



KEN GARCIA

Your BASIC excellent undertaking Scholarship group gives poor kids leg up

There are many reasons to extol the virtues of the BASIC Fund — actually, 2,645 of them.

That is the number of underprivileged Bay Area children whose private education is being paid for by the scholarship organization, one of the largest of its kind in the United States.

The BASIC Fund is a classic example of how difficult issues are often best addressed by simple solutions — in this case, setting aside enough money to make sure that at-risk families have access to a private or parochial education in the formative years between kindergarten and the eighth grade. It's not so much a fund as a critical foundation for disadvantaged children who might otherwise not have access to a quality education.

The Bay Area Scholarships for Inner City Children began in September 1998 with 355 scholarships of \$1,000 each to children from low-income families to attend a private school of their choice in San Francisco. Since then, it has become a fishes and loaves story, with the fund now supporting nearly eight times that many children in 175 private schools in four Bay Area counties.

"It's a program that's actually changed a lot of people's lives," said Victoria Butler, principal of St. Peter's Parish School in San Francisco's Mission District, which has nearly 200 of its students participating in the scholarship fund. "A lot of these hard-working families simply couldn't afford to send their kids to our school even though we have the lowest tuition of any (private) school in the city. And for them it's making a huge difference."

Schools as diverse as Northern Light School in Oakland, San Domenico Middle School in San Rafael and San Francisco's Hebrew Academy participate in the program, which guarantees scholarships for four years. The money is offered without regard for a school's academic standing or religious orientation — although, according to a Harvard University study of the program, the vast majority of parents listed academic quality or religion as the reasons for selecting their children's school.

The BASIC Fund was founded by James McCarthy and Arthur Rock, two successful businessmen and philanthropists who know the value of a good education. McCarthy used to be managing director of Merrill Lynch in New

York, and Rock is a venture capitalist who helped spawn Silicon Valley by providing the financing to create Fairchild Camera and Instrument, Intel and Apple Computer.

"When we started, we just thought we could try to help out a few kids," said McCarthy, the organization's president. "But it's grown so fast, now we've got this monster on our hands. It's been an incredible experience."

McCarthy said the original idea was based on a program in Arkansas that they wanted to duplicate here. "We wanted it to be a helping hand," he said. And that is some hand: For the 2001-02 school year the BASIC Fund will pay more than \$3.3 million to

support educational opportunities for low-income families. (For more information about the program, visit www.basicfund.org.)

"I have a very strong belief that the gap between people who are educated and those who are not will continue to grow as will the gaps in their income levels," said Rock, the fund's chairman and one of its primary benefactors. "A

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Scholarships help thousands of kids

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basic education that allows children to be able to cope with the digital world is one of the most important things we can do."

Programs like the BASIC Fund have been criticized in some quarters as a quasi-voucher system that removes bright children from public schools. However, McCarthy said, the fund has no effect on public schools and is

helping some inner-city private schools by providing money to keep them open — such as Sacred Heart Elementary School in the Western Addition, which was on the precipice of being closed last year when the BASIC Fund and other good Samaritans came to the rescue.

Another school, San Francisco Christian Academy, closed after one year because of low enrollment and then reopened, largely because of the money made available by the scholarship program.

"If kids are doing well in public schools, they'll stay there," McCarthy said. "This program is helping a fair number of schools that would otherwise be in trouble."

The scholarship fund pays as much as 75 percent of a child's tuition based on a family's income, with a maximum of \$1,500 per year. To qualify, families must be eligible for the federal free or reduced-cost lunch program, and the children must meet all academic and admissions requirements of the private schools to which they apply. It's worth noting that once a child is accepted in the program, the fund does not get involved with the student's progress.

"We don't recommend which schools they apply to and we don't get involved in how they're doing," McCarthy said. "If the student isn't doing well, the school will throw them out."

The rapid growth of the program, however, has raised some concern among its board members, who are worried that some schools have become overly reliant on the fund. Of the 175 schools in San Francisco, Alameda, San Mateo and Marin counties that have scholarship recipients, 26 have more than 30 children each who are getting BASIC Fund money. Four schools have more than 100 such students apiece. In a few schools, the program provides financial assistance to more than 80 percent of the students — and it's no surprise that the schools with the highest number of participants are in the Tenderloin, Hunters Point, Marin City, East Palo Alto and Oakland.

"The board considered limiting the number of students at one school but then rejected it," McCarthy said. "But we did put the schools on notice that it's conceivable the scholarship fund may not be around forever. Our main concern is our ability to continue raising the funds necessary to support the programs to the size and extent that we have for the last four years."

It's a pace that would be difficult for any organization to sustain. But since it's a program that relies as much on faith as money, there's no reason to doubt it.

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