



Opinion

OP-ED CONTRIBUTOR

Not Very Giving

By ROB REICH
September 4, 2013

STANFORD, Calif. — AS school gets rolling across the country, many parents will be asked to make a large financial contribution to their children's school. In Hillsborough, Calif., for example, parents receive a letter from the Hillsborough Schools Foundation in which the amount requested is \$2,300 per child.

There have always been parent-teacher associations that raise modest or even not-so-modest amounts of money. But increasingly local school foundations are being created expressly for the purpose of raising private funds.

Hillsborough is one of the wealthiest towns in the United States. Median family income is over \$250,000, and residents enjoy one of the best school districts in the state. It's not hard for Hillsborough families to donate to their own children's school. And they do: bids at the foundation's annual online auction last year went into the thousands for a paid internship at Franklin Templeton Investments and for a trip to the taping of the final episode of "The Bachelor." Or you could make an offer on a vacation in a luxury home with a dedicated butler on a private island in Belize.

According to the foundation, charitable gifts have financed class-size reductions, librarians, art and music teachers, and Smart technology in every classroom. These funds supplement the annual public spending of \$13,500 per pupil. In the process, they increase property values in Hillsborough. In 2012 private contributions to the foundation amounted to \$3.45 million, or \$2,300 per pupil.

MAËLLE DOLIVEUX



Hillsborough is not an anomaly. The foundation supporting the Palo Alto school district asks for \$800 per child; in Menlo Park, it's \$1,500; and at the Ross Elementary School in Marin County, it's a staggering \$3,400.

Less than 20 miles away from Hillsborough is East Palo Alto, which has a school foundation, but where median household income in 2011 was \$48,700. The amount of money collected from parents is small. Modesto, in California's Central Valley, is in an area with some of the highest poverty rates in the nation. Like most poor cities and rural areas, it has no school foundation. In Oakland and San Francisco district foundations raise less than \$100 a year per child.

There's nothing surprising about this stark contrast. Wealthy parents in wealthy towns can raise a lot of money.

Wanting to support your own children's education is understandable, but it also has unintended, pernicious effects. The school foundations are legally registered as public charities. When donors give to their own child's school or district, they are making a charitable contribution that the federal government treats in the same way as a donation to a food bank or disaster relief.

But charity like this is not relief for the poor. It is, in fact, the opposite. Private giving to public schools widens the gap between rich and poor. It exacerbates inequalities in financing. It is philanthropy in the service of conferring advantage on the already well-off.

By lowering the taxes of the donor and diminishing the tax revenues that would otherwise have been collected and partly distributed to rich and poor schools alike, federal and state governments are in effect subsidizing the charitable activity of parents who donate to their child's school. In this respect, the policies that govern private giving to public schools seem perverse. Tax policy makes federal and state governments complicit in the deepening of existing inequalities that they are ostensibly responsible for diminishing in the first place.

Should wealthy parents in well-to-do school districts stop giving to their own children's schools? That's not likely to happen, nor is it my recommendation. True, it would be more altruistic to donate to the schools of poorer children, but it is human instinct for parents to support the education of their children.

There is still a lot we can do to improve this upside-down system of charity. First, wealthy school foundations like Hillsborough's should honor the equality-promoting standards released by the [National Commission on Civic Investment in Public Education](#) (on which I served). At a minimum, this would require private giving to be aggregated across schools and shared equally with the entire school district. More ambitiously, it would channel private giving to support poor districts.

Second, because the root cause of inadequate school financing is ultimately political, not philanthropic, donors and school foundations should support political reforms. A movement is afoot in California to amend the property-tax slashing Proposition 13 to require fair market value taxation of commercial real estate, which would raise tax revenues. In effect, by asking parents to donate, the Hillsborough Schools Foundation encourages them to work around the obstacle of Prop 13 rather than confronting the problems it creates directly. It would be better if the foundation organized parents in support of amending Prop 13.

Finally, Congress should differentiate or eliminate charitable status for local education foundations. If a foundation raises money for a district with a high percentage of children eligible for free lunch, it could offer a double deduction; for a district below the average in per-pupil spending, the standard deduction; for a district with few poor children and higher than average per-pupil spending, no deduction. If private giving to public schools exacerbates inequalities, then at the very least we should stop subsidizing such behavior with tax dollars.

The problem is not with America's parents but with its policies. At a time of

rising inequality, school foundations must shrink — not widen — the gap between rich and poor.

Rob Reich is an associate professor of political science at Stanford and co-director of the Center on Philanthropy and Civil Society.

[SHARE](#)

[SAVE](#)

[233 COMMENTS](#)

[More in Opinion](#)

[Sections](#)

[Back to top](#)

mckay.steve... | [Log out](#)

[Download the NYTimes app](#)

Font Size: A A A

[Help](#) [Feedback](#) [Terms of Service](#) [Privacy](#)

© 2013 The New York Times Company

[View desktop version](#)