
New York Times

In Public Schools, the Name Game as a Donor Lure

January 26, 2006

Tamar Lewin

<<<>>>

Retrieved 01/26/05 from

<http://www.nytimes.com/2006/01/26/education/26schools.html>

PHILADELPHIA — Next fall, a stunning \$55 million high school will open on the edge of Fairmount Park here. For now, it is called the School of the Future, a state-of-the-art building with features like a Web design laboratory and a green roof that incorporates a storm-water management system. But it may turn out to be the school of the future in another sense, too: It is a public school being used to raise a lot of private money.

A glossy brochure offers dozens of opportunities for donors to get their name or corporate logo emblazoned on the walls : \$1 million for the performing arts pavilion, \$750,00 for the gyms or the main administrative suite (including the principal's office), \$500,000 for the food court/ cybercafe, \$50,000 for the science laboratories, \$25,000 for each of the classrooms, and so on. Microsoft, a partner in designing the school, has already committed \$100,000 for the Microsoft Visitors Center.

For a cool \$5 million, a donor gets the grand prize — naming the school.

"My approach is Leave No Dollar Behind," said Paul Vallas, chief executive of the Philadelphia schools, although he added that a school board review of each transaction would weed out undesirable donors, which he said included tobacco and liquor companies.

"There are tremendous needs in this system," Mr. Vallas said, "where 85 percent of the kids are below poverty level. I'm not uncomfortable with corporations giving us money and getting their names on things. As long as it's not inappropriate, I don't see any downside."

Four years ago, it was big news when the small Brooklawn, N.J., school district got a \$100,000 donation from a local supermarket and christened its new gym the ShopRite of Brooklawn Center. Then came the Rust-Oleum Field at Vernon Hills High School, north of Chicago, (a \$100,000 donation) and the Eastern Financial Florida Credit Union stadium at Everglades High School in Broward County, Fla. (a \$500,000 donation).

Now, naming rights have expanded nationwide — and far beyond athletic facilities. Strapped school districts have begun a blitz of new efforts to attract private money. Many have hired development officers to seek out their community's big donors, and consider everything

from corporate sponsorship of the high school prom to selling advertising space on school roofs.

In states where it is legal, there are districts that now sell advertisements on their school buses. And districts across the country are for the first time dangling naming privileges as an incentive to contribute or rewriting their policies to specify what can be made available for what level of donation.

Because the whole issue is so new, education officials say it is hard to know how to proceed.

Frank Till, the Broward County superintendent, said his district started thinking about naming rights several years ago, when The Miami Herald expressed interest in having a stadium at Flanagan High School carry its name.

"It didn't go anywhere, mostly because we didn't have a policy, and we didn't know what was a fair value," Mr. Till said. "Now we've adopted a formal policy and a process for deciding what's acceptable, and we're ready to go. The board just signed off on school bus advertising, and we're going to look into selling space on some school roofs that you fly over on the way into Fort Lauderdale. We're just hoping someone out there will be interested."

The push for private money stems from several different pressures, school officials say. In most states, tight budgets, new government requirements and rising operating costs have left the pool of state education financing too small to keep up with school needs or desires.

Many communities already feel taxed out and are unwilling to support increases in local property taxes. And public schools have become increasingly aware of how colleges, hospitals and private schools use naming rights in fund-raising.

"We're trying to act like the development office of a private school," said Cindy Johnson, a former school board member in Newburyport, Mass., who now runs a foundation to raise private money for the district. "They can't live on tuition alone, and we can't live on taxes alone."

Over the last five years, public schools have become an increasingly popular cause for corporations, society donors and foundations. In New York, since Mayor Michael R. Bloomberg took control of the schools, he and Schools Chancellor Joel I. Klein have raised \$311 million in private funds. The benefits are clear — new schools, new playgrounds and refurbished libraries.

But policy experts and school officials say private financing for public schools carries real risks: What happens if and when the private money dries up? Will donors take a disproportionate role in shaping school policy? And each time private money fills the gaps left by public financing, does it enable legislators and taxpayers to shrug off responsibility for supporting education?

"Public schools are the most important public institutions outside of government," said Wendy Puriefoy, president of the Public Education Network, an association of education advocacy groups. "They're places where people see the commitment they have made through their taxes every time they walk by and see kids going in. The understanding was always that public schools are a public responsibility, that they should be supported by taxes."

The trend toward private financing may also exacerbate the gap between rich and poor districts because affluent ones are often more sophisticated about fund-raising — although, as Philadelphia is showing, a high-profile project can let even a struggling urban district attract widespread interest.

"We're losing our public education system in this country," said Alex Molnar, director of the Commercialism in Education Research Unit at Arizona State University. "It is being eroded, inch by inch, by an ongoing blurring of the distinction between public interest and private good. There's a big equity problem here. By definition, parental funding, private foundations and naming rights are disequalizing."

Newburyport, a charming New England seaport with a lively tourist trade, does not look like a town where the schools would be pressed for money. But looks can be deceiving: School officials say their budget is so tight that, even after imposing an array of parent-paid fees for activities and transportation, Newburyport has had to cut elementary school foreign language and middle school theater classes and assign one principal to cover two of the district's three elementary schools.

Big property tax increases would be politically unpalatable. "Like many towns, only about 20 percent of our households have kids, so there are limits on what you can ask for," said Christin Walth, executive director of the Newburyport Education Foundation, organized in 2000 to raise money for the school.

So the district has become more aggressive about seeking private donations. As part of that effort, the foundation in 2004 began offering a wide range of naming opportunities at the high school, an imposing brick edifice on a hill above High Street — \$300 for a name plaque on a seat in the high school auditorium, \$10,000 for the principal's office, \$100,000 for the cafeteria or the library. It has had few takers. There are only a few nameplates sprinkled around the school, on the aisle seats in the auditorium, a bench in the courtyard, the television production studio.

But late last year, the Institution for Savings, a mutual savings bank, pledged \$600,000 to rebuild the outdated middle school science laboratories. The science area will bear its name — and so will the high school gym floor.

"We're just trying to take care of our little corner of the world," said Mark Welch, the bank president. "We are going to take some naming opportunities with this donation, but that had almost nothing to do with the decision. Problems get solved one city and one school at a time, and this is our community."

Is the bank's contribution enabling taxpayers not to shoulder a burden that should be theirs? "We may be," Mr. Welch said. "But if not doing this was the way to make the point that you, the city, should pay for this, more and more kids will fall behind."

Mary Murray, the Newburyport superintendent, sounds ambivalent about the move toward private financing.

"Hospitals do it, and universities do it," Ms. Murray said. "But is it troubling? Yes, on one level, because I believe public education means exactly that. But the state made a 20 percent cut across the board four years ago, and aid to cities and towns was cut almost the same percentage. Meanwhile our health care, salaries and utilities costs are rising. There's no light at the end of the tunnel, and when you're in the situation we're in, you have to do what's right for the students you're serving."

For businesses, schools can be an attractive target.

"One standard goal corporations have in their marketing programs is making the corporation itself seem more desirable and good, and it's hard to find something more desirable and good than public schools," Mr. Molnar said. "Simply associating your name in perpetuity with a school assures you an opportunity to enhance your standing in the community. It's like a brick-and-mortar billboard in perpetuity."

At least a few districts, after considering all the ramifications of naming rights for donors, have rejected the idea. In Seminole County, Fla., where naming-rights guidelines were considered last year, Dede Schaffner, one of the five school board members, was an outspoken opponent.

"If we get to the point where you can put your name on a school just because you have a fat wallet, that's not right," Ms. Schaffner said. "Sure we could use more money, but I just wasn't ready to sell our soul, and I felt that's what we were being asked to do. I didn't know until the final vote that I'd convinced most of the others that this wasn't a good idea."