

KIM: Internet sensation enables direct investment in a classroom.

Mickey Kim
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Charles Schwab's annual IMPACT conference, one of the largest gatherings of independent registered investment advisers, boasts a powerhouse line-up of keynote speakers. This year's edition didn't disappoint, with speeches from former Fed Chairman Dr. Ben S. Bernanke and former President George W. Bush.



INVESTING

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Thought not as well-known (yet), I thought the lead-off speaker, Charles Best, founder of DonorsChoose.org ("DC"), a nonprofit organization formed to provide a simple way to address educational inequity, told an equally fascinating story.

Briefly, DC enables public school teachers to post classroom project requests and donors to pick the projects they want to support. Just as the internet is changing how people get around (Uber) or raise capital to start a business (Kickstarter), DC is "disrupting" both philanthropy and education by eliminating the middle-man and allowing "providers" to interact directly with "end users."

Schwab says DC "intersects entrepreneurialism and social change," but prior to hearing Best speak, I only knew of DC through my oldest daughter's work with Teach For America teaching 10th grade English in an Atlanta school classified as "highest poverty" by DC. These are good kids who want to learn and dedicated professionals who are passionate about teaching, but with teachers having to reach into their own wallets to pay for even the most basic classroom supplies, how can you possibly fund learning projects?

Like my daughter, Best started out in 2000 as a 25-year-old history teacher in an impoverished Bronx high school. Standing at Kinko's at 5 AM making copies of a chapter of [Little House on the Prairie](#) for his students, he thought of applying the then-nascent concept of "crowdfunding" to help teachers get basic classroom supplies.

A son of privilege and living at home, Best funded development of a rudimentary website and convinced 10 colleagues to post projects. Unsure of the concept, he secretly funded nine of the projects himself (a relative funded the other one). During lunch hours, he would call journalists, philanthropists and foundations trying to drum up interest and support.

After a slow launch, with education reform becoming a hot topic and DC offering a unique way to apply technology to philanthropy, funders and the media began to embrace the concept. Oprah Winfrey named DC one of her "ultimate favorite things" and Stephen Colbert (now a DC board member) asked his fans to support DC. The Bill and Melinda Gates Foundation gave \$4.1 million to match contributions for projects aimed at promoting college readiness.

DC staff vets each project, collects the donations and purchases the supplies once the project's funding goal has been reached. Donors can screen on criteria including type of project, geographic location and demographics. Donors receive photos of the project, a letter from the teacher and, if you give over \$50, hand-written thank-yous from the students.

Since inception, DC has raised \$288 million from 1.5 million donors and funded 521,532 projects submitted by 211,401 teachers from 59,964 public schools, impacting 13.2 million students.

With 2014 coming to a close, consider investing in a classroom. As Best says, "I believe if we can crowdsource educational solutions to teachers on the front lines, who often know their kids better than anyone, we will unearth and generate better targeted, smarter ideas."

Kim is the chief operating officer and chief compliance officer for Kirr Marbach & Co. LLC, an investment adviser based in Columbus, Ind. He can be reached at (812) 376-9444 or mickey@kirrmar.com.