



# BENCHMARKING

TRENDS IN EDUCATION PHILANTHROPY

# 2011

## grantmakers<sup>for</sup>education

Grantmakers for Education builds philanthropy's knowledge, networks and effectiveness for achieving results in education. Our mission is to strengthen philanthropy's capacity to improve educational outcomes and expand opportunities for all learners by:

- Sharing successful grantmaking strategies, best practices, and lessons learned that exemplify responsive and responsible grantmaking in education.
- Creating venues for funders to collaborate on projects, share knowledge, develop leadership, advocate for change and debate strategies with other education grantmakers.
- Interpreting data, illustrating trends, and conducting research to improve the effectiveness of education grantmaking and to highlight innovative educational approaches.

Our efforts are informed by eight Principles for Effective Education Grantmaking which are designed both to guide funders in increasing their impact and to ensure that GFE's services and programs help funders accomplish their goals for change.

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# FOREWORD

Dear Colleagues,

On behalf of Grantmakers for Education, I am delighted to present *Benchmarking 2011: Trends in Education Philanthropy*. As a network dedicated to strengthening the impact of education philanthropy, we see this annual Benchmarking report as an important opportunity for our field to reflect on our practice, while also deepening our collective knowledge of the funding landscape. We aim to help you learn how colleagues across the field approach their work and prioritize their funding, and to explore emerging trends in grantmaking priorities and strategies.

We take a closer look in this year's report at how funders are responding to the challenges posed by our prolonged economic downturn, which has sharply reduced public budgets while dramatically increasing the number of children living in

poverty and the barriers to their achievement. As it becomes increasingly apparent that economic challenges will persist for several years to come, we explore whether grantmakers are adjusting their strategies, and in what ways. One clear response is increased support for advocacy efforts by funders seeking to preserve core elements of the education system, as well as additional capacity-building support to help grantees respond to reduced budgets.

As we've noted in recent years, our field's engagement in the public policy arena has grown. As philanthropy plays a more active role and its involvement increases, we attract more scrutiny from the general public and the media. Throughout this report, we highlight the tension between philanthropy's growing influence and the need to remain accountable to our learners and our communities. We devote a section in this year's report to examining the criticisms we face as a field and sharing our members' reflections on which of them we should take most closely to heart.

As in previous years, the bulk of the report draws on data from our survey and offers grantmakers an opportunity to benchmark their individual priorities and strategies against an aggregated perspective. Further into the report, we synthesize

the insights of our network members to examine important themes and considerations for improving the way we work with one another, and with the many stakeholders who comprise the education landscape.

GFE is grateful to the many members who have contributed to this effort by sharing their perspectives through the *Benchmarking* survey and especially to the members who provided feedback by acting as advance reviewers. I look forward to hearing how you use the insights in this report to inform your organization's work and define your long-term priorities.

Warmest regards,



Chris Tebben, *Executive Director*

## SECTION 1

# MAPPING THE EDUCATION GRANTMAKING LANDSCAPE

GFE members reflect the diversity of the field of education philanthropy. This section describes the basic characteristics of the 184 grantmaking organizations comprising our survey sample.

We asked respondents to tell us who they are and where they fund. We also sought to better understand how much they grant to education annually and how they distribute those funds along the education pipeline.

### Benchmarking 2011 respondents:

- **Represent varied foundation types.** Private and family foundations make up a sizeable majority of grantmakers (34 percent and 31 percent, respectively), with corporate and community foundations at 12 percent and 10 percent, respectively. (*See figure 1*)
- **Vary considerably in their geographic focus.** While the majority of our sample said that they primarily fund locally (38 percent) or in one or two states (24 percent), a significant number give on a broader scale. Twenty percent of respondents fund nationally and 11 percent fund internationally. (*See figure 2*) Urban areas are the most common focus. Virtually all respondents (94 percent) fund education projects in urban areas, while 58 percent invest in suburban and 53 percent in rural settings.
- **Tend to be smaller funders.** Sixty-eight percent of respondents have annual education grantmaking budgets of \$5 million or less; 20 percent have budgets

### Methodology

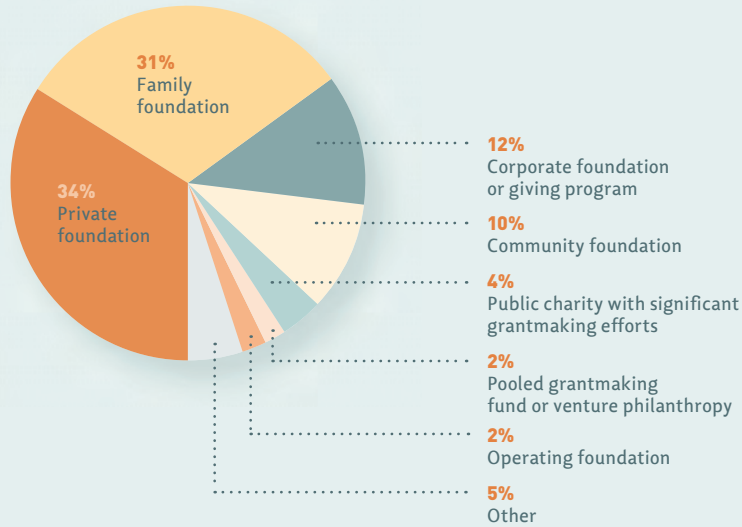
The analysis in *Benchmarking 2011* is based on data from an unduplicated sample of 184 education grantmaking organizations—approximately two-thirds of GFE’s network of grantmakers—who responded to an online survey consisting of fixed-choice and open-ended questions.

Because a different subset of funders elects to respond to the *Benchmarking* survey each year, this report does not draw many direct year-to-year data comparisons, relying instead on grantmakers’ responses to questions about how their efforts are changing over time.

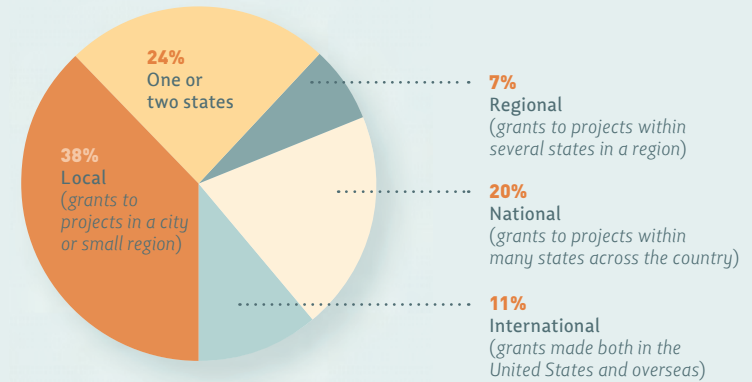
that exceed \$10 million and, of those, only 6 percent have education budgets that exceed \$40 million. (*See figure 3*) Half of all respondents (50 percent) make grants averaging \$100,000 or less, while 24 percent make grants that average \$250,000 or more. (*See figure 4*)

- **Are funding on shorter timeframes.** Nearly half of the respondents support grants lasting two to three years; 38 percent support grants with a duration of one year or less. (*See figure 5*)
- **Are seeing their budgets stabilize or expand.** For 2011, 56 percent of

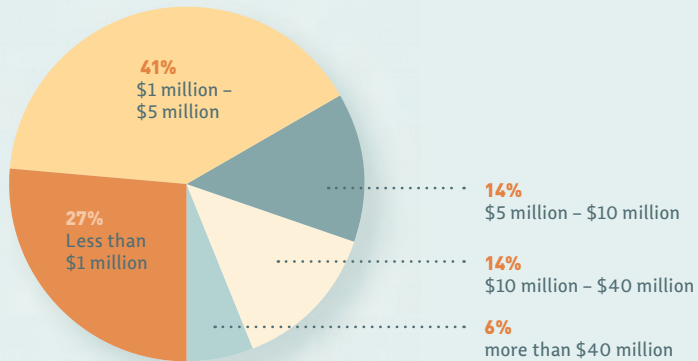
**FIGURE 1**  
Type of grantmaking organization



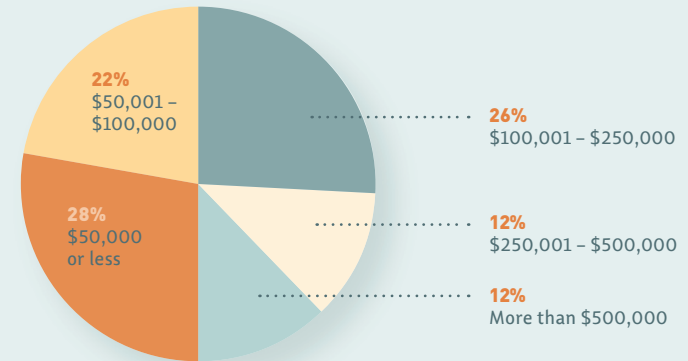
**FIGURE 2**  
Geographic scope of education grantmaking



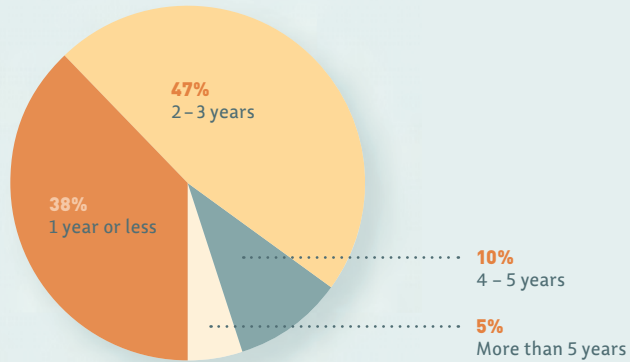
**FIGURE 3**  
Annual education grants budget



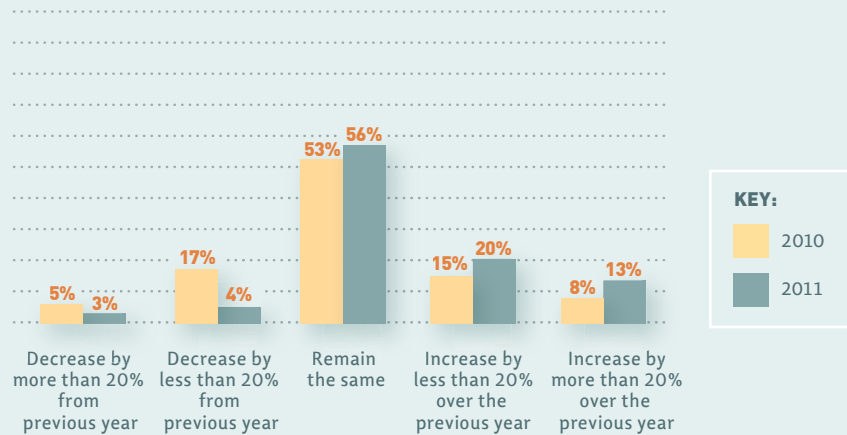
**FIGURE 4**  
Average education grant size



**FIGURE 5**  
Typical education grant duration



**FIGURE 6**  
Anticipated change to education grantmaking budgets in 2010 and 2011



**FIGURE 7**  
Education grantmaking content areas

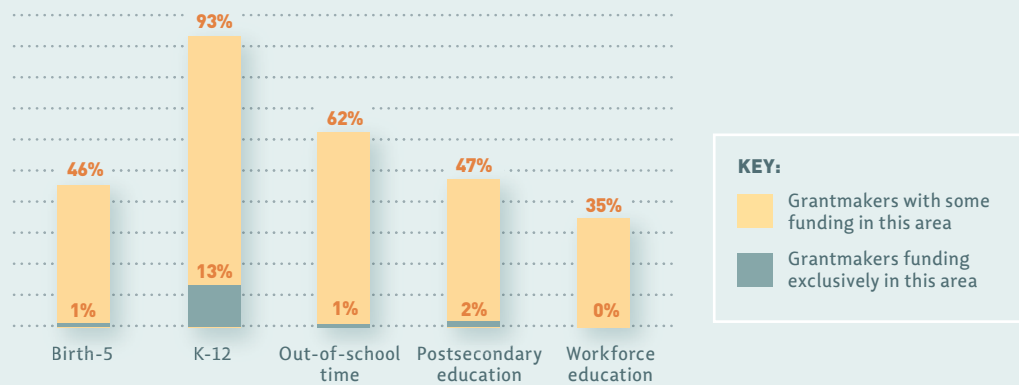
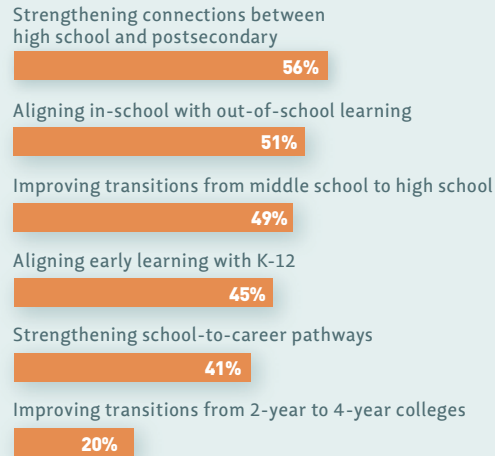


FIGURE 8

**Grantmaking to support alignment of education systems**



respondents indicated their education grantmaking will remain about the same. About one third expected an increase. Only 7 percent projected a decrease in education funding. (See figure 6)

- **Invest across all levels of the education system.** Survey respondents fund every level of education, from early learning through postsecondary. As in previous benchmarking surveys, nearly all respondents (93 percent) fund K-12 initiatives. Out-of-school time was the next most common funding area, supported by 62 percent of funders. Notably, most funders are making grants to more than one level of the education system. (See figure 7) This year we asked respondents to identify how funds were distributed across the K-12 spectrum. Of grantmakers who fund K-12, 84 percent fund at the high school level. Both middle and elementary school initiatives also receive attention from most funders (77 percent and 71 percent, respectively).

Grantmakers are also investing in efforts to develop stronger alignment across different education systems. The most common area of focus is the high school to postsecondary pathway—56 percent are making grants to strengthen these connections. Alignment between

in-school and out-of-school learning was also an important priority for grantmakers: 51 percent said they are making grants to support these areas. Efforts to improve transitions between two- and four-year colleges were the least funded area, at 20 percent. (See figure 8)



## SECTION 2

# 2011 FUNDING PRIORITIES

As grantmakers respond to changing conditions and deepen their understanding of the complex challenges in the field of education, funding priorities continue to evolve. This section outlines the priorities that are funded most widely by education grantmakers today.

We asked education funders to review 25 topics and indicate their funding priorities; for the first time, we also asked them to tell us whether these represented major investments or lesser ones. Most foundations fund in more than one area, and many of these funding areas may intersect (a professional development initiative focused on literacy, for example). But while many of the initiatives focus on different areas of the education system, grantmakers continue to emphasize investments that improve educational opportunities for underserved and minority populations. (See figure 9)

### Closing the achievement gap

For the fourth consecutive year, closing achievement gaps for minority and low-income students is the priority supported by the greatest number of grantmakers. The vast majority of respondents—90 percent—are investing in this area, with nearly 6 in 10 committing major investments and 3 in 10 investing lesser amounts. A number of funders are supporting strategies that target specific marginalized populations: several cited a particular focus on improving outcomes for African-American males, while others emphasized postsecondary education for Latino students. Funders are approaching this broad goal in many distinct ways that are outlined elsewhere

“Philanthropic dollars are a drop in the bucket compared to public funding, but donors can take on the important role of investing in R&D for education as well as supporting advocacy work to ensure education dollars are spent wisely.”

—Cristina Huevo, *Deutsche Bank Americas Foundation*

in this report (e.g., access to postsecondary education, dropout prevention and others), but the survey suggests that the bulk of respondents believe that one of philanthropy’s important roles is to address the deep social disparities that affect our nation’s diverse learners.

### Innovation

A large majority of funders (75 percent) are supporting educational innovation and the development of new models for learning. This represents a marked increase over last year, when 53 percent of funders cited this as a priority. While funders have long considered the importance of their role in

piloting and testing new models, respondents indicate that the growing interest in this area has been accelerated by the federal government—particularly the Investing in Innovation Fund. New learning models take many forms and may range from curriculum innovation to proficiency-based pathways to new approaches in teacher professional development and innovative school and staffing models. Many respondents are investing specifically in digital or online learning (42 percent), often in conjunction with innovation as a key priority and with the “promise of eliminating the opportunity gap in education.”

“If philanthropy were to get behind the transformation of education rather than its reform and began to think about the education of the public (i.e., the kids) rather than the ‘public education’ system, some great strides could be made.”

—Gisèle Huff, *Jaquelin Hume Foundation*

### Out-of-school and after-school programs

Even as funders focus on innovation and education outcomes, the survey results underscore the continuing emphasis grantmakers place on funding out-of-school and after-school programs. Nearly three-quarters of respondents (71 percent) make grants to support and foster these initiatives. Many funders are also investing in closely related areas, including expanded learning time/extended learning (57 percent) and community schools or other models that provide family, community and social support (56 percent).

### Promoting college and career readiness

In a year when college and career readiness was a rallying cry, nearly 7 in 10 respondents (69 percent) noted that they invest in high school reform to promote college and career readiness, with many funders indicating they are making “major investments” in this area. In particular, many funders—especially corporate funders—are concentrating on STEM (science, technology, engineering and math) competency. (See figure 10)

At the time of the survey, 60 percent of respondents indicated support for, and investments in, STEM initiatives, a figure that has grown steadily since 2009, when

FIGURE 10

#### STEM funding

Corporate Foundations

74%

Community Foundations

73%

Family Foundations

60%

Private Foundations

59%

41 percent of respondents invested in STEM. More than half of all respondents (53 percent) support postsecondary access initiatives and nearly half (49 percent) provide funding for postsecondary success. The open-ended responses further underscored the importance funders place on ensuring students are well prepared for both college education and career entry, especially underserved and minority populations.

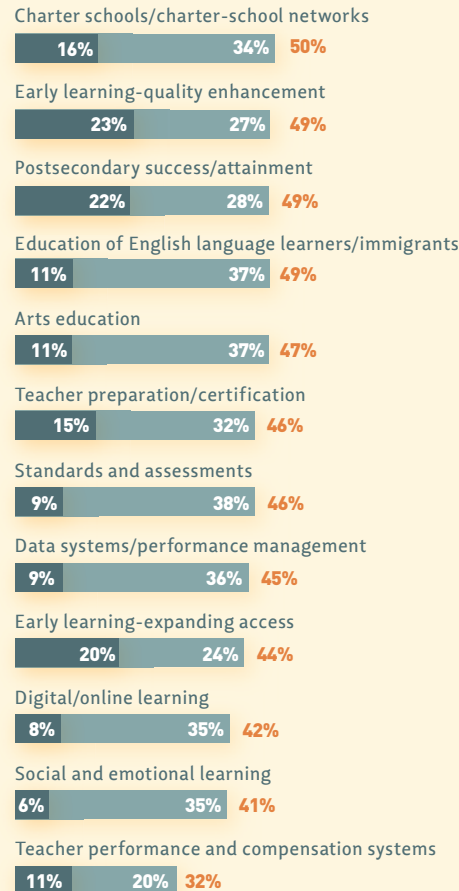
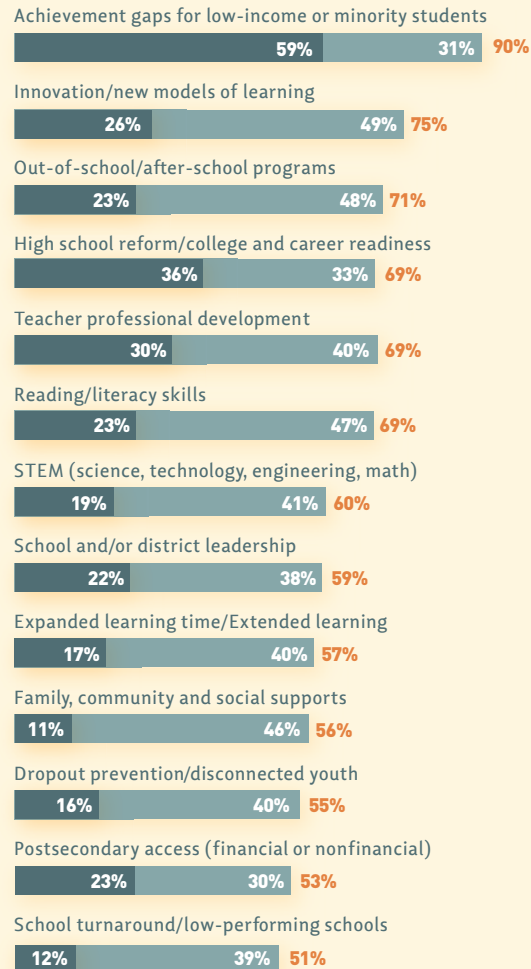
### Human capital

A majority of grantmakers continue to focus on strategies that strengthen education’s human capital. Consistent with past years, teacher professional development is the most common human capital strategy funders are supporting (69 percent).

FIGURE 9

Current grantmaking priorities

DO YOU FUND THIS?



**KEY:**

- Major investment
- Some investment
- Total investment

Teacher preparation and certification is supported by 46 percent of respondents, and teacher performance and compensation systems constitute an area of focus for 32 percent of respondents. Another closely related topic—school and district leadership—receives financial support from 59 percent of grantmakers. As one respondent observed, “There is growing recognition that teaching matters, but less agreement about how to improve it. Is this a selection issue? Is it a performance management issue? Is it a talent development issue? It appears difficult for us to accept that quality teaching may derive from all three.” Another respondent adds, “We hope to see an increase in practice-based teacher training for specific areas: urban systems, STEM subjects and others.” Several funders also noted a particular emphasis on the need to embed the Common Core standards into teacher development and preparation.

### **Reading and literacy skills**

Reading and literacy skills are a top priority for 69 percent of respondents. This marks an increase from 61 percent of respondents in 2010—growth that was anticipated by many funders in our previous survey because of increased national emphasis on early learning and the effort to strengthen state literacy standards. A growing number

of funders have focused on the outcome of reading at benchmark by the end of third grade. At the same time, several funders cautioned that a literacy focus must be sustained beyond the early years, with one funder noting the “importance of addressing adolescent literacy and the need to ensure middle school students are reading at grade level and thus prepared for high school. Literacy instruction should not end at third grade.”

## SECTION 3

# TRENDS IN EDUCATION FUNDING

In this section, education funders talk about the major trends they see affecting the education landscape and the field of education philanthropy.

In addition to asking about funding commitments, we asked respondents to tell us what they see as the most significant emerging trends in education grantmaking and why these are important to explore.

“The most significant trends are more emphasis on technology/online learning; introduction of the Common Core and new teacher assessments; renewed focus on ESL students and the changing demographics of the country overall; growth capital flowing toward a relatively small number of nonprofits with ‘proven’ models; and more online intermediaries guiding the philanthropic investment of individual donors, large and small.”

—Megan McAllister, *Altman Foundation*

## New models for teaching and learning

As documented in the previous section, many funders are already making significant investments in educational innovation. Despite offering cautions about the “trendiness” of innovation, many funders anticipate this focus will continue to drive investment, research and attention at all levels of the public and private sectors. Wrapped into this trend are many elements—from the use of technology, to rethinking the role of time and credits, to rethinking the organization of school and learning as a whole. As one respondent said, “There is an increased interest in dramatically changing the paradigm for teaching and learning and pushing for broad scale transformation of the education system.” Another respondent noted that, “21st century learning is re-imagining the way students learn and teachers teach.” Many respondents noted the potential of technology to reshape learning, whether in the classroom, in blended learning environments, or online learning in completely virtual environments. This suggests that funders recognize the need to focus both on engaging the student to foster student-centered learning and on funding teacher professional development so that teachers can adopt technology to enhance teaching

philanthropy policy teachers  
whole child high school reform new models STEM  
common core evidence-based college completion

and learning outcomes. “The potential of technology will open up access to education and create low-cost tools and new education models,” said one respondent.

“Funders are paying more attention to next generation learning strategies to foster more creative thinking, problem-solving and deeper learning to truly prepare children for career, college and life.”

—Terri Shuck, *National Public Education Support Fund*

### Standards and assessments

Given the high visibility of significant national initiatives and federal investments around standards and accountability systems, it is not surprising that many funders noted a trend toward greater focus on standards and assessments. As one respondent noted, “there is growing agreement about the need to increase rigor in K-12 and higher education.” In particular, many respondents cited the increasing importance of and attention given to the Common Core State Standards.

The Common Core State Standards are designed to be robust and relevant to the real world, reflecting the knowledge and skills that students need for success in college and in careers. Forty-four states and the District of Columbia have now adopted the Common Core—the closest the United States has come to establishing national standards, while at the same time avoiding the imposition of any specific national curriculum.

The Common Core, along with other aspects of the standards movement, was noted more frequently as a key trend in responses to our open-ended questions than any other area, with the exception of new models for learning. Funders characterized the Common Core as a game-changing opportunity to increase rigor in K-12 education. Yet surprisingly few funders (13 percent) indicated that they are currently making grants, or planning to make grants, to support the implementation of the Common Core. Among those who were doing so, their funding included support for curriculum development, teacher professional development and the development and implementation of new assessments. (*See figure 11*)

Along with the Common Core, many also noted the development of new assessment models across the education spectrum. According to one respondent, “There is an increased focus on assessment, but also a focus on getting clearer about the connection between success in high school and what it will take to authentically prepare all students for college and career.” Another respondent added: “The impact is potentially major, both locally and nationally, as work on Common Core standards and assessments for K-12 becomes ground for mutual learning between K-12 and higher

education.” Funders also noted a trend toward developing more formative assessment models and finding other ways to use assessment to enhance learning, citing a trend toward teachers’ “increased use of data and getting data results back quickly to inform teaching practices.”

Funders also discussed the ways in which the accountability movement was extending into assessments of teacher performance. A number of respondents referred to the rising use of value-added assessments and the development of new ways to evaluate teaching effectiveness.

### Evidence-based practices

The trend toward greater accountability and evidence-based practices is being applied to both education systems and philanthropy itself. Funders are investing more in data collection and management systems, not only as a requirement for their grantees but also to inform their own funding decisions.

Respondents cited the growing reliance on evidence-based research to determine models in the U.S. and elsewhere that can be adopted or adapted to improve learning and teaching. One funder stated, “Funders are seeking global models of excellence to direct how best to help American students excel.” Yet another voiced concern that

evidence-based solutions were not actually being implemented or considered: “Some philanthropic players are joining forces with powerful political players and media elites to redefine what ‘education reform’ means. Unfortunately, much of what they are pushing is not evidence-based and flies in the face of what the most successful countries and systems around the world are doing in education.”

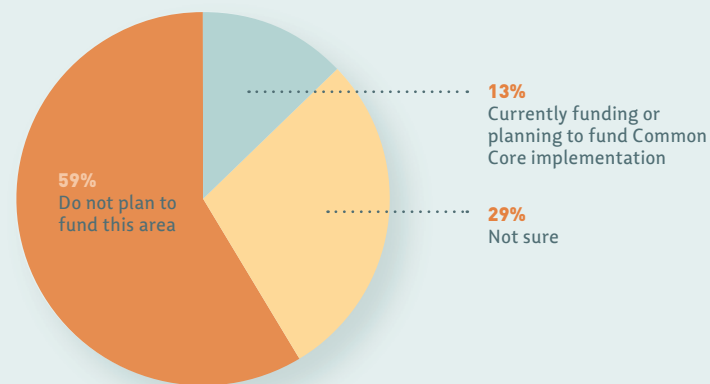
At the same time that there is a sharper focus on evidence-based practices, there are also growing debates over the evidence base itself. One area where this has come into play is in the emerging—and sometimes polarizing—discussion of teacher performance and accountability. While most respondents supported the movement toward greater accountability and data-driven decisions, a few also warned about the potential misuse of data, particularly in instances where “the reliance on student test scores would be used as measurement of teacher quality and effectiveness.”

### Supporting investments all along the education pipeline

Many respondents noted the importance of building a stronger pathway for students along the entire education pipeline—from early learning to college completion and career readiness.

FIGURE 11

### Funding Common Core implementation



Percentages may not equal 100% due to rounding.

A large number of respondents agreed that investments in early learning, in particular “birth through 3rd grade,” were gaining traction, with more emphasis on increasing connections between early learning and elementary school systems. Although respondents observed a growing understanding of the importance of early education, they also noted that there was still not enough focus on increasing resources for early education, or sufficient emphasis on accountability in early education programs in the same manner as in K-12 education. They noted the need for increased parent knowledge and skills in promoting early literacy and the social, emotional and cognitive development of their children, and also the need to increase school readiness to ensure early academic success and reduce achievement gaps in reading and math among student subgroups.

Similarly, funders noted an emerging shift from promoting college access to increasing college completion. They are focusing particularly on how prepared students are when they come to college, increasingly linking college success to high school preparation. The term “college and career readiness” is gaining more and more prominence as funders think about what academic support—as well as social, financial and community support—students

need to succeed in postsecondary education, graduate and move into successful employment. One funder noted, “There is an increasing acknowledgement of the need for postsecondary credentials. The ‘not everyone needs to go to college’ crowd still exists, but it’s more thoughtful about how to provide the best opportunities.” To this end, more postsecondary funders are also articulating a stronger emphasis on workforce preparedness.

### **Greater focus on systems and the whole child**

Many respondents told us that as the field places more emphasis on building a stronger education pipeline; it is doing so with greater awareness of education’s place in a larger system of community and social change. There is growing recognition that education is one part of a larger, complex system and funders are placing greater emphasis on collaboration across organizations and sectors.

Respondents noted a tendency to place greater emphasis on systems building and collective impact and to use collaborative funding to support initiatives that create a focus on common goals to drive toward positive outcomes. They cited such efforts as the Strive initiative, with its cradle-to-career framework, as examples

of initiatives that help community-based organizations weave together programs and outcomes to form systems that promote educational success at each stage of the continuum. One respondent summarized both the opportunities and challenges the field faces: “I see more interest in alignment and collaboration, but the public and stakeholders are still struggling to define successful approaches to achieve this. The struggle is not in defining the right approach; it is in getting people and systems to work well together.”

A subset of comments on this trend focused on the discussion of addressing “the whole child.” This discussion centers on strengthening the integration of schools with other important entities outside the classroom that can have a strong, positive effect on childhood learning, such as afterschool programs, community health programs and parents. This movement also seeks a more holistic set of outcomes, viewing educational achievement within a broader definition of well-being that promotes the development of children who are healthy, safe, engaged, supported and challenged.

### **STEM on the rise**

Many funders agreed that attention to STEM education (science, technology, engineering and math) is growing, and the number



of grantmakers joining the ranks of STEM funders seems to be growing too. (See figure 12) One respondent elaborated, “There is a renewed focus on STEM, complementing the more traditional focus on how to produce more STEM professionals. The bar is high for quantitative literacy for all of us, students and adults alike.” The respondents anticipate significant implications as growing attention to STEM may become a catalyst for systemic reform of education across all disciplines at all levels.

### Public-philanthropic relationships are evolving

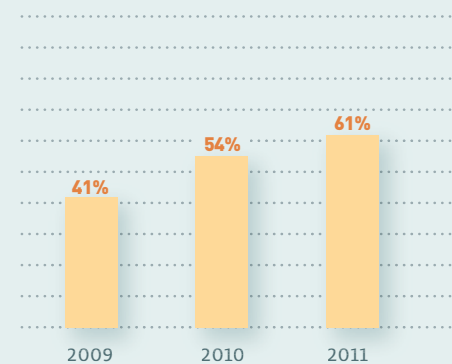
Dramatic changes are taking place in the education policy landscape, so it comes as no surprise that the roles fulfilled by education philanthropy are changing too. According to many respondents, unprecedented budget cuts are requiring funders to pay much closer attention to federal, state and local policies. A number of respondents cite an increased focus on public-will building to achieve greater impact on policy decisions.

Philanthropy’s stronger role in the policy arena drew both praise and warnings. Respondents noted that funders must walk a fine line as they become increasingly involved in public policy, citing the tension they face between taking a strong advocacy stance and remaining receptive and

accountable to the voices on the ground. Several respondents cautioned about the power wielded by a relatively small number of foundations over the nation’s broader education policy agenda.

Many respondents also mentioned the growth of public-private funding partnerships as a means of pooling and leveraging existing resources even as public funding diminishes and programs are cut. As one respondent explained, “Leverage has emerged as a dominant theme. Everyone is trying to leverage everyone else’s resources. When this works, it’s called ‘partnership.’ This not a bad thing, just hard to do well.” While public-private partnerships are not new, several respondents suggested that they are becoming more frequent because of the need to scale initiatives or create sustainability. Surprisingly few funders mentioned the impact of the federal stimulus investments in encouraging more public-private partnerships.

FIGURE 12  
STEM funding is on the rise



## SECTION 4

# GRANTMAKING IN TURBULENT TIMES: PHILANTHROPY'S RESPONSE

This section looks at how foundations are responding to cuts in public funding and the widening gaps in educational opportunities. It also explores funders' thoughts on how the field can help reduce polarization in education policy debates.

These are turbulent times for education and many funders see more problems on the horizon. Government funding cuts are hitting education systems at every level, but their impact is being felt very differently from state to state and from one segment of the education system to the next. With an increasingly uncertain economy, and state and local budgets projected to remain in crisis for several more years, many funders are concerned that the impact of this fiscal crisis will be a protracted decline in our nation's investment in public education—potentially derailing philanthropy's investments in educational improvement.

Public budget cuts are compounding the impact of widening social disparities. As public universities offset budget cuts through tuition increases, public schools scale back their offerings and cut the school year, and early learning and social support programs are cut back wholesale, opportunities for low-income and racial minority students are diminishing rapidly. These cuts, combined with increasingly polarized debates swirling around the question of how to improve the education system, have led to considerable concern, but also produced some clear thinking about how to proceed.

### Responding to public funding cuts

Most foundations are sharply focused on the impact of the current fiscal crisis on our students and education systems and are monitoring the financial situation both nationally and locally. Many agree that the crisis underscores the need to make informed and strategic decisions. As one respondent summarized, “We think that scarce funding, which is likely to persist for some time, underscores more than ever the importance of gathering evidence about what works, what does not and why. Funding scarcity forces tough decision making.”

Many respondents reported that their foundations are not trying to fill the funding gap left by the budget cuts. One respondent said, “We have stayed the course with regard to funding access, quality and

“Our ability to drive innovation and the corresponding public policy changes seems to get bigger every year. The public budget crisis is bringing political leaders to the table like never before.”

—Kristen McDonald,  
*The Skillman Foundation*

capacity initiatives in education. Although we have seen our grantees distressed due to budget cutting, it also has provided an opportunity for many of our grantees to make difficult decisions regarding which programs or positions are absolutely critical to their success.” This includes moving forward with the highest-value investments and helping partners leverage each other’s expertise and core competencies better. Another funder agreed, “Philanthropy cannot fill the gaps created by funding cuts to public education, but it can help to foster innovation and planning.”

While many respondents are not making significant changes, a few are adjusting their investments to fill the funding gaps. As one respondent explained, “We are assisting when and where possible. Recently, we’ve made a couple of unexpected grants to allow the local public school system to maintain staff and services in spite of loss of funding.” Many others are helping grantees with resource management by providing specific technical assistance on budget management and strategizing resource reallocation. One respondent said, “We are encouraging school districts to think differently about how they allocate resources and spend money. We are also targeting policies that lock the hands of superintendents, such as compensation reform and seniority-

“We’re both more realistic about whether we can expect public institutions to grow successful programs and more careful about how widespread impact can be achieved. High-touch, long-term programs may be ideal, but ideals aren’t going to get publicly funded.”

—Christine McCabe, *College Spark Washington*

based layoffs.” Another funder noted they are “acting as a leader in convening groups to think differently about collaborating across districts and organizations during this time of diminishing resources.”

Finally, many foundations are increasing the attention and support they provide to advocacy efforts. They are building public support and working collaboratively across all stakeholder groups to continue to move educational priorities and initiatives forward. This is a recurring theme in the survey responses and one that appears to gain importance during these turbulent times. Noted one respondent: “We are serving as

a convener of stakeholders to discuss the implications and define needed priorities plus working with the local public education system to leverage broad community support for its agenda.” Another added, “We remind ourselves that our grantees may not be in a position to achieve larger policy victories, but we must continually defend past wins.”

### **Responding to widening opportunity gaps**

Many funders are focused on the issue of inequitable access to quality education resources, which translates into uneven educational outcomes for low-income students and children of color. As the economic crisis pushes more families below the poverty line, while simultaneously reducing funding for compensatory programs, funders are responding across different areas of the education continuum and across different student populations. Some foundations are taking a systemic approach to narrowing the opportunity gap, such as this respondent: “We work in partnership with our local large urban district and have employed a long-term strategy beginning with students in elementary school ... We are supporting specific interventions at the elementary and middle school level to prepare

students for the increased rigor of high school requirements. As those students matriculate to high school, we will continue to support extended learning and college access efforts. Our scholarship program will provide last dollars for those students who have participated in our pipeline.”

Other grantmakers fund culturally specific initiatives, working to improve outcomes for specific populations such as African American, Latino or Native American learners. “We’ve launched a Campaign for Black Male Achievement where educational equity is one of the core investment areas. There is a foundation-wide, cross-funding

“I believe that equity needs to be at the forefront of all conversations around education philanthropy. Grantmakers also need to be attentive to voices in the community and to the various needs of stakeholders, particularly the youth impacted by philanthropic support.”

—Kathleen Maloney, *Irene S. Scully Family Foundation*

collaborative strategy to support groups that work to dismantle the school-to-prison pipeline,” explained one funder. Noted another, “We provide parent education programs for Latino parents of young children and address the social determinants of inequality (e.g., poverty, health care, nutrition, etc.).”

Respondents also cited the importance of funding organizations whose expertise and focus is to eliminate opportunity gaps in education. For example, one respondent noted that they “work with programs that provide equitable opportunities for low-income students of color.” Another explained that they “target intermediaries and encourage them to use their expertise to work within and across districts and organizations to be an effective means of creating a systemic approach to addressing these gaps.” Even as grantmakers acknowledge the urgency and importance of addressing the widening opportunity gap, many also acknowledge that the field’s efforts fall short, as summarized by one respondent, “We are not doing nearly enough! This is an area of greatest concern and need for funding and action in working with GFE and others.”

## Addressing polarization in education debates

At the same time that education systems are grappling with the economic crisis and threats from outside, the education field is also increasingly beset by internal divisions regarding reform strategies. The growing polarization in education policy debates has produced more highly pitched disagreements in government, education and advocacy circles.

A great many respondents believe that more and better information will ultimately lead to reduced conflict in education policy discussions—essentially, to let the data speak for itself and support the development of objective data and information dissemination. One respondent suggested

“Let philanthropy rise above the fray and keep a laser-like focus on results and outcomes for youth. The data speaks for itself and it can show us what is working and help us understand why.”

—Cris Kooyer, *Grand Rapids Community Foundation*

that foundations should “be champions for data-based decisions.”

Respondents also suggested that foundations should invest resources in forums, structured dialogue and other public engagement efforts to objectively explore approaches and strategies of improving education, thus leading to greater public consensus. These would include educators, the funder community and greater swaths of the general public. Foundations could play a more active role in creating safe places for dialogue and help “identify opportunities to fund programming that requires collaboration among often opposing stakeholders” or to “serve as the bridge-building catalyst by convening unlikely allies to find common ground in approach.”

Many respondents held the philanthropic community partially responsible for the increasing polarization in education debates. And many of those said the best way to force positive change is to stop providing resources to organizations that contribute to divisive, unproductive and ideologically driven debates.

But survey respondents did not universally consider the polarization phenomenon to be a problem. A sizeable contingent of funders views the education debate as an opportunity to raise important questions and bring attention to issues that require viable

“Philanthropy can create a forum where tough issues are discussed by the public and where possible strategies can guide decision making; in essence it can serve as a facilitator or leader for multiple constituencies in helping them use their resources and expertise to address these challenging situations.”

—Stanley Thompson, *The Heinz Foundation*

and sustainable solutions. One respondent explained, “We are trying to make fundamental changes to an entrenched system; the beneficiaries of that system are going to complain loudly. We need to do it anyway.” Another respondent posited that the role of philanthropy was perhaps to keep the debate alive, because “if we are talking, at least we are not hiding the issue.” A third wondered, “Is there a need to lessen the polarization? Isn’t some of it a result of philanthropy?”

## SECTION 5

# STRATEGIES FOR LEVERAGING GREATER IMPACT

Regardless of their size, it is immensely challenging for grantmakers to achieve impact on their own, especially for those who aim to affect entire systems. This section examines the types of strategies and partnerships that funders are employing to maximize the effect of their grantmaking.

This year we asked funders to describe the various strategies they are using to enhance their impact. In addition to benchmarking funders' support for a few specific strategies, we asked respondents to expand on the ways in which they are achieving the greatest impact beyond their grantmaking. Recognizing the continuing shift within the field in the direction of greater partnership and collaboration, we also asked respondents to share their strategies for building effective collaborations, with particular attention to how local and national funders can work together more effectively.

“Philanthropy’s dollars are like a stone in the sea. At best we can serve as catalysts to advance strategies that have potential for success. Funders can ensure that elected and appointed officials are well educated on what policies impede or improve our children’s educational advancement.”

—Carr Thompson, *Burroughs Welcome Fund*

## Collaboration is still the most common strategy

While the vast majority of education funders say that they collaborate with other funders to achieve their goals (91 percent), almost as many collaborate with non-funder stakeholders (83 percent). Many funders anticipate that they will increase their collaborative efforts in the next two years by 58 percent and 44 percent, respectively. (See figure 13)

For decades, grantees have beseeched funders to provide more general operating support and three-quarters of respondents (73 percent) are doing so. According to the survey responses, family foundations are more inclined to provide operating support than other types of funders, and corporate funders least so. (See figure 14)

Education funders continue to view advocacy and involvement in public policy as an important strategy, with 61 percent

“Our greatest impact in the pursuit of collaboration is the development of a sense of community where there was none.”

—Ash McNeely, *Sand Hill Foundation*

confirming they provide grants to improve public policy or to build public will for education policy changes. Another 34 percent say they plan to increase their efforts in the policy realm. This, again, is supported by the observations about emerging trends discussed in the previous section. Community foundations appear to employ this strategy the most.

Providing grants for community organizing around education goals is another major strategy used by a sizable portion of education grantmakers. Almost half of the respondents (48 percent) are committed to it and 13 percent say they plan to increase funding for organizing. Again, community foundations are far more likely to support community organizing than other types of funders.

“By working with other funders, we have seen districts stand up and pay attention to our work in a way that they did not before we worked collaboratively.”

—Jennifer Esterline, *KDK-Harman Foundation*

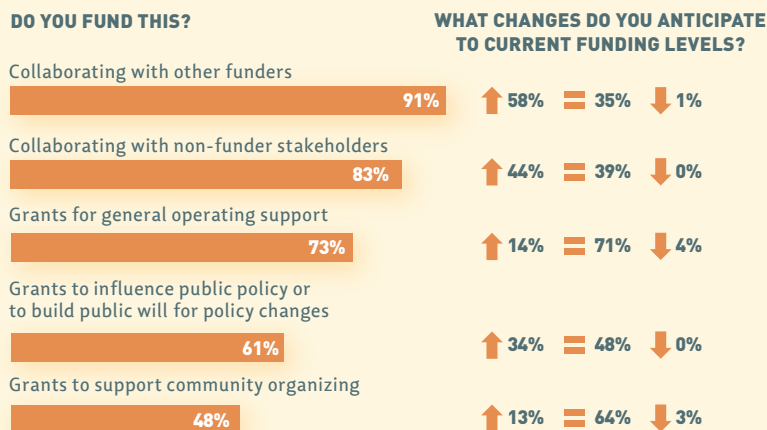
### Working better together

As noted above, collaboration is widespread among funders and by all accounts it appears to be rising. GFE’s members are working together in a wide variety of ways and in a range of different partnership models that unite funders working at different levels. In this year’s survey, we shone a spotlight on partnerships between local and national funders, recognizing that while these partnerships can be particularly challenging, they also hold great promise for leveraging the unique strengths of each partner in ways that can realize the potential of our sector.

Both local and national funders acknowledge that each brings unique strengths and perspectives to bear and, if these are properly harnessed, they can enhance the impact of their efforts. National funders bring significant capabilities in knowledge development, advocacy and public awareness. Local funders contribute deep knowledge of the key actors and the local context. As one respondent summarized, “National funders’ knowledge and resources coupled with local knowledge and boots on the ground can be very powerful.” While national education funders play an influential role in helping frame the education debate, they are often removed from the day-to-day aspects of managing

FIGURE 13

### Strategies for leveraging grantmaking impact

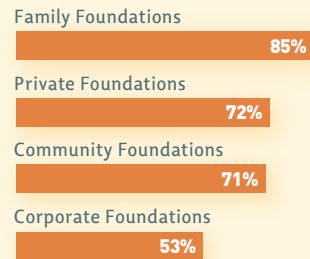


**KEY:** ↑ Anticipate increasing funding  
= Anticipate maintaining funding  
↓ Anticipate decreasing funding

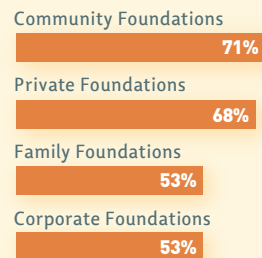
FIGURE 14

Strategy by funder type

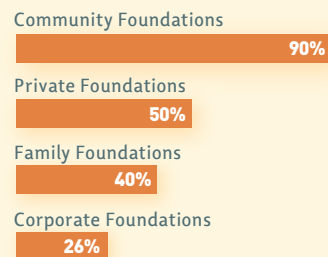
GENERAL OPERATING SUPPORT



PUBLIC POLICY



COMMUNITY ORGANIZING



and changing school systems. This is where local funders play a pivotal role in helping build the bridge between national education priorities and state, district and local systems. “Local partners have been working in the area for some time and bring to the table a detailed knowledge of on-the-ground realities that often escapes national funders,” observed one respondent.

But these partnerships are not without their challenges. Many respondents agree that working together effectively requires significant effort, discipline and good will. As one respondent suggested, “both national and local funders must park their egos if programs are to be successful.” One of the greatest challenges noted by the respondents was the concern about power dynamics that can complicate partnerships between local and national funders. Different metrics and governance models can also be a barrier. As one respondent elaborated, “We all have somewhat different accountability structures (strategic imperatives, goals, measures of effectiveness). When these can be put on the table and reconciled, collaborations tend to be more durable.” Many respondents concurred that partnerships worked best if both parties came to the table with the ability to articulate their organization’s strengths and weaknesses and collaborate

“We actively seek connections with national funders. Our experience is that they can have significant capabilities with respect to knowledge development. We try to match their programmatic expertise and range with our on-the-ground knowledge of local education organizations and systems.”

—George Grainger, *Houston Endowment Inc.*

in a way that acknowledged the local funders’ knowledge of context and the national funders’ influence.

Respondents agreed that successful collaborations had certain characteristics in common and offered advice and strategies on how to strengthen the efficacy and impact of these efforts.

- **Co-create.** Build strategies, efforts and directions together, right from the start. “Include both sectors of funders from the very beginning so that everyone’s



perspective shapes development of the collaboration,” advised one respondent.

- **Align decision-making processes.** Recognize and allow for the different accountability and decision-making structures that exist among players. Establish realistic timelines and plan and map out deliverables based on the ability of each partner to deliver effectively. Formulate divide-and-conquer strategies to keep an initiative moving forward.
- **Forge productive relationships.** The strength of the partnership will depend on the strength of the relationship. “Personal relations are key when boards are different, meeting times are different or changes in leadership occur,” noted one respondent.
- **Over-communicate.** Practice candid communication and respectful listening. Take the time to clearly define and align goals, expectations and measurable outcomes. Challenge assumptions and articulate points of view clearly and respectfully. “Take the time to really understand what you are getting into before committing,” suggested one respondent. Another added: “Communicate, communicate, communicate! Even if you think you are, it’s

“Understand the motivations that bring different partners to the table; No one party should be in the driver’s seat. As much as possible, the table must be round.”

—Scott Gelzer, *Faye McBeath Foundation*

probably not enough.” “It works when everyone’s perspective is valued, sought and used to guide joint decision-making,” noted yet another respondent.

Given the time demands involved in building and sustaining effective and productive partnerships, some foundations may question whether such relationships are worth the effort. Sometimes they are not. But as funders seek to tackle problems far greater than their resources, many believe that they are. As one respondent summarized, “These types of collaborations take time, but they are worth it!”

### More than money: Achieving impact beyond grantmaking

Grantmakers bring many resources beyond their grant dollars and savvy funders are creative about ways to use all of the tools available to them. We asked funders to share the most important work they are doing beyond their direct grantmaking. Their responses spotlight some of the strategies funders can use to achieve impact that further leverages their grant dollars.

- **Connecting grantees:** Many respondents underscored that one of their most important strategies is facilitating networking, forums and information sharing among grantees, non-funder stakeholders and the larger education field. One respondent said, “More important than money has been assisting with inter- and intra-agency communication and collaboration, particularly with government partners. In a time of fierce scrambling for declining resources, people are struggling to address the internal impact within their organizations and seem to have less time and energy to engage externally, so keeping lines of communication operating has become a key role for us.” Another funder noted that a key focus has been “coordinating the activities of grantees toward a

common goal (promoting digital learning) to reduce redundancy and promote division of labor.”

- **Influencing policy:** Many funders are delving more deeply into policy change efforts and creating mechanisms to coordinate their advocacy and policy work. These include more support for public-will building and partnering with organizations that can lobby for policy changes. While some respondents lead efforts to build public support for public education, others take a more behind-the-scenes approach. As one respondent stated, “As a community foundation with limited discretionary dollars, our power is not through grantmaking. Our power is as an advocate and convener.”
- **Building capacity:** Many education funders say that strengthening organizational capacity among their grantees and the larger education field deepens their impact. This might include providing technical assistance; supporting professional development; and helping organizations plan for long-term sustainability, adapt to changing environmental conditions, and even build fundraising capacity. One respondent said “We have developed expertise on particular issues and have hired staff and consultants who

“There is no magic bullet. Changing the structure of education matters: how we as a country fund it, how we hold it accountable, how we develop its people, what we believe all kids can do and deserve. Without addressing policy, our money will not bring the sustainable results we need.”

—Jane Broom, *Microsoft Corporation*

go into schools and work side-by-side with our partners on how to implement changes. We are increasingly seeing this as equally valuable as (if not more than) the dollars given out.” Another said, “We sponsored a consortium of all of our grantees to catalyze collaboration, provide access to expertise and consultation on capacity building, sustainability, assessment of outcomes, evaluation and strategy development.”

- **Building and disseminating knowledge:** Education funders have always been important bridge builders and

information disseminators. The responses to the *Benchmarking* survey not only support this, but also suggest that grantmakers are increasingly expanding their role in this area. As reforms and improvements take center stage in today’s education system, grantmakers are increasingly turning to research, evaluation and dissemination of information about effective practices and innovative solutions: “We are conducting a pilot to bring lessons learned from international study exchanges to local schools that have a great need for improvement,” one respondent wrote. Others stated that they are “developing evidence-based lessons on what works and what doesn’t and are communicating these findings,” or “designing learning labs” and “new assessments of deeper learning,” to examine and disseminate successful strategies in education improvement.

Data and evaluation was another key strategy mentioned by respondents. One respondent commented that “we are focusing heavily on metrics and grant scorecards so that we can direct our conversations specifically around data-driven performance.” Others mentioned implementing strategies that encourage the use of data to measure student engagement or that assist with program data and

evaluation. One respondent explained, “We produce and disseminate materials and findings of our past grants to help schools, districts and policymakers develop accountability and turnaround strategies that use teacher collaboration and distributive leadership.”

- **Supporting systems development:**

A smaller but notable number of respondents contribute to or initiate the building of systems that better coordinate education and social services across sectors and across local and regional barriers, independent of their grantmaking. For example, one respondent said that they are “helping the state build an aligned system of early care and education.” Another noted that they are “helping to lead ‘collective impact’ initiatives focused on improving education outcomes in targeted geographic communities.”

“Philanthropy can help seed innovations, capture evidence of what works and what does not, and share lessons broadly among educators who too often feel isolated and pressured.”

—Jessica Schwartz,  
*The Wallace Foundation*

## SECTION 6

# STRAIGHT TALK ABOUT OUR SHORTCOMINGS

This section presents criticisms of the field that respondents say education grantmakers should keep in mind as they carry out their work.

As philanthropy plays a more visible role in educational improvement efforts and in policy conversations, it is drawing a greater amount of scrutiny. We asked respondents to reflect on some of the criticisms leveled at our field and consider what the most important lessons are that grantmakers should take away. A great many of our respondents provided expansive answers. We detail here the main themes that arose and some insightful perspectives from the field.

### Practice humility

As education philanthropy continues to play a more powerful role in transforming the U.S. education system, the field will be scrutinized, applauded and criticized. And so the field must become its own harshest critic. We must practice humility, reflect honestly on our contributions and our shortcomings and engage in continuous improvement.

“Philanthropy needs to be a respectful, patient partner. Reforms need time to get established and become durable.”

—Barbara Gibbs, *Meyer Memorial Trust*

“I think grantmakers should try to honestly assess whether they are open to learning, or whether their views are perhaps too fixed or limited.”

—Stacey Van Horn, *T.Rowe Price Foundation Inc.*

Philanthropy has access to leading research and knowledge, and with the rise of strategic philanthropy, this has been translated into carefully calibrated strategies. Yet even the best strategies have their limitations. One respondent encouraged grantmakers to recognize that they have only “a fraction of the answers ... the rest will come only from listening to many others outside of one’s comfort zone.” Being more aware of one’s ideological biases is also an important step for philanthropists, respondents said. Real, lasting solutions to complex problems require the sustained engagement of actors from all parts of the system in determining what the solutions are. Education philanthropy must recognize that no one group can fix the nation’s toughest education problems and have the humility to acknowledge that no foundation can purport to

have a perfect strategy and then simply engage grantees to carry it out.

Grantmakers must communicate more candidly, transparently and frequently. Other stakeholders will question our intentions and processes. Funders must embrace the questioning, clearly articulate their directions and be prepared to explain their rationale. As one respondent explained, “We may have good reasons why we work with one group over another, but we need to be aware of and ready to discuss those choices.”

### Challenge our theory of change

With the rise of strategic philanthropy over the past decade, funders now place more emphasis on specifying strategies and theories of change to guide their grantmaking. Yet respondents cautioned that funders must acknowledge the limits of their strategies; challenge their own thinking and

“Be honest, transparent and accountable for funding initiatives that are unproven or not successful—and change course, if necessary. Be willing to be self-critical.”

—Michelle Gilliard, Walmart Foundation

“Today, philanthropy has had a significant impact at the level of policy ideas. However, scaling and sustaining these ideas often require flexibility and adaptive behaviors that can run counter to grantmakers’ increasingly specified, internally designed program initiatives. It remains to be seen how these expert designs interact with state and local realities (political, economic, cultural and so forth).”

—Kent McGuire, Southern Education Foundation

constantly seek evidence to test whether their thinking is borne out. As one respondent questioned, “Are we listening? Are we adjusting based upon real feedback from the field? Are we seeking that feedback?” Another respondent advised, “We need to be cautious of becoming entrenched in views that we see as ‘reform minded’ and find opportunities to acknowledge our own shortcomings and address them.”

Respondents reflected candidly about the challenges of stepping outside their own agendas to best determine direction and strategies. One respondent stated, “Half of us are so stuck inside the system we forgot what real change means. The other half are so obsessed with the private sector that we’ve lost sight of the public interest. We aren’t ambitious enough. We aren’t forward-thinking enough. We don’t take big enough risks.”

### Do no harm

Education philanthropy is sometimes criticized for failing to anticipate or address the unintended consequences of its actions. As one respondent recommended, “we must conduct honest assessment when grantmakers inadvertently create ‘swirl’

“The availability of grants is seductive to schools—grant-making can either reinforce appropriate focus or divert attention and resources within schools from important work to topics of current interest to foundations.”

—Robert Reid, J.F. Maddox Foundation

in organizations by asking them to chase money that pulls them off-mission.”

Many grantmakers recognize the influence they exert and the possible distractions they introduce as they infuse grant dollars into the system. One respondent concurred that “the availability of grants is seductive to schools. Grantmaking can either reinforce appropriate focus or divert attention and resources within schools from important work to topics of current interest to foundations.” Another respondent cautioned, “I think we need to be ever-mindful of our privileged perspective and think carefully about the unintended consequences of the strategies and solutions we promote.”

This is also true for the increasing role grantmakers are playing in policy reform and advocacy. As more and more philanthropic organizations—large and small—move into the policy realm and leverage their resources at all levels of the education system, funders are increasingly scrutinized for the power and influence they exert. Education philanthropy has seated itself firmly at the table of today’s education policy debates and will continue to be a strong voice in the debates of tomorrow. Most respondents strongly believe that this is an essential—albeit relatively new role—for grantmakers to play. That being said,

most also caution against straying from education philanthropy’s core purpose and reinforce philanthropy’s obligation to ensure that all voices are represented—particularly those of the underserved and less fortunate. The voice of education philanthropy can be powerful. More importantly, it must be accountable.

Many respondents questioned whether the policy priorities of some grantmakers sufficiently represent the disenfranchised. One asked, “Are funders circumventing the voice of the people? Are we adding a layer of elitism that is counter-productive to building consensus?” Another added, “Critical comments that I have heard include that grantmakers have too much power and are promoting their own agenda that has not been sanctioned by the ‘broad’ public and that grantmakers are becoming handmaidens to government.”

### Walk the talk

Accountability and transparency are growing themes that resonate strongly with our respondents. As grantmakers invest in education initiatives, they seek accountability from grantees. Many respondents believe that grantmakers too must hold themselves accountable and be more candid about their own measures of success. “We are scattered, unfocused and have our own

“It isn’t success to make grants; that is transactional. It is the result of those grants, individually and in aggregate, that should be publicly reported.”

—Christine Green, *The Trefler Foundation*

reporting priorities, so we can be part of the problem,” noted one respondent.

Public accountability is best achieved through transparency. One respondent explained, “Philanthropy can be mysterious. As investors, our field must begin to operate with greater transparency and willingness to share the ‘good, bad and ugly’ publicly. Funders are not perfect, although there is this notion that they should be. Instead, we should be positioning ourselves as compassionate entrepreneurs who are willing to be honest, roll up our sleeves and put our best thinking out there.”

Because grantmakers operate outside the education systems they seek to improve, they have a special responsibility and accountability to the public. One respondent emphasized that funders must answer to the public. “The question of accountability and transparency for

foundations is paramount. As foundations wield very big sticks on issues that they decide are important (no one has elected anyone here, there is no public voice), they should be accountable both to the communities and organizations they fund and to those they don't ... Foundation donors received, at some point, huge tax breaks. As long as foundation executives see themselves as being above genuine, humble, honest accountability, philanthropy will continue to be dogged by negativity."

### **A thousand flowers is not enough**

One of philanthropy's greatest strengths is its ability to plant many seeds in the hopes that a thousand flowers bloom. But many in the sector say that the field would benefit from greater coordination of resources rather than scattering seeds haphazardly and leaving them to wither from lack of substantial care and feeding. One respondent noted, "There seems to be a lot of duplication of effort with little coordination of like initiatives or dollars." Another elaborated, "Grantmakers need to work together and pool resources in order to make any sort of substantial impact. We can't work in silos and expect dramatic gains as there are far too many factors that impact student achievement. Working together toward common goals and

leveraging resources and expertise can be steps in the right direction."

The importance of collaboration and leveraging resources has been a prominent theme throughout the *Benchmarking* survey, and education grantmakers have made great strides toward embracing and modeling effective partnerships. Despite the progress and value placed on collaboration, more work can be done to develop networks and relationships that foster improved synergy, alignment and coordination.

"Education philanthropy can use its voice better. Many times, we see anecdotal and quantitative evidence of success on a small scale—one grant at a time. If we can catapult these stories into a consistent stream of positive, engaging, motivating examples of success, we can build vision. Politics aside, philanthropy can do a better job of selling a vision and outlining critical success factors in order to put the U.S. back on top of the education charts."

—Jennifer Curry, *The Goizueta Foundation*

## SECTION 7

# RISING TO THE CHALLENGE

Grantmakers are change agents who exert influence on systems by working from outside. Given our outsider position, it is important to appreciate the complexity of the work and retain a sense of humility about our role as grantmakers.

How can we make the greatest contributions as we pursue excellent and equitable education for all?

### Think systemically

The drivers of educational improvement are complex, and funders should resist the allure of simple solutions or silver bullets if we seek to achieve deep and lasting impact for learners. Increasingly, we are approaching our work with greater appreciation for the complexity of the systems that impact learning and student outcomes. With this appreciation comes a shift in emphasis from funding programs to solving problems.

Collective impact was a recurring theme this year and we hope this concept is here to stay. By aligning our efforts with those of other funders—and with those of partners from other sectors—grantmakers can help achieve results far greater than anything we would realize by acting alone. These partnerships allow us to play to our other strengths beyond grantmaking, most notably our independence and convening power. Funders can bring together system leaders who might otherwise work in isolation, such as college presidents, superintendents and principals, Head Start directors or health system administrators, to develop shared accountability and align strategies to improve outcomes for learners all along the

pipeline. These system-building efforts are not a panacea, but they can help to ensure the efforts of different agencies are mutually reinforcing and system resources are focused on the strategies that will make the greatest difference.

Thinking systemically also requires us to develop a deeper appreciation for the real work of educators and the context in which this work takes place. School systems are

“Transforming our education system is going to require everyone, both inside and outside the system, to think and behave in very different ways than in the past. That kind of change is never quick or easy. As grantmakers, we can help by getting down in the trenches, making sure we accurately understand the obstacles, and working side-by-side with our grantees to come up with better solutions.”

—Susan Wolking, *Girard Foundation*



“We still don’t collaborate often or well. We still fund charisma rather than systemic work. We still innovate much, replicate little, and don’t learn enough.”

—David Nee, *William Casper Graustein Memorial Fund*

not a blank slate awaiting a new reform effort; they are complex organizations that are implementing many layers of reforms originating from within and outside the system. Grantmakers need to understand the history and priorities of these systems and determine ways to align our efforts with the system’s priorities if we want to ensure that we are improving performance, rather than introducing distractions. As one funder stated concisely, “Funders need to learn how to be partners rather than dictators of approaches.”

### Take the long view

In the words of Newt Gingrich, “Perseverance is the hard work you do after you get tired of doing the hard work you already did.” In a field that is sometimes accused of moving on too quickly in pursuit of the next bright shiny object, we must recognize that change takes time and we must stay with it for the long haul.

This runs counter to the dominant practice in our field. As noted previously, the vast majority of respondents fund on grant cycles of three years or less, and many fund on one-year cycles. If we are to realize our ambitious goals for our nation’s learners, foundation staff must have a different kind of conversation with their boards about time horizons. As the primary accountability point in foundations, trustees are justifiably concerned about outcomes and may become discouraged when results are slow

“Funders need to be in this for the long haul. The kinds of changes we need to make aren’t going to happen on a three-year grant cycle.”

—Wynn Rosser, *Greater Texas Foundation*

and less than expected. But it is ultimately more accountable to develop realistic projections about the time and effort it will take to reach our goals and to invest with an appreciation for what is needed to see them through to fruition. As we demand more accountability from our grantees, policymakers and education leaders, we too must model this behavior.

### Tread lightly

The recurring subtext of power is clearly evident in many of the comments in this year’s survey. The power imbalance in the grantmaker-grantee relationship has long been a source of concern for funders and a number of respondents referred to the ways in which a funder’s disproportionate influence can pull grantees off course. But a different set of power concerns has also emerged, related to funders’ participation in the public policy arena.

Over the years, GFE has encouraged grantmakers to engage with public policy as a high-leverage way to achieve sustainability and scale and we’ve seen a steady rise in both the number of funders working in policy and the range of ways in which they are doing so. But as philanthropy’s policy influence has grown, so too have concerns from inside and outside the sector about the roles it is appropriate for funders

to play. At the heart of these concerns is a fear that philanthropy's wealth provides disproportionate access and influence, and when coupled with the perceived lack of accountability of grantmakers, philanthropy's voice may drown out the voice of the broader public.

As a field, we must take these concerns to heart and be very careful about how we exert our influence. We need to engage in the policy process in a way that strengthens the process as well as advancing our specific policy goals. We must be vigilant about including the voices of those most affected by our policy aims. We must listen carefully—especially to our harshest critics, who may be the ones best positioned to highlight the unintended consequences of our strategies. As we advocate and engage in public policy discussions, we must ensure that the voices on the ground can be heard.

“I think we need to be ever mindful of our privileged perspective and think carefully about the unintended consequences of the solutions we promote.”

—Candace Bell, *William Penn Foundation*

“Grantmakers must recognize the limits of elite, top-down reform prescriptions in both the substance and the process of education reform. We need to develop philanthropic strategies that mirror the democratic, equitable and inclusive goals we espouse.”

—Jeannie Oakes, *Ford Foundation*

This requires funders to practice a difficult balancing act. We must navigate between boldness and strategic clarity on the one hand and openness to hearing challenges to our strategies on the other. We must know when we can use our influence for good, but also recognize how easily we can overstep. We must identify when it is our moment to lead and when we must move to a supporting role. And we must always hold ourselves accountable, even when we are not accountable to others. This is hard work. But it is our work.

## PRINCIPLES FOR EFFECTIVE EDUCATION GRANTMAKING

### PRINCIPLE NO. 1:

#### **Discipline and Focus**

In education, where public dollars dwarf private investments, a funder has greater impact when grantmaking is carefully planned and targeted.

### PRINCIPLE NO. 2:

#### **Knowledge**

Information, ideas and advice from diverse sources, as well as openness to criticism and feedback, can help a funder make wise choices.

### PRINCIPLE NO. 3:

#### **Resources Linked to Results**

A logic-driven “theory of change” helps a grantmaker think clearly about how specific actions will lead to desired outcomes, thus linking resources with results.

### PRINCIPLE NO. 4:

#### **Effective Grantees**

A grantmaker is effective only when its grantees are effective. Especially in education, schools and systems lack capacity, and grantees (both inside and outside the system) may require deeper support.

### PRINCIPLE NO. 5:

#### **Engaged Partners**

A funder succeeds by actively engaging its partners—the individuals, institutions and communities connected with an issue—to ensure “ownership” of education problems and their solutions.

### PRINCIPLE NO. 6:

#### **Leverage, Influence and Collaboration**

The depth and range of problems in education make it difficult to achieve meaningful change in isolation or by funding programs without changing public policies or opinions. A grantmaker is more effective when working with others to mobilize and deploy as many resources as possible in order to advance solutions.

### PRINCIPLE NO. 7:

#### **Persistence**

The most important problems in education are often the most complex and intractable, and will take time to solve.

### PRINCIPLE NO. 8:

#### **Innovation and Constant Learning**

Even while acting on the best available information—as in Principle #2—a grantmaker can create new knowledge about ways to promote educational success. Tracking outcomes, understanding costs and identifying what works—and what doesn’t—are essential to helping grantmakers and their partners achieve results.



Grantmakers for Education strengthens philanthropy to improve outcomes and expand opportunities for all learners. As a national network of more than 275 private and public grantmaking organizations supporting education from early learning through postsecondary education, GFE provides research, programs and resources to increase funders' ability to be strategic and capable in their education grantmaking. For more information or to learn about membership, please contact us.

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