

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

ASD MEMORANDUM # 24 (2008-2009)

August 25, 2008

TO: SCHOOL BOARD
FROM: OFFICE OF THE SUPERINTENDENT
SUBJECT: APPROVAL: ANCHORAGE SCHOOLS FOUNDATION FUND

RECOMMENDATION:

It is recommended that the School Board approve the active participation of the Anchorage School District in the Anchorage Schools Foundation Fund which is administered by the Alaska Community Foundation. It is further recommended that the School Board approve inclusion of the Anchorage Schools Foundation Fund in the Charitable Giving Campaign.

PERTINENT FACTS:

School Endowment Funds

Over the past few years, the administration has been informally researching public school foundations and endowment funds. Some School Board members have shown interest in this idea.

Generally, school endowments are funds established by a school district under the umbrella of the Alaska Community Foundation. School endowments provide discretionary funds for activities to enhance educational and social opportunities for students. As a further extension of this concept, they also provide community members with a vehicle for giving charitable dollars. Monies contributed to school endowments are given in perpetuity, and the only distribution is a set percentage of the value usually 4.5 percent taken from interest and capital gains for educational purposes. The endowment concept sets up a long-term relationship between schools and communities for assuring that the highest quality education is available beyond that provided through state and federal funding and local property taxes.

The success of the endowment fund depends on its ability to build links between the community and the school district in order to improve education. Endowments are not intended for normal operating expenditures such as salaries, textbooks and buildings; the intent is to complement the public funds and to assist with educational activities that the district might otherwise not be able to support.

School endowments and programs and grants that result should not be seen as an end in themselves. The overall goal is to bring the community together for the improvement of educational quality and the improved perception of schools. For this reason, an advisory committee representative of the community is responsible to help raise and distribute monies from the fund. The school foundation is a cooperative partner with the School Board, but the School Board is not the ruling body of the Anchorage Schools Foundation. The Superintendent or Chief Financial Officer will serve as a liaison to this advisory committee of community representatives.

School endowments are held by the Alaska Community Foundation. The Community Foundation manages hundred of funds from individuals and organizations in the state. The Foundation oversees the responsible investment of the funds and helps provide assistance in various aspects of the school foundations' operations. It protects donors because contributions can never be spent, but only the earnings can be used for stabilizing and enhancing the educational process in perpetuity.

History of the Anchorage Schools Foundation Fund

In the 2006-2007 school year, a private citizen made an initial contribution to establish the Anchorage Schools Foundation Fund as a part of the Alaska Community Foundation umbrella. Subsequent donations have been given by some individuals and the Rasmuson Foundation. The intent is to increase the principal by investments through the Alaska Community Foundation, and then to make grants out of the interest earnings for individual school projects that fall outside of the normal grant-making process from Rasmuson and other funders.

The Superintendent, Chief Financial Officer, and the CEO of the Alaska Community Foundation, Carol Simonetti, have met again and want to request formal School Board approval for the ASD's more active participation in the already-established fund.

If approved by the School Board, the Superintendent and Chief Financial Officer, will work with the staff of the Alaska Community Foundation to establish a fund agreement to accept gifts for a school endowment fund, and to appoint a planning committee who will seek community members for the permanent advisory committee.

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Prepared and approved by: Carol Comeau, Superintendent