

FAQ – FREQUENTLY ASKED QUESTIONS

We know that there are many questions surrounding the topic of private funding for public K-12 education as well as the need/scope of Education Foundations. Review the questions and answers below to learn more. And, of course, please contact us with any further questions.

Why do we have to raise private dollars for programs in the Petoskey Public Schools? Shouldn't this be covered by our property and sales taxes?

Petoskey offers a comprehensive public school system with an esteemed reputation. Funding for public schools in Petoskey is no longer controlled locally, but at the state level. Of each tax dollar property owners in Petoskey pay to public K-12 education, the state now dictates the amount of funds sent back to Petoskey Schools. It is not legal for local school districts to tax themselves to provide increases in school operating funds. We must find new sources of revenue for our schools, and private giving is one of just a few options. Communities can levy millages for capital expenses (like a new Sports Complex, building repairs, technology), but not for operating expenses (staff, supplies, instructional support).

Why does Petoskey need an Educational Foundation?

Petoskey needs an Educational Foundation to help sustain the quality of the Petoskey community. Nothing contributes more to the future of a community than the quality of the education the community provides its children. The Petoskey Educational Foundation was established in 1989 to secure resources to support quality education through innovative programs, creative opportunities, and imaginative approaches to learning. The programs that the Educational Foundation has historically funded have enriched the curriculum, inspired students and staff, and expanded the community's involvement in public education. Without funding from private sources to supplement the money distributed by the state, our Petoskey Public Schools are left with only an adequate education. The economic condition of the state, not Petoskey, is the driving factor in school funding. The state is doing the best it can with its resources. Now, more than ever, the Educational Foundation is poised to provide opportunities for exceptional learning that our district may not be able to offer due to fiscal constraints.

Why don't we get federal funding to contribute to Petoskey Public Schools?

Funding for Michigan schools comes almost entirely through the state. There is virtually no money available to individual school districts from the federal government.

Why are the schools in Petoskey so strapped for funds when the area has some of the highest-priced real estate in Michigan and a high tax rate?

Real estate values in Petoskey no longer have a direct correlation to school funding in Petoskey. That was changed with Prop A – all funds raised by property taxes in the state go to Lansing where they are then redistributed. School funds returned to Petoskey from Lansing do not equal 100% of what was sent. The formula for funding schools under Prop A doesn't work in a struggling economy – exactly where the state of Michigan has been for the last several years. Statewide budget shortfalls have created hardships in nearly every school district in the state.

How is the Petoskey Education Foundation governed?

The PEF is governed by eleven volunteer trustees who seek contributions, select worthwhile projects, and distribute funds. *While the board of trustees operates independently of the Petoskey Board of Education and the school district administration,* its sole mission is to support all Petoskey Public School's students achieve their highest potential by providing community support for innovative and excellent educational opportunities within the Petoskey Public Schools.

How does the Foundation fund projects?

The PEF seeks tax-deductible contributions from individuals, businesses, organizations, and trusts. Funds are not intended to replace school operating taxes for basic, day-to-day operations.

How may contributions to the Foundation be made?

• Cash • Stocks • Wills • Bonds • Trusts • Endowments • Insurance policies • Grants
Our cash assets are held in conservative, secure investments at our local banks and funds donated to our endowments will be permanently invested with the Petoskey-Harbor Springs Area Community Foundation using their investment strategies and protocols.

Is my donation tax deductible?

Yes. The Petoskey Education Foundation is incorporated as a 501(c)(3) non-profit organization, and if requested we will mail the donor a receipt for any contribution made.