302825).
- Else, D. (2004). *Assisting K-12 education through the national center for public and private school foundations*. Cedar Falls, IA: National Center for Public and Private School Foundations, University of Northern Iowa.
- Fernandez, K. M. (2014). *Dimensions of partnership in cross-sector relationships A*

- multi-case study of local education foundations* (3642748). Available from ProQuest Dissertations & Theses Global. (1609718046).
- Generals, D. (2000, Summer). Booker T. Washington and progressive education. *Journal of Negro Education*, 69(3).
- The Giving Institute. (2020). *Giving USA 2020: The annual report on philanthropy for the year 2019*.
- Greene, J. P. (2005). *Buckets into the sea: Why philanthropy isn't changing schools, and how it could*. With the best of intentions: How philanthropy is reshaping K-12 education, 49-76.
- Hansen, J. S., Hall, M., Brewer, D. J., & Hannaway, J. (2008). The role of nongovernmental organizations in financing public schools. *Handbook of Research in Education Finance and Policy*, 314-331.
- Hess, F. M. (Ed.). (2005). *With the best of intentions: How philanthropy is reshaping K-12 education*. Harvard Education Press.
- Hill, S. A., & Kiewiet, D. R. (2015). The impact of state supreme court decisions on public school finance. *The Journal of Law, Economics, & Organization*, 31(1), 61-92.
- Hill, S. A., Kiewiet, D. R., & Arsneault, S. (2014). Filling the gap: The role of voluntary contributions and parcel taxes in supplementing K-12 spending in California. In *Western Political Science Association Conference*.
- Hill, S. A., Kiewiet, D. R., & Arsneault, S. (2013, March). California Local Education Foundations: And the Rich Get Richer. In *Presented at the Annual Meeting of the Western Political Science Association*.
- Hillman, A. J., Withers, M. C., & Collins, B. J. (2009). Resource Dependence Theory: A

- Review. *Journal of Management*, 35(6), 1404–1427. Retrieved from <https://doi.org/10.1177/0149206309343469>.
- Hyman, J. (2017). Does money matter in the long run? Effects of school spending on educational attainment. *American Economic Journal: Economic Policy*, 9(4), 256-80.
- Internal Revenue Service. (n.d.). Retrieved from <http://www.IRS.gov/>.
- Jackson, C. K., Johnson, R. C., & Persico, C. (2016). The effects of school spending on educational and economic outcomes: Evidence from school finance reforms. *The Quarterly Journal of Economics*, 131(1), 157-218.
- LaFortune, J., Rothstein, J., & Schanzenbach, D. W. (2018). School finance reform and the distribution of student achievement. *American Economic Journal: Applied Economics*, 10(2), 1-26.
- Leachman, M., Masterson, K., & Figueroa, E. (2017). *A punishing decade for school funding*. Washington: Center on Budget and Policy Priorities.
- Muro, J. J. (1995). *Creating and funding educational foundations: A guide for local school districts*. Boston, MA: Allyn and Bacon.
- My Texas Public School. (n.d.). *The School Superintendent*. Retrieved from <https://www.mytexaspublicschool.org>
- National Center for Education Statistics. (2020). *The condition of education* (NCES 2020-144).
- National Research Council. (1999). *Equity and adequacy in education finance: Issues and perspectives*. National Academies Press.
- Nelson, A. A., & Gazley, B. (2014). The rise of school-supporting nonprofits. *Education Finance and Policy*, 9(4), 541-566.
- Owings, W. A., & Kaplan, L. S. (2019). *American public school finance*. Routledge.

- Reckhow, S., & Snyder, J. W. (2014). The expanding role of philanthropy in education politics. *Educational Researcher*, 43(4), 186-195.
- Samuels, A. (2018, May 15). *Texas ranks 36th nationally in per-student education spending. Here's how much it spends*. Retrieved from <https://www.texastribune.org/2018/05/15/texas-student-teacher-spending-average/>.
- Sattem, J. L. (2007). Publicly funded, privately assisted: The role of giving in Oregon K-12 education.
- Sherry, L. Y. (1995). *Using school foundations as a public relations tool to market schools to the community* (Master's thesis). Retrieved from ProQuest Dissertations and Theses database.
- Spangler, L. (2017). *Characteristics of Pennsylvania's K-12 school-supporting foundations: A mixed-methods study of the commonwealth's education foundations* (10746605). Available from ProQuest Dissertations & Theses Global. (2021136155).
- Stoll, L. (2009). Capacity building for school improvement or creating capacity for learning? A changing landscape. *Journal of Educational Change*, 10(2/3), 115–127.
- Texas Education Agency. (n.d.). *House Bill 3*. Retrieved from <https://tea.texas.gov/about-tea/government-relations-and-legal/government-relations/house-bill-3>
- Texas Education Agency. (n.d.) *Overview of Texas Schools*. Retrieved from <https://tea.texas.gov/districtinfo.aspx>.
- Texas Education Agency. (n.d.). *Snapshot 2019: Item Definitions*. Retrieved from <https://rptsvr1.tea.texas.gov/perfreport/snapshot/2019/itemdef.html>.
- Texas Education Foundation Network (T.E.F.N.). (n.d.). Retrieved from

- <https://www.tefn.org>.
- Vara-Orta, F. (2017, April 18). Do private donations reinforce school disparities?. Retrieved from <https://www.edweek.org/leadership/do-private-donations-reinforce-school-disparities/2017/04>
- Warwick, M. (2000). *The five strategies for fundraising success: A mission-based guide to achieving your goals*. San Francisco, CA: Jossey-Bass Publishers.
- Woodworth, D. B. (2007). *K-12 public school foundations in Indiana: The impact on Indiana school districts*. Available from ProQuest Dissertations and Theses database. (UMI No. 3307441).
- Worth, M. J. (1993). *Educational Fund Raising: Principles and Practice*. Washington, DC: American Council on Education Series on Higher Education.
- Zimmer, R., Krop, C., Kaganoff, T., Ross, K., & Brewer, D. (2001). Private giving to public schools and districts in Los Angeles County: A pilot study (No. RAND/DRU-2567-EDU). Rand Corp Santa Monica, CA.
- Zimmer, R., Krop, C., and Brewer, D. (2003). Private resources in public schools: Evidence from a pilot study. *Journal of Education Finance* 28(4), 485–521.

APPENDIX A:
INFORMED CONSENT

Informed Consent to Participate in Research

You are being asked to participate in the research project described below. Your participation in this study is entirely voluntary and you may refuse to participate, or you may decide to stop your participation at any time. Should you refuse to participate in the study, or should you withdraw your consent and stop participation in the study, your decision will involve no penalty or loss of benefits to which you may be otherwise entitled. You are being asked to read the information below carefully and ask questions about anything you don't understand before deciding whether or not to participate.

Title: The Influence of Private Contributions in Public Education: An Examination of Education Foundations

Student Investigator: Natalie Clogston

Faculty Sponsor: Thomas Cothorn, Ed.D., COE

PURPOSE OF THE STUDY

The purpose of this research is to examine the influence of private contributions from education foundations in public education.

PROCEDURES

Your interview will take place via telephone or virtual meeting session depending upon your preference. There will be no more than ten open-ended questions and some time at the end for open dialogue about perceptions that might not have been covered in the posed questions.

EXPECTED DURATION

The total anticipated time commitment will be approximately 30 minutes.

RISKS OF PARTICIPATION

There are no anticipated risks associated with participation in this project.

BENEFITS TO THE SUBJECT

There is no direct benefit received from your participation in this study, but your participation will help the investigator better understand the perceptions of district superintendents regarding private contributions in public education and the influence of education foundations on their school district.

CONFIDENTIALITY OF RECORDS

Every effort will be made to maintain the confidentiality of your study records. The data collected from the study will be used for educational and publication purposes, however, you will not be identified by name. For federal audit purposes, the participant's documentation for this research project will be maintained and safeguarded by the Principal Investigator for a minimum of three years after completion of the study. After that time, the participant's documentation may be destroyed.

FINANCIAL COMPENSATION

There is no financial compensation to be offered for participation in the study.

INVESTIGATOR'S RIGHT TO WITHDRAW PARTICIPANT

The investigator has the right to withdraw you from this study at any time.

CONTACT INFORMATION FOR QUESTIONS OR PROBLEMS

If you have additional questions during the course of this study about the research or any related problem, you may contact the Student Investigator, Natalie Clogston, at phone number 281-995-3053 or by email at n.clogston@gmail.com. The Faculty Sponsor, Dr. Thomas Cothern, may be contacted by email at cothernt@uhcl.edu.

SIGNATURES

Your signature below acknowledges your voluntary participation in this research project. Such participation does not release the investigator(s), institution(s), sponsor(s) or granting agency(ies) from their professional and ethical responsibility to you. By signing the form, you are not waiving any of your legal rights.

The purpose of this study, procedures to be followed, and explanation of risks or benefits have been explained to you. You have been allowed to ask questions and your questions have been answered to your satisfaction. You have been told who to contact if you have additional questions. You have read this consent form and voluntarily agree to participate as a subject in this study. You are free to withdraw your consent at any time by contacting the Principal Investigator or Student Researcher/Faculty Sponsor. You will be given a copy of the consent form you have signed.

Subject's printed name: _____

Signature of Subject: _____

Date: _____

Using language that is understandable and appropriate, I have discussed this project and the items listed above with the subject.

Printed name and title: _____

Signature of Person Obtaining Consent: _____

Date: _____

THE UNIVERSITY OF HOUSTON-CLEAR LAKE (UHCL) COMMITTEE FOR PROTECTION OF HUMAN SUBJECTS HAS REVIEWED AND APPROVED THIS PROJECT. ANY QUESTIONS REGARDING YOUR RIGHTS AS A RESEARCH SUBJECT MAY BE ADDRESSED TO THE UHCL COMMITTEE FOR THE PROTECTION OF HUMAN SUBJECTS (281-283-3015). ALL RESEARCH PROJECTS THAT ARE CARRIED OUT BY INVESTIGATORS AT UHCL ARE GOVERNED BY REQUIREMENTS OF THE UNIVERSITY AND THE FEDERAL GOVERNMENT. (FEDERALWIDE ASSURANCE # FWA00004068)

APPENDIX B:
INTERVIEW GUIDE

1. How has funding affected your district over time?
2. What role, if any, does private contributions have on district funding?
3. What strategies does your district use to effectively increase private support?
4. What strategies has your district tried that do not appear to increase private support?
5. In your district, do private contributions supplement or supplant district funding?
6. What influence and impact, if any, has your education foundation had on your school district?
7. What do you see as the most important factors in your education foundation's success?
8. What is the role of the education foundation within the community and has this changed over time?
9. What focus, if any, does your education foundation have on advocacy and policy at the local, state, or national level?
10. Looking forward, where do you see funding moving in the future and what are some of your considerations in addressing this topic?