



A CAPITAL INVESTMENT

Table of contents

Introduction	1
Preparation	2
Success	4
Productivity	6
Chairman's message	8
President's message	9
Financial highlights	10
Guidelines for grant seekers	11
Critical outcomes	12-15
Grants in 2009	16-24
Board and officers	25

Today's college students can generate huge returns

We all gravitate toward gain. With whatever we spend — money, time, talent, energy ... even our faith and hope — we seek to generate reward. We want valuable commodities to create *more* value ... for ourselves, for those we love, for society at large.

Admittedly, in these upside-down days, where imitation trumps **PREPARATION** and defaults are swapped like trading cards, it's tougher than ever to recognize genuine value.

But there's still one place to look: into the eyes of a college student.

Today's students — as exemplified by the three inspiring people on these pages — are a remarkably diverse group with unlimited potential. America is home to tens of millions of these 21st century students, and their **SUCCESS** is vital to the nation's future.

For the United States to thrive in the rapidly changing global economy, the full potential of these 21st century students must be realized. And that means the American system of higher education must increase its **PRODUCTIVITY**. It must become a flexible and efficient engine for creating the most important resource we will ever produce: human capital.

At Lumina Foundation, we have committed ourselves to that end by establishing a specific, ambitious national goal. Our Big Goal is this: By 2025, we want 60 percent of Americans to hold high-quality postsecondary degrees or credentials.

This 2009 report tracks Lumina's early progress in the effort to reach that goal. Our work is focused in three critical areas: helping prospective students be fully prepared for college, ensuring that more of those who enroll actually succeed and reach their goals, and helping colleges and universities be more productive so they serve more students.

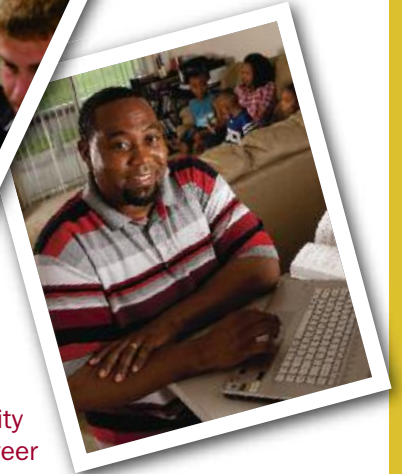
We're proud of the work reflected here, of course. But we're even more proud to introduce you to a few of the people who inspire that work and truly make it matter.

Read their stories, and we think you'll agree: There is no better investment we can make.

Valeria Santa Cruz of Tampa, Fla., 17, is following the advice of her father, Jaime, and making sure she's prepared for college success.



(Below): Jaros Crenshaw, 32, a car salesman in Carmel, Ind., is studying online to become a special education teacher.



(Above): Welder Brad Barclay, 58, Somerset, Pa., attended community college to rebuild a career shattered by job loss.

worth
profit
wealth
value
growth
skills
strength
education



Santa Cruz

CAROLINA

THE CHALLENGER ELECTRONICS

Display Select

Channel 1

Channel 2

Power

50 AMP 250V MAXIMUM

With 5A Fuse

CAROLINA

Valeria Santa Cruz

Valeria never met her grandfather. He died before she was born. But many of the qualities that defined him — notably, his compassion for animals and love of education — are the same ones the Florida teenager embodies today.

“My grandfather was a Marine in Peru. He raised 12 children,” says Valeria, 17. “I didn’t know him, but he is my role model.”

Valeria and her family left their home in Peru and came to the United States nearly nine years ago, when her father’s job was eliminated. For 8-year-old Valeria,

Her parents’ divorce added to her feelings of frustration and loss. Education became her solace. She immersed herself in her studies and, later, in the Reserve Officers’ Training Corps (ROTC). Her hard work soon paid off: As a freshman at Middleton Magnet High School Pre-Collegiate STEM Academy in Tampa, Valeria won a Kimmins Contracting Corporation Florida Prepaid Scholarship from the Hillsborough Education Foundation.

The foundation also introduced Valeria to KnowHow2GO, a pre-college awareness and

“What I like about KnowHow2GO is how it connects the dots about college,” Valeria says. “It provides information and answers questions that, as a student, you may not even think about. My father has a high school education, and my mother dropped out of school in the ninth grade. My father in particular has made sure that I understand how important a college education is to my future.”

In addition to leadership activities such as ROTC, Valeria is president of Middleton High School’s Future Farmers of America chapter, where she participates in many

of the program’s competitive events. She also “tutors” her mother, who is going to school to learn English. A junior at Middleton, Valeria hopes to attend the University of Florida and pursue a degree in agricultural business.

“When people talk about the American dream, I think of it as doing what you’re passionate about,” Valeria says. “Just like my grandfather, I don’t let hardships get in the way of what I believe in. Excuses are not in my vocabulary. Whenever something happens to you, you have the power to choose whether it’s going to break you or you’re going to learn from it. My life circumstances are building my character, but my education is building my future.”

the transition was a difficult one. She didn’t speak English, and she had to leave the friends and family she’d known since birth.

“It was very lonely,” Valeria recalls. “The only word I knew how to say in English was ‘folder.’ The adjustment wasn’t easy.”

preparation effort launched in 2007 by Lumina Foundation for Education, the American Council on Education and the Advertising Council. The effort is designed to educate students — especially low-income students, minorities and first-generation students — about what it takes to go to college and attain a degree.

High school junior Valeria Santa Cruz is doing all she can to prepare for college success. That means taking challenging courses, including an honors class in animal biotechnology.



Brad Barclay

Sometimes hardships can be life lessons in disguise. For Brad, 58, the life lessons began in eighth grade. A horrific car accident left his father paralyzed, forcing him to remain hospitalized for nine years while undergoing rehabilitation. Unable to cope with the day-to-day caretaking responsibilities for her invalid spouse, Brad's mother turned to alcohol. She eventually abandoned her family, moving from Pennsylvania to Ohio. By age 14, Brad was raising himself. He lived in a small efficiency motel, working after school in a local auto store to pay the bills.

"I tried to keep my record clean and not miss school," he recalls. "Somewhere along the way, however, they (school officials) found out that I didn't

have any parental guardian at home. When they called me in the office, they suggested that I go to Ohio, where my mother was, to finish school. I knew that wasn't an option for me."

Instead, Brad dropped out of school.

With only a ninth-grade education, his prospects of earning a decent living were slim. After a few years taking any job he could to survive, Brad eventually turned to welding, where his talents blossomed into a career.

In 1988, he was hired by FreightCar America — a rail car manufacturer in Johnstown, Pa. — and stayed there until 2007, when the company laid him off, along with hundreds of other workers at the Johnstown plant.

"Like anyone who loses a job, I was scared at first," recalls Brad, now a resident of Somerset, Pa. "But then I realized I'd been able to earn a good income for 16 years and now it was time to move on. My idea was to get a GED. After doing some research, I learned

I could make that happen while also going to college at Westmoreland County Community College. Now my plan was to not only get my high school diploma, but also to take college courses so I could become certified as a welding inspector."

At first, Brad struggled at Westmoreland, taking several remedial courses in math and English. However, with the help of the college's support services and a friend who tutored him two nights a week and on weekends, **success** became a real possibility. He not only caught up academically, he became motivated to learn more. He made the dean's list and was asked to tutor other welding students.

One of Brad's charges, Jeremy Golobic, sees his tutor as an inspiration. "He knows techniques about welding that you can't teach out of a textbook," says Golobic, 27. "Beyond that, he has years of real-life knowledge that you won't find in any college catalog."

May 6 was a big day in Brad Barclay's life. On that day, he earned a college degree: an associate of applied science degree in welding. His next goal is to pass the exam that will make him a certified welding inspector.

"Several weeks before the graduation ceremony, I just kept looking at my cap and gown, thinking about that one-room efficiency apartment so many years ago. The journey has been well worth it."

Brad Barclay's long career as a welder was short-circuited by a job layoff. Now, since earning an associate degree from his local community college, he's poised for future success.

PRODUCTION



Jaros Crenshaw

Jaros always dreamed of becoming a special education teacher, a desire that was fostered during his childhood in St. Louis. His two older sisters are special education professionals.

“I’ve seen some of the experiences their students go through,” says Jaros, now a 32-year-old Indiana resident. “I think that’s what pushed me in the direction of wanting to help kids who may be ‘different’ from others.”

After graduating high school in 1996, Jaros entered Greenville College in Greenville, Ill. Two years into his studies, he decided to “take a break” from college life. That break soon became permanent. Jaros got married, and he and his wife, Joy, eventually had three children.

“Life catches up with you,” he says. “I became sidetracked, and the short break I originally anticipated soon turned into

months and then, before I knew it, years.”

Still, Jaros never abandoned his dream of a career in teaching. And in October 2009, he enrolled in Western Governors University (WGU), a nonprofit institution that offers online, distance-learning programs in a variety of academic disciplines.

Founded in 1997 by the governors of 19 states, WGU uses an innovative approach that boosts **productivity** in higher education by specifically serving working adults who want to further their education — students like Jaros Crenshaw.

WGU students attend classes on their own time and at their own pace. Degrees are awarded when students demonstrate attainment of specific, real-world competencies — not when they complete a set number of credit hours based on a certain amount of “seat time” in class. Students also can test out of certain subjects once they show mastery of course material.

With a family and a full-time

job as a salesman for an automotive dealership in Carmel, Ind., Jaros realized that returning to college would be a challenge. Distance learning and WGU offered him a viable solution.

“I struggled for some time with my decision because I knew it was going to require a balancing act in terms of my work schedule and spending time with my family,” he says. “But I also realized this was something I had to do. It’s a major time commitment. When I come home after working 12-hour days, I know that I can’t just sit back and relax; I need to study. It’s hard, but I keep myself focused on the end goal.”

Jaros’ determination to reach his academic ambitions is further fueled by his son, Jalen, 7, who suffers from attention-deficit hyperactivity disorder and a slight learning disability.

In 2012, Jaros expects to graduate from WGU with a bachelor’s degree in special education. It will be a milestone in his life, and the goal that he envisioned as a young boy will no longer be just a dream, he says.

“Getting to my dream has been a long haul, and I am not there yet. But it’s going to happen.”

Car salesman Jaros Crenshaw wants to be a special education teacher, so he’s pursuing a bachelor’s degree by taking online classes — sometimes with help from his son, Jalen.

Looking back on a legacy ... and forward to the future

As members of Lumina Foundation's board of directors, my colleagues and I spend most of our time focused on the big picture. After all, if we hope to foster the significant changes needed to achieve Lumina's Big Goal for college attainment, big-picture thinking is a must.

Still, it is important — and always inspiring — for us to be reminded of the fundamental force that drives our work: individual college students. The three students featured on the preceding pages — and the diverse tens of millions of other students they represent — deserve our very best effort. They are this

nation's future. And that future can only be bright if the benefits of postsecondary education are spread more widely, more equitably and more consistently among all Americans.

As leaders of the Foundation, it is our obligation to focus on the future — and we have always taken that role very seriously. And yet as I review my final year as chairman of the board of directors, I hope

you'll indulge me as I briefly ponder the past.

As a founding member of Lumina's board, and as its chairman for nearly eight years, I have enjoyed a unique privilege. Along with Martha Lamkin, Lumina's first president and CEO, I had the chance to guide the formation of a new foundation — to help build, from the ground up, an organization dedicated to improving society. That is a rare opportunity, and it was one I embraced eagerly when I came on as vice chairman in the summer of 2000.

My board colleagues and I tried hard to build Lumina purposefully and thoughtfully, with our eyes focused on the future. One of our earliest steps in that effort was to diversify Lumina's financial holdings; this helped separate the Foundation from its predecessor organization and established Lumina as an independent entity able to speak with a strong and credible voice.

Also, because we were an independent organization essentially starting from scratch, we were able to adopt the best practices in philanthropy. A decade later, those early-adopted practices remain central to our operation and governance. For example, board members are elected to one-year terms and can serve

no more than 12 years. Terms of service are staggered, so the board is regularly infused with new talent without sacrificing the combined experience so vital to stable governance.

Good governance is also reflected in our dedication to meeting the highest ethical standards — a process that includes rigorous procedures for ensuring that Lumina's directors, officers and staff members avoid conflicts of interest. Also, from the beginning, we placed a high value on transparency, both in our financial dealings and in our relationships with grantees and other partners.

We also sought to hire the best people, and then empower them. For example, though board members provide overall strategic direction, we do not approve individual grants, preferring that this authority remain with the Foundation's talented staff.

At Lumina, we seek regular feedback from our peers and partners, and we use that feedback to improve our efforts. We have always tried to measure the effectiveness of our work, to learn from what we do and apply those lessons wisely. That commitment stems from a conviction we shared in those early days: that the Foundation would dedicate itself solely to enhancing the public good by increasing Americans' access to and success in postsecondary education.

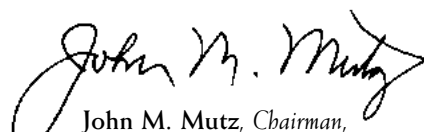
That conviction is stronger than ever. In fact, it has been sharpened considerably in recent years by our decision to direct all of Lumina's work toward one specific, ambitious aim — that Big Goal I mentioned earlier. In case you need a reminder, our Big Goal is this: By 2025, we want 60 percent of Americans to hold high-quality degrees and credentials.

We work toward that goal, not merely by giving grants, but by using many tools, including leadership, partnership, convening, public advocacy and will building, and mission-related investing.

Today, under the focused and energetic leadership of President and CEO Jamie Merisotis and our new board chair, longtime Lumina colleague Marie McDemmond, we have embraced the challenge that the Big Goal presents, and we've done so with the same enthusiasm that compelled our actions in the Foundation's early days.

I'm proud to say that Lumina Foundation remains true to the traditions we established in those early days. And I'm even prouder that our commitment to America's students — to America's future — still compels us to act.




John M. Mutz, Chairman,
August 2002-March 2010

Change happens; progress requires focused effort

"The only constant is change."

Greek philosopher Heraclitus said it (or something like it) 25 centuries ago, and it's never been more true.

As we at Lumina Foundation for Education look back on 2009 — and forward to our organization's tenth anniversary this August — I can't help but be struck by the pervasiveness and persistence of change in our lives. It is central — almost dominant, really — in nearly every aspect of our work at Lumina, particularly now.

After all, the Foundation's sole purpose is to create change. As an organization, we are committed to a specific and very ambitious goal: 60 percent attainment of high-quality postsecondary degrees and credentials among all Americans by 2025. That Big Goal represents a huge change, a 20 percentage point increase in national attainment rates in just 15 years. Also, once realized, the goal will prompt massive economic and social change for decades to come, as our better-educated citizens seize the opportunities presented by the global economy.

As Lumina works to foster those huge changes, smaller changes are also in the works. In fact, anyone who visits our Indianapolis offices these days can see clearly that change is under way. We are nearing completion of a new convening center, a specially designed space that can accommodate gatherings ranging from a handful to a hundred or more. This center, which will open later in 2010, reflects an important shift in Lumina's work, a renewed emphasis on our ability to bring various groups together — again, to foster change.

The Foundation has also undergone a change in leadership. In March of this year, John Mutz ended his eight-year stint as chairman of Lumina's board, leaving an impressive legacy that was built in a very short time. Under John's steady hand, Lumina went from an essentially unknown startup to a national force, one of the nation's top 30 foundations in terms of asset size and unquestionably the largest devoted solely to increasing Americans' success in college. John's stamp on Lumina is indelible, and we're fortunate that he will continue to serve as a board member in the coming years.

Our new chair, Marie McDemmond, will undoubtedly put her own stamp of leadership on the work of Lumina's board and its shared sense of collective stewardship. Marie's decades of experience in higher education will provide a valuable and unique perspective

on our work and challenge us to be bolder, smarter and ultimately more effective.

All of these internal changes are significant, of course. But change is even more vivid outside Lumina's walls, on the campuses and in the classrooms that constitute the front lines of our work. The biggest changes, and the ones most important for us to address, are evident in those we seek to help: today's postsecondary students.

The three people introduced at the beginning of this report embody and symbolize that change. Not one of them fits the picture typically evoked by the words "college student." None is a white, upper-middle-class 18- to 22-year-old, doing what his or her parents did: attending college at a four-year residential campus. In short, these aren't the students of the 1960s; they are 21st century students, a group whose diversity is matched only by its vast potential.



The 21st century student runs the gamut — racially, ethnically, socially, geographically, economically. The definition encompasses everyone from recent high school graduates to displaced workers to second-career retirees ... from part-time distance learners to full-time resident students ... from GED completers to certificate seekers to evening MBA students.

As a nation, we need all types of students to succeed, and in far greater numbers. To reach the Big Goal and help the nation truly prosper economically, socially and culturally, we must concentrate *now* on serving 21st century students — the students of today and tomorrow, not those of yesterday.

Again, that means change is needed.

We need a student-centered higher education system — one that is flexible, accessible and accountable ... one that supports student success and ensures quality by fostering genuine learning ... one that truly prepares students for work — and for life — in an increasingly global society ... one that serves as an efficient and productive engine for the development of our most precious national asset: human capital.

We at Lumina are proud to be a catalyst in that change effort, and we welcome your partnership in this vital work.

J. P. Merisotis
Jamie P. Merisotis
President and CEO

Despite market volatility, our direction remains constant

The financial markets, in turmoil throughout 2008, began 2009 the same way, forcing declines in Lumina's portfolio into early March. After that, however, markets found their footing, and things began to improve. By year's end, Lumina's asset total had rebounded significantly and was approaching \$1.1 billion.

Despite the deep and extended decline, Lumina's reasoned investment strategy changed very little through this challenging period. Our balanced approach helped us ensure liquidity and maintain stability even when the portfolio hovered near six-year lows. In fact, though other foundations were forced to sell assets at discounts or borrow money for cash needs during the decline, Lumina always had sufficient cash available for grant payouts and operating expenses.

This stability wasn't the result of mere good fortune; it reflects a conscious choice and stems from careful planning based on decades of investment experience. We are ever vigilant in ensuring that we honor our grant commitments. We know that those commitments are key to achieving the Big Goal we have set as an organization: that, by 2025, 60 percent of Americans will have high-quality college degrees or credentials.

To ensure progress toward that goal, Lumina's grant-making program showed continued growth in 2009. Net payout (including sponsorships and special philanthropic gifts) was \$55.7 million in 2009, up \$1.9 million from

the previous year's total. At the end of 2009, our total assets totaled just under \$1.1 billion.

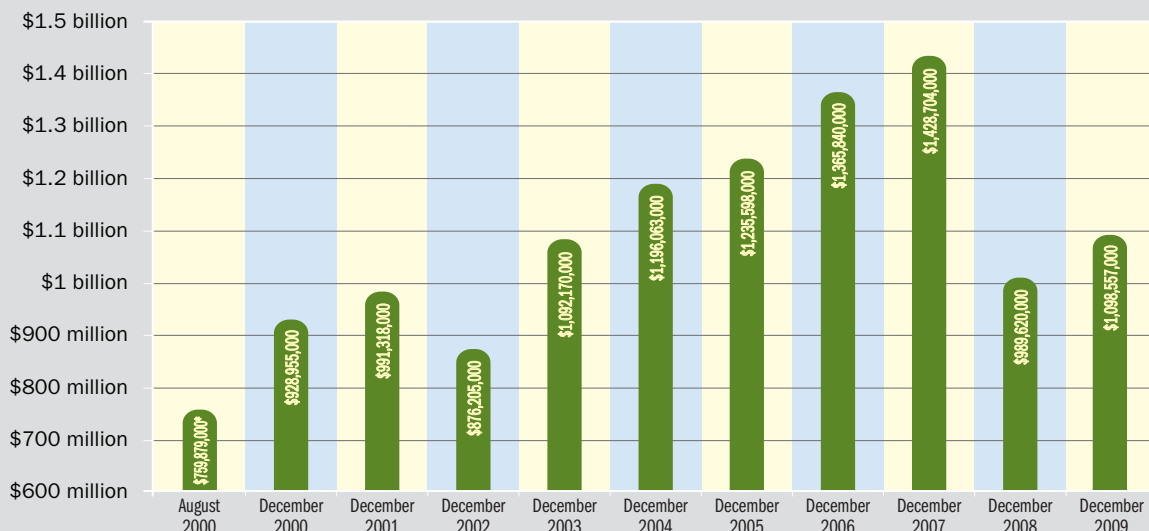
Market volatility wasn't the only change our investment staff faced in 2009. This summer, Lumina's chief investment officer decided to leave the Foundation to pursue other opportunities — a move that prompted us to conduct a thoughtful and thorough re-evaluation of our overall approach to managing the portfolio. After discussions with many individuals and firms representing a variety of investment approaches, we chose CornerStone Partners of Charlottesville, Va., to be the Foundation's outsourced investment adviser.

Under this arrangement, which became official Feb. 1, 2010, CornerStone works in partnership with our own investment staff to manage the portfolio. Serving as an extension of Lumina's internal investment process and the board's investment committee, the firm focuses on managing a customized portfolio that aligns with Lumina's mission and maintains a high level of fiduciary excellence.

We are confident that — with CornerStone's advice and our continued commitment to thoughtful stewardship — Lumina's portfolio will continue to grow in coming years, enabling us to intensify the vital work toward achieving our Big Goal.

Lumina Foundation's complete, audited financial statements for 2009 will be available on request after Aug. 15, 2010.

A year-by-year look at Lumina Foundation's assets



This chart shows the Foundation's total assets as reflected in the audited financial statements for each year. Totals for some years may not match those provided in previous annual reports. In those cases, published totals were estimates made prior to the completion of audited statements.

* This figure reflects the value of the Foundation's endowment at its inception.

Note: Amounts are rounded to the nearest thousand.

Guidelines for grant seekers

What we fund

Lumina Foundation supports efforts to increase awareness of the benefits of higher education, improve student access to and preparedness for college, improve student success in college and increase productivity across the higher education system. Such efforts include:

- Work that stimulates broad-based and systemic change, helping the Foundation to accelerate progress on our Big Goal (60 percent attainment of high-quality degrees and certificates among all Americans by 2025).
- Work that focuses on promoting educational access and success for the growing populations of low-income students, students of color, first-generation college students and adult learners. *Please note, however, that we do not support direct service programs.*
- Work to create a more informed environment that is willing to adopt more effective practices and policy reform related to issues of access and success.
- Programs that demonstrate capacity for long-term growth and sustainability.
- Research and/or evaluation that results in new knowledge and evidence to strengthen opportunities for postsecondary access and success.
- Work that addresses increasing efficiency, effectiveness and productivity to more cost-effectively educate a significantly larger share of the U.S. population.
- Collaborative work among established organizations with broad, large-scale, interstate or national reach.

Grants vary in size by their scope. The average size of our open grants is roughly \$545,000; the median is approximately \$300,000. The grants' average duration is 31 months; the median is 32 months.

What we don't fund

- Partisan political or lobbying efforts (in compliance with the Internal Revenue Code).
- Direct service programs, including:
 - Workforce training.
 - Summer bridge programs for high school and college students.
 - English as a second language courses.
 - GED or other test preparation.
 - Literacy training.
 - Social/human services.
- Discipline-specific programs or the creation of new degree programs.
- Graduate-level or professional programs.

- Unsolicited institution-specific projects not explicitly designed to stimulate change at a systemic level.
- Individual scholarships or institutional scholarship programs.
- Capital campaigns and endowments.
- Requests exclusively for equipment, such as technology hardware and software.
- Corporate sponsorships and fundraising events outside the Indianapolis area.
- Religious activities (*We may consider grant requests from religious organizations if the proposed activities promote higher education access and success and serve diverse recipients, without regard to their religious backgrounds.*)
- K-12 education reform.
- Teacher education/training.
- Meetings and conferences, unless they relate to a Foundation program.
- Curriculum development.
- Generally Lumina does not make grants to individual institutions.

“The highest result of education is tolerance.”

Helen Keller

Who and where we fund

Overwhelmingly, Lumina Foundation makes grants within the United States and its territories. In addition, as an Indiana-based foundation, we set aside a limited amount of grant funds each year for work that is specific to our hometown (Indianapolis) and home state. For unsolicited Indiana-specific requests, the median

grant is typically \$100,000. These requests should follow the same guidelines as requests from out of state.

The Foundation occasionally may initiate a grant to an entity outside the United States to inform its work of expanding access and success in postsecondary education in the United States.

Lumina Foundation makes grants to organizations that are classified as tax-exempt under section 501(c)(3) of the Internal Revenue Code and as public charities under section 509(a)(1), (2) or (3) of the Code or to public organizations that are designated under section 170(c) of the Code. Please note that Lumina does not make grants to (a.) supporting organizations controlled by disqualified persons to Lumina or (b.) Type III supporting organizations that are not functionally integrated Type III supporting organizations (as such terms are defined in the Internal Revenue Code).

For more detailed information about our grant-making program, including information on how to apply for a grant, please view the “Grants” section of our Web site (www.luminafoundation.org/grants/).

The outcomes we seek

Today's students are as varied as the academic paths they take, as diverse as the goals they seek. And yet, every 21st century student needs the same thing: a postsecondary system that meets his or her needs. To help build such a system, we at Lumina pursue three critical outcomes: better pre-college preparation, greater support for student success, and improved productivity in higher education. The following three pages highlight our work in each of these areas in 2009.



Preparation



Success



Productivity

Preparation

Taking a holistic approach to ensure college readiness

When we at Lumina say that students must be properly prepared for college, we have a multifaceted meaning. Of course we're referring to academic preparation; students need to take challenging courses so they are ready for the rigors of a postsecondary program. But pre-college preparation means much more than book knowledge. Students must also be prepared financially and socially if they hope to succeed in education beyond high school. Research shows that all three aspects of preparation must be addressed as co-equals. If any aspect is ignored or under-emphasized, the road to college becomes very rocky — and, for many 21st century students, impassable.

In 2009, Lumina pursued several strategies in an effort to foster this holistic approach to student preparation. For example:

- To enhance **academic preparation**, we worked to promote the alignment of standards and assessments used in K-12 systems with those used in postsecondary education. Specifically, one of our grants advanced the work of Achieve, a well-known education-reform organization based in Washington, D.C. Through its American Diploma Project (ADP), Achieve has focused for several years on college and career readiness. ADP helps states align standards and expectations with postsecondary education, thereby improving pre-college preparation and reducing the need for remediation. Our funding enabled Achieve to advance the concept of all states adopting a set of "common core" standards for college readiness.
- In the area of **financial preparation**, we supported research on innovative approaches that can assist low-income students and their families as they seek to make their college dream a reality. For instance, a Lumina grant enabled the College Board to identify effective ways to simplify the Free Application for Federal Student Aid (FAFSA). New America Foundation used our funding to promote policy options that can make 529 college-savings plans more appealing to low- and moderate-income families. Also, a major grant to the YMCA of the USA is helping that organization increase the impact of College Goal Sunday, a national program that helps low-income families fill out and file the FAFSA.
- Finally, to improve students' **social preparation**, Lumina made a sizable investment in the expansion of sustainable, high-quality student service and advocacy networks. Our efforts to expand these networks — which actually

contribute to academic and financial preparation as well — represent the bulk of our work in 2009 to achieve the "preparation" outcome. In fact, roughly \$12 million of the \$18.6 million in preparation grants approved this year were related to KnowHow2GO, a nationwide awareness and action campaign aimed at helping teens take the steps necessary for college success. By and large, those funds are being used to bolster the network of local organizations that provide college-access services and information to students and families. In effect, by engaging new states and regions in the KnowHow2GO network (sometimes by attracting new funders or self-funded states), we hope to build a solid college access infrastructure that has national reach and is designed to help those who need it most: low-income students, first-generation students and students of color.

"One person reaching out to one student — one potential college student — is enough to help them succeed on their higher education journey."

Kathleen Cushman, co-founder of What Kids Can Do

A catalyst for change

Our work this year to improve pre-college preparation placed Lumina in a familiar role: as a catalyst for the changes needed to achieve the Big Goal. In that catalytic role, we pursue our goal in three basic ways: by supporting effective practice, through public policy advocacy, and by using our communications and convening power to build public will for change.

By supporting the public awareness and communications components of KnowHow2GO, for example, Lumina made significant strides this year in building public will and supporting policy advocacy. The states and organizations that make up the growing

KnowHow2GO network are steadily increasing their capacity and their effectiveness as information providers and advocates for the preparation agenda.

That agenda was also advanced in the public arena this year by other Lumina grantees, including Providence, R.I.-based What Kids Can Do (WKCD). As an organization that works to empower young people to be effective agents for social change, WKCD is committed to using the power of the "student voice." This year, with Lumina support, WKCD produced short, compelling multimedia pieces in which first-generation college students speak of the barriers they face in seeking access to college. The video presentations will be shared with local and national policymakers and will also be broadly disseminated via social media.

Success

Taking many paths to one destination: increased attainment

Because Lumina Foundation is focused intently on the achievement of a specific college-attainment goal, one could argue that the “success” outcome is the one most central to our mission. And the numbers seem to bear that out, at least when one considers only the grant-making aspect of our work. In 2009, 44 percent of the grant dollars Lumina approved and 42 percent of the grant dollars paid out were to support projects designed to help postsecondary students succeed.

Yet, even within the boundaries of supporting student success, the range of our work is wide — because the challenge of the Big Goal is so significant and the need so great. In short, millions of students face a number of barriers on the path to college success, and a variety of approaches are required to help them overcome those barriers.

We pursued a number of such approaches in 2009 — reaching out for partnerships with other funders and in virtually every sector in higher education, targeting specific student populations, and supporting research and practice in several areas aimed at enhancing student success.

Supporting the sectors

One of our most visible steps in 2009 was to underscore our commitment to community colleges. We did this in part by committing nearly \$7 million to help position one of Lumina’s signature programs — Achieving the Dream: Community Colleges Count — for national expansion and even greater impact.

Launched in 2004 by Lumina and six national partner organizations, Achieving the Dream already involves more than 130 institutions in 24 states and the District of Columbia, reaching nearly a million students. Now, with its establishment as an independent nonprofit organization under the leadership of CEO William Trueheart, Achieving the Dream is poised to capitalize on the important lessons learned in helping community college students succeed.

In Indiana, we supported the state’s growing community college system with a \$2.3 million grant to help Ivy Tech Community College develop an accelerated associate degree program. And nationally, our \$500,000 grant to the American Association of Community Colleges is helping AACC develop a Voluntary Framework of Accountability that can help two-year institutions use data to improve student outcomes.

Besides community colleges, our “success” work in 2009 focused on another vital sector in higher education: the nation’s minority-serving institutions (MSIs) — including

Historically Black Colleges and Universities, Hispanic-Serving Institutions and Tribal Colleges. In 2009, we launched the MSI-Models of Success program, awarding a total of nearly \$4.5 million to nine grantees in an effort to support exemplary practices among MSIs.

Working with these grantees, Lumina seeks to amplify the collective voice and national leadership of MSIs, while helping them develop policies and practices that can help all institutions educate students of color more effectively.

An adult approach

This year, Lumina also renewed its commitment to a student population that is becoming ever larger and more crucial to the nation’s economic security and social stability: adult learners. One major project, a grant of some \$2.5 million to the Georgetown University Center on Education and the Workforce, focuses on research to identify the emerging

needs of the nation’s workforce and to determine how higher education can meet those needs. Not surprisingly, career-focused, adult-retraining programs figure prominently in that research.

Also in 2009, we joined the Bill & Melinda Gates Foundation in a national effort to improve developmental education — including the remedial or refresher courses that adult students or displaced workers often require when they return to college. By committing some \$1.6 million to evaluate the Developmental Education Initiative (DEI) and share the lessons DEI will teach, Lumina hopes to sharpen this very important tool for shaping success, particularly among older students.

Adult students also were the focus of much smaller but still significant grants — including a \$175,000 grant to the Council for Adult and Experiential Learning (CAEL). With its grant, CAEL is working to develop a center that can systematically assess the learning that individuals gain, not in the college classroom, but on the job and in other settings where college credit is not awarded. The ability to properly assess “prior learning” is a critical step in helping adults earn degrees and credentials.

Finally, efforts to galvanize the public will for change were notable in Lumina’s “success” work in 2009. A grant of \$1 million to the National Consortium for College Completion (later renamed Complete College America) seeks to make college success a national imperative. And a \$750,000 grant to the Miller Center of Public Affairs helped launch a series of nationally televised debates on the issue.

“Completion rates are the Achilles heel of American higher education.”

Patrick Callan, president of the National Center for Public Policy and Higher Education

Productivity

Broadening benefits by boosting efficiency and cost-effectiveness

Lumina Foundation has always supported efforts to encourage colleges and universities to use their money wisely to better serve students. In recent years, particularly in 2009, we took strides to emphasize, enhance and refine these efforts, with a sharper focus on making higher education more productive. As with all aspects of the Foundation's work, this clearer, tighter focus on graduating many more students while maintaining academic quality stems directly from Lumina's public commitment to achieving our Big Goal of 60 percent degree attainment.

Clearly, this goal cannot be reached without significant and substantive changes in the nation's colleges and universities. "Business as usual" simply won't work — for at least two reasons. First, traditional approaches can't be expected to significantly increase the rates at which students finish academic courses of study. Second, our current system lacks capacity to serve the tens of millions of additional students who must become college graduates if we are to meet the needs of American society and the demands of the nation's economy. Achieving Lumina's goal will require nothing short of a transformation of the higher education landscape — a transformation that must encompass new models and better approaches for serving students, especially those who have been poorly served in the past.

Two essential elements

At Lumina, we view higher education productivity as having two critical elements: efficiency and cost effectiveness. By this we mean putting our resources to better use. The U.S. spends nearly twice the amount per student as does the average developed nation. These vast sums dedicated to higher education are important, whether viewed from the perspective of institutions that *spend* to help students learn or from the viewpoint of students and families who pay the prices these institutions charge. We have always promoted — and will continue to promote — education that is within reach of American families at all income levels. But we also are committed to ensuring that the system makes the most of its available money and graduates many more students while preserving the academic rigor and quality of a college education. Again, the aim is to increase both *efficiency* and *cost-effectiveness* so money can be reallocated to serve many more students.

In simplest terms, we want to reduce the amount spent for each degree earned, thereby increasing the efficiency of colleges and universities and enabling them to reach more

students. At the same time, we want to ensure education is delivered as cost effectively as possible — that it offers these students the type of learning that truly prepares them for life and for the workplace at a cost we can afford.

Three focus areas

Through our work, we have identified three important areas in which policymakers and higher education officials must work to boost productivity:

1. Paying for results. States need to look for ways to pay for real results, not simply reward potential. Rather than continuing to allocate higher education funds based on student enrollment, policymakers must use tax dollars wisely to ensure that students complete their courses and programs and earn high-quality degrees and credentials.

2. Educating in new ways and places.

All colleges and universities must change to meet new demands. They must educate students in innovative and affordable ways, not simply perpetuate the traditional classroom setting.

3. Reinvesting in graduating more students. Colleges must analyze their spending, eliminate unnecessary spending and apply the savings to graduating millions more well-educated students.

Lumina's commitment to improving productivity is evident in our 2009 grant making. For example:

- Of \$58.1 million in grants that

Lumina Foundation approved this year, \$13.6 million went to support work in the productivity area.

- Of this \$13.6 million, \$9.1 million was awarded in late November, when Lumina announced multi-year productivity grants to seven states: Arizona, Indiana, Maryland, Montana, Ohio, Tennessee and Texas.

- Productivity was the main focus of 31 of the 136 grants that Lumina Foundation approved in 2009.

- Of the money paid out in 2009 grants, productivity work accounted for one-fourth of the total.

These investments — as well as other Lumina support for stakeholders — are being used in three ways to promote necessary changes to improve productivity in American higher education:

1. Piloting and implementing promising policies and practices.
2. Sharing the lessons learned in these pilot efforts, knowing that not every pilot program can or should be scaled up.
3. Supporting research and communication that informs policy change and builds the will for genuine reform.

"Colleges need to be looking for ways to permanently restructure, not just cut their budgets."

*Jane Wellman, executive director,
Delta Project on Postsecondary
Education Costs, Productivity
and Accountability*

Focusing on critical outcomes creates maximum impact

In 2009, Lumina Foundation's ninth full year as an independent foundation, we directed all of our work toward a single Big Goal for college attainment. That goal, simply stated is this: By 2025, we want 60 percent of Americans to hold high-quality college degrees or credentials. We pursue this goal in three ways: by supporting effective practice, through public policy advocacy, and by using our communications and convening power to build public will for change.

In 2009, our staff fielded more than 600 inquiries and approved 136 grants for a total commitment of more than \$58 million. Net payout on current and prior years' grants was \$55.7 million, an increase of \$1.9 million – or 3.4 percent – from our 2008 net payout of \$53.8 million. In addition to grants, we paid out more than \$1.5 million in special gifts to stimulate the charitable donations and volunteer activities of board members and staff.

The following pages (Pages 17-24), contain a comprehensive list of Lumina's 2009 grant approvals, grouped in four categories. The first three categories correspond directly to a group of "critical outcomes" the Foundation has identified – three significant results that must be produced by 2025 for the nation to reach the goal of 60 percent attainment of high-quality degrees and credentials. Those critical outcomes are as follows:

- **Preparation:** Students are prepared academically, financially and socially for postsecondary success.
- **Success:** Higher education completion rates are improved significantly.
- **Productivity:** Higher education productivity is increased to expand capacity and serve more students.

The fourth category, though much smaller than the others and not directly linked to the achievement of the Big Goal, is nevertheless an important part of our grant making. Funds awarded in this category went to advance the field of philanthropy.

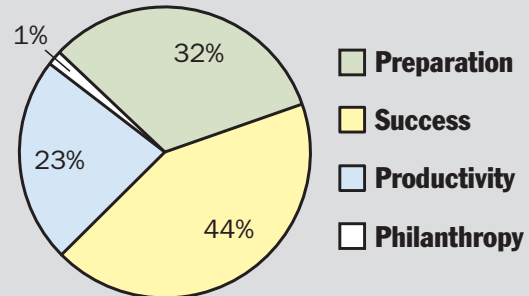
Grants approved in 2009 ranged from \$2,500 to more than \$4 million. The average was around \$425,000.

For 2009 we approved:

- Fifty-one grants totaling more than \$18.6 million to address **preparation** issues.
- Forty-five grants totaling more than \$25.5 million to improve student retention and **success**.
- Thirty-one grants totaling nearly \$13.6 million to improve **productivity** in postsecondary education.
- Nine grants totaling nearly \$307,000 to support the field of **philanthropy**.

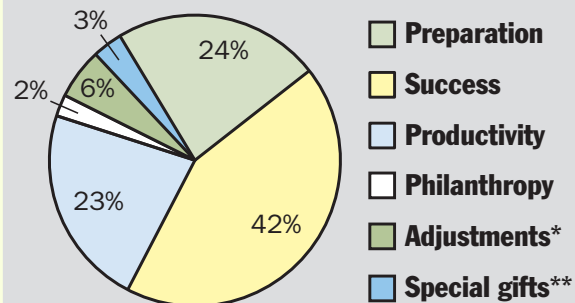
All of these grants are listed below, grouped according to theme. Each listing includes the name and location of the grantee, the grant amount, a brief purpose statement, and the term of the grant (in parentheses).

Grants approved in 2009, by outcome sought



Outcome	Number of grants	Dollar value	Percent
Preparation	51	\$18,634,300	32%
Success	45	25,543,238	44%
Productivity	31	13,585,200	23%
Philanthropy	9	306,800	1%
TOTALS	136	\$58,069,538	100%

Net payout in 2009, by outcome sought



Outcome	Dollar value	Percent
Preparation	\$13,618,595	24%
Success	23,216,018	42%
Productivity	12,652,400	23%
Philanthropy	1,075,200	2%
Adjustments*	3,575,447	6%
Special gifts**	1,538,568	3%
TOTALS	\$55,676,228	100%

* The "Adjustments" category includes \$5,596,098 in grant obligations accrued but not paid out in 2009. It also accounts for \$2,020,651 in grant monies that were refunded to Lumina in 2009.

** The "Special gifts" category includes gifts, dues and sponsorships made in 2009 to stimulate the charitable donations and volunteer activities of our board members and staff.

Preparation

Academy for Educational Development

New York, N.Y.

\$149,300 – To support a planning grant for mapping data about college access and success networks. (One year)

Academy for Educational Development

Washington, D.C.

\$667,700 – To continue the process evaluation and to provide technical assistance with evaluation to KnowHow2GO partners. (29 months)

Academy for Educational Development

Washington, D.C.

\$2,600,000 – To strengthen and sustain the KnowHow2GO ground campaign by providing technical assistance to state partners, involving additional collaborators and organizing an improved learning community for all partners. (Three years)

Academy for Educational Development

Washington, D.C.

\$56,300 – To coordinate KnowHow2GO technical support provided by Community Partners/Paul Vandeventer and Anthony Macklin. (14 months)

Achieve

Washington, D.C.

\$395,700 – To strengthen the alignment of higher education with college and career-readiness standards. (Eight months)

Advertising Council

New York, N.Y.

\$1,544,400 – To support the KnowHow2GO campaign that encourages more low-income students and their families to take the necessary steps toward post-secondary education. (Three years)

American Council on Education

Washington, D.C.

\$2,305,000 – To support in 2009-2011 the KnowHow2GO ground and air campaigns with national and local outreach and communication activities. (35 months)

Blue Engine

Washington, D.C.

\$10,000 – To support leadership development and increase organizational capacity. (13 months)

Center for Law and Social Policy

Washington, D.C.

\$208,000 – To conduct research on federal non-higher education programs with education and training components, including a state-by-state analysis of how these funds are used, and to develop relevant policy briefs. (One year)

“An investment in knowledge pays the best interest.”

Benjamin Franklin

Center for Nonprofit Excellence

Akron, Ohio

\$104,500 – To connect findings from the KnowHow2GO evaluation to similar communities of learning practices identified in the Making Opportunity Affordable evaluation. (One year)

Central Indiana Community Foundation

Indianapolis, Ind.

\$260,100 – To support the Summer Youth Program Funder partnership. (21 months)

Central Indiana Corporate Partnership Foundation

Indianapolis, Ind.

\$100,000 – To expand access to Advanced Placement professional development for high school teachers in Indiana. (One year)

College Board

New York, N.Y.

\$215,000 – To identify effective ways to simplify the Free Application for Federal Student Aid. (18 months)

College Board

New York, N.Y.

\$118,700 – To generate national awareness and support for the proposals to improve the federal student aid system that were issued by the Rethinking Student Aid study group in September 2008. (16 months)

Corporation for Enterprise Development

Washington, D.C.

\$10,000 – To support the 2009 National Conference on Children and Youth Savings and to showcase the current impact and potential scale of Children’s Development Accounts – universal savings accounts for children and youth. (One year)

Council for Opportunity in Education

Washington, D.C.

\$150,000 – To improve the reach and effectiveness of KnowHow2GO state networks by integrating TRIO programs on the national and state level. (One year)

DonorsChoose Indiana

Chicago, Ill.

\$300,000 – To engage middle school teachers in the KnowHow2GO campaign. (13 months)

EducationQuest Foundation

Lincoln, Neb.

\$140,000 – To develop and implement a sustainable statewide college access network in Nebraska that will support advocacy and policy efforts. (29 months)

Encouragement Services

Bloomington, Ind.

\$10,000 – To create a plan to integrate Encouragement Services into the Indiana KnowHow2GO work and the national college access library. (Three months)

Year-by-year record of grant approvals

Year	Total dollar amount approved	Number of grants approved	Average amount
2001*	\$6,271,730	39	\$160,814
2002	\$21,469,884	90	238,554
2003	\$30,664,745	132	232,309
2004	\$39,937,265	165	242,044
2005**	\$81,537,486	203	401,662
2006	\$44,000,420	186	236,561
2007	\$27,267,472	104	281,107
2008	\$52,991,772	173	253,000
2009	\$58,306,526	163	357,708
Total	\$362,477,300	1,255	\$288,827

Note:
This comprehensive table includes program-related administrative grants, which tend to be small and are omitted from the grant totals typically reported. Totals and dollar figures in this table differ slightly from those used elsewhere in this report and in previous annual reports.

* Although Lumina Foundation grant making officially began in August 2000, grant making under Lumina Foundation guidelines began in 2001. In 2001, Lumina Foundation approved two important but exceptional grants – one to Scholarship America to establish the Families of Freedom Scholarship Fund, and one to the Community Foundation for the National Capital Region to support community-based giving programs in Indianapolis and Washington, D.C. Including these grants means that the Foundation approved 41 grants totaling \$51,275,066 in 2001, and 1,257 grants totaling \$413,752,366 in the past nine years. These two exceptional grants skew averages and are therefore excluded from the table.

** In 2005, Lumina made several large, multiyear grants to support Achieving the Dream: Community Colleges Count. These grants represented half of the year's total.

First American Land-grant College Organization and Network

Columbia, Mo.

\$10,000 – To support the annual FALCON conference focused on student access and success at tribal colleges. (Six months)

Illinois Student Assistance Commission

Deerfield, Ill.

\$93,500 – To plan for the next phase of KnowHow2GO in Illinois. (Seven months)

Indiana Association of United Ways

Indianapolis, Ind.

\$10,000 – To advance the after-school movement in Indianapolis and central Indiana through collaboration with other after-school providers and community leaders. (One year)

Indiana Department of Education

Indianapolis, Ind.

\$100,000 – To coordinate state efforts to increase college access and success by engaging partners and leveraging resources. (Three months)

Indiana Department of Education

Indianapolis, Ind.

\$2,500 – To sponsor the Indiana Dropout Prevention Leadership Summit. (Three months)

Jobs for America's Graduates

Alexandria, Va.

\$10,000 – To support the JAG National Thought Leader Event to discuss how to close the academic and career achievement gap for at-risk minority students. (One year)

Learn More Indiana

Indianapolis, Ind.

\$115,500 – To plan for the next phase of KnowHow2GO in Indiana. (Five months)

Marion County

Commission on Youth

Indianapolis, Ind.

\$60,000 – To create college access networks within Marion County's public high schools to provide wrap-around services touching on all four steps of KnowHow2GO for students. (16 months)

Martin University

Indianapolis, Ind.

\$75,000 – To provide flood relief funds to Martin University. (Four months)

National College Access Network

Washington, D.C.

\$72,200 – To host an NCAN post-conference day on policy issues and process for the KnowHow2GO learning community. (Three months)

Grants in 2009

New America Foundation

Washington, D.C.

\$325,000 – To promote policy options that make investing in state-administered 529 college savings plans more appealing for low- and moderate-income families. (14 months)

New England Educational Opportunity Association

Orono, Maine

\$140,000 – To develop a sustainable college access network in Connecticut that will support advocacy and policy. (29 months)

Northwest Education

Loan Association

Seattle, Wash.

\$58,400 – To plan for the next phase of KnowHow2GO in Washington. (Five months)

Ohio College Access Network

Columbus, Ohio

\$80,500 – To provide bridge funding for the Ohio College Access Network to continue as the coordinator for KnowHow2GO. (Six months)

Ohio College Access Network

Columbus, Ohio

\$163,500 – To plan for the next phase of KnowHow2GO in Ohio. (Five months)

OMG Center

for Collaborative Learning

Philadelphia, Pa.

\$9,100 – To design a white paper and an evaluation report on Lumina's McCabe Fund. (Two months)

Prichard Committee for Academic Excellence

Lexington, Ky.

\$117,700 – To plan for the next phase of KnowHow2GO in Kentucky. (Five months)

Purdue University

West Lafayette, Ind.

\$750,000 – To establish in Indiana the Benefit Bank that connects low- and moderate-income Hoosiers with benefits and work supports, including financial aid. (14 months)

Scholarship America

St. Peter, Minn.

\$140,000 – To develop a sustainable statewide college access network in Iowa that will support advocacy and policy efforts. (29 months)

Southern California College Access Network

Los Angeles, Calif.

\$95,300 – To plan for the next phase of KnowHow2GO in the southern California region. (Five months)

Student Assistance Foundation of Montana

Helena, Mont.

\$140,000 – To develop a sustainable statewide college access network in Montana that will support advocacy and policy efforts. (Three years)

Tennessee Higher Education Commission

Nashville, Tenn.

\$140,000 – To develop a sustainable college access network in Tennessee that will support advocacy and policy. (29 months)

United Way of Central Indiana

Indianapolis, Ind.

\$150,000 – To support the Community Economic Relief Fund. (Nine months)

University of

North Carolina-Chapel Hill

Chapel Hill, N.C.

\$25,000 – To continue the partnership with the National College Advising Corps and the KnowHow2GO campaign. (11 months)

University of South Florida

Tampa, Fla.

\$73,900 – To plan for the next phase and expansion of KnowHow2GO in Florida. (Eight months)

University of Southern California Center for Enrollment Research, Policy and Practice

Los Angeles, Calif.

\$10,000 – To support the January

2010 conference, "What Matters Now: College Access and Success in the Age of Obama." (Two months)

University of Wisconsin System

Madison, Wis.

\$140,000 – To develop a sustainable statewide college access network in Wisconsin that will support advocacy and policy. (29 months)

Washington University in St. Louis

St. Louis, Mo.

\$75,000 – To help KnowHow2GO state networks develop and implement policy strategies in support of savings account vehicles for low- and moderate-income students and their families. (Two years)

What Kids Can Do

Providence, R.I.

\$99,900 – To bring student-produced research and media to the attention of local and national policymakers and stakeholders. (14 months)

What Kids Can Do

Providence, R.I.

\$870,000 – To manage Lumina's three-year initiative to link national youth-serving organizations to the KnowHow2GO campaign. (Three years)

YMCA of the USA

Chicago, Ill.

\$5,127,600 – To manage, expand and integrate the College Goal Sunday program into the national YMCA movement. (Three years)

Youth Transition Funders Group

Washington, D.C.

\$10,000 – To support the work of the Youth Transition Funders Group. (One year)

Number of Preparation grants: 51
Total: \$18,634,300

Success

American Association of Community Colleges

Washington, D.C.

\$500,000 – To develop and test a national framework for community colleges to improve student outcomes. (Two years)

American Indian Higher Education Consortium

Alexandria, Va.

\$500,000 – To help Tribal Colleges and Universities become more effectively engaged in higher education policy at the local, state and national levels. (Three years)

Association of Public and Land-grant Universities

Washington, D.C.

\$408,700 – To help higher education institutions implement the student learning outcomes section of the Voluntary System of Accountability. (Two years)

California State University, Monterey Bay

Seaside, Calif.

\$500,000 – To improve the effectiveness of developmental education courses at three Hispanic-Serving Institutions. (Three years)

“Education's purpose is to replace an empty mind with an open one.”

Malcolm Forbes

Catalytica

Seattle, Wash.

\$116,000 – To explain and communicate the lessons arising from a three-state exploration of “tuning” at U.S. higher education institutions. (One year)

Catalytica

Seattle, Wash.

\$9,888 – To supplement the original grant and cover higher-than-anticipated costs related to the tuning project. (One year)

Council for Adult and Experiential Learning

Chicago, Ill.

\$175,000 – To design an accessible “virtual” Prior Learning Assessment Center to be developed and administered by CAEL. (Seven months)

Education Writers Association

Washington, D.C.

\$10,000 – To support a panel discussion regarding degree quality with reporters at the Education Writers Association’s annual meeting in Washington, D.C., on April 30, 2009. (Two months)

Excelencia in Education

Washington, D.C.

\$10,000 – To support 2009 Examples of Excelencia and its Celebration de Excelencia. (Two months)

Florida International University

Miami, Fla.

\$495,800 – To evaluate student success initiatives and develop program improvements to raise undergraduate persistence rates using a data-driven inquiry process. (Three years)

Georgetown University

Washington, D.C.

\$2,577,700 – To conduct and disseminate research on the relationship between higher education and the economy, including projecting the supply and demand for college-educated workers. (Three years)

Indiana Community Action Association

Indianapolis, Ind.

\$10,000 – To provide a comprehensive report about the financial aid system in Indiana and policy recommendations to increase access to financial aid programs for working adult students. (Four months)

Institute for Higher Education Policy

Washington, D.C.

\$1,110,600 – To strengthen access and success through research, policy and improved practice. (Three years)

“Ideas are a capital that bears interest only in the hands of talent.”

Antoine Rivarol

Institute for Higher Education Policy

Washington, D.C.

\$604,600 – To support the MSI-Models of Success Program. (Three years)

Ivy Tech Community College

Indianapolis, Ind.

\$2,340,000 – To increase attainment rates of at-risk youth through an accelerated associate degree program. (Four years)

Jackson State College Development Foundation

Jackson, Miss.

\$487,000 – To create a multi-state, peer-learning network to ensure postsecondary success for minority students. (Three years)

Learn More Indiana

Indianapolis, Ind.

\$150,000 – To test the applicability of the tuning process at higher education institutions within the United States. (One year)

Martin University

Indianapolis, Ind.

\$100,000 – To design and implement a Center for Student Success that aims to increase educational access and opportunity for incoming first- and second-year, disadvantaged and underrepresented students. (One year)

Grants in 2009

MDC

Chapel Hill, N.C.

\$2,947,400 – To support the transition of the Achieving the Dream initiative to a sustainable independent enterprise. (16 months)

MDC

Chapel Hill, N.C.

\$300,000 – To magnify the impact of the Developmental Education Initiative through communications activities. (41 months)

MDC

Chapel Hill, N.C.

\$3,000 – To cover the costs of a reception at the Grantmakers for Education Conference in Chicago on Oct. 6, 2009. (One month)

MDRC

New York, N.Y.

\$1,200,000 – To evaluate the implementation of the Developmental Education Initiative. (Three years)

MDRC

New York, N.Y.

\$4,000,500 – To evaluate the implementation and effectiveness of Achieving the Dream: Community Colleges Count. (45 months)

“Education is a precondition to survival in America today.”

Marian Wright Edelman

Miller Center of Public Affairs

Charlottesville, Va.

\$750,000 – To conduct and disseminate two national debates and supplemental outreach activities to increase public interest and energize public policymakers to address issues of importance to higher education. (One year)

Minnesota Office of Higher Education

St. Paul, Minn.

\$150,000 – To test the applicability of the tuning process at higher education institutions in the United States. (One year)

National Consortium for College Completion

Washington, D.C.

\$1,000,000 – To support the creation and mission of the National Consortium on College Completion. (26 months)

National Institute for Native Leadership in Higher Education

Albuquerque, N.M.

\$10,000 – To provide sponsorship for the 16th Annual National Institute. (10 months)

New England Board of Higher Education

Boston, Mass.

\$65,000 – To assist policymakers in the New England states to develop strategies to increase postsecondary attainment. (One year)

Organisation for Economic Co-operation and Development

Paris, France

\$750,000 – To assess the feasibility of cross-national comparisons of higher education learning outcomes. (28 months)

Portland State University Center for Academic Excellence

Portland, Ore.

\$7,500 – To support community partner attendance at the Partnership Institute, which seeks to enhance understanding of higher education-community partnerships through research dissemination and shared learning. (Six months)

Purdue University

West Lafayette, Ind.

\$25,000 – To increase sharing and application of college student access and success research and practices through two statewide conferences. (13 months)

Salish Kootenai College

Pablo, Mont.

\$402,200 – To identify factors that improve the postsecondary retention and success of American Indian students enrolled in developmental studies courses. (Three years)

“Nothing should be overlooked in fighting for better education. Be persistent and ornery.”

Roy Wilkins

Scholarship America

Minneapolis, Minn.

\$600,000 – To build the capacity of Scholarship America to operate the Dreamkeepers program. (Three years)

Social Science Research Council

Brooklyn, N.Y.

\$407,100 – To examine the factors that influence the Collegiate Learning Assessment’s measures of cognitive growth and post-graduation outcomes of disadvantaged students. (Four years)

Southern Education Foundation

Atlanta, Ga.

\$500,000 – To enhance student learning outcomes assessment, documentation and use at Historically Black Colleges and Universities and Hispanic-Serving Institutions. (Three years)

UNC Office of the President

Chapel Hill, N.C.

\$500,000 – To increase retention and graduation rates for students of color at all six minority-serving institutions in the University of North Carolina system. (Three years)

Grants in 2009

United States Department of Education

Washington, D.C.

\$5,000 – To support the activities and conference costs of the 2009 National HBCU Conference, held Aug. 30-Sept. 3, 2009. (Four months)

“Education is not a preparation for life; education is life itself.”

John Dewey

United Way of Central Indiana

Indianapolis, Ind.

\$5,000 – To sponsor a Connected by 25 team to attend the 2009 Creating a Blueprint Conference in an effort to help foster youth achieve their educational goals. (Two months)

University of Arizona Office of Community Relations

Tucson, Ariz.

\$280,250 – To support participation of higher education institutions in southern Arizona in an OECD-organized initiative. (One year)

University of Illinois

Champaign, Ill.

\$140,000 – To examine applied baccalaureate degree programs in the U.S. to assess their effectiveness in increasing the number of adult learners with the bachelor's degree. (One year)

University of Pennsylvania

Philadelphia, Pa.

\$40,000 – To provide operating support for *Change* magazine. (One year)

University of Texas at El Paso

El Paso, Texas

\$500,000 – To identify the institutional structures at minority-serving institutions that foster student success and increase the effectiveness of transfer programs across the state. (Three years)

University of Texas System

Austin, Texas

\$500,000 – To implement a statewide Bachelor's Accelerated Completion (BAC) Program to meet the needs of Texans who have started college but never finished. (Three years)

Utah Board of Regents

Salt Lake City, Utah

\$150,000 – To test the applicability of the tuning process at higher education institutions within the United States. (One year)

Women In Government

Washington, D.C.

\$200,000 – To promote adult learning through state policy work among state legislators. (One year)

Number of Success grants: 45
Total: \$25,543,238

Productivity

Association of Governing Boards of Universities and Colleges

Washington, D.C.

\$600,000 – To inform boards and presidents of America's colleges and universities to improve student success rates. (Two years)

Bipartisan Policy Center

Washington, D.C.

\$994,700 – To help create a next market for higher education innovation through convenings, research and further development of DGREE. (11 months)

Business Innovation Factory

Providence, R.I.

\$280,000 – To map the student experience in higher education in order to personify Lumina's Big Goal and identify opportunities for increasing the number of college graduates. (Nine months)

Capitol Beat

Raleigh, N.C.

\$10,000 – To educate journalists about state finance and other issues regarding higher education productivity that affect college access and success. (Three months)

Carnegie Mellon University

Pittsburgh, Pa.

\$750,000 – To establish a consortium of community colleges, in collaboration with state agencies and national groups, to enact a large-scale process that increases efficiency in the way instruction is developed, delivered and continuously improved. (Three years)

CEOs for Cities

Chicago, Ill.

\$240,000 – To uncover new ideas for reducing the cost of getting students into and through college while maintaining the quality of the degrees they earn. (Nine months)

CommunicationWorks

Washington, D.C.

\$300,000 – To develop and implement communication and media strategies across states that enhance the productivity of U.S. higher education. (Six months)

CommunicationWorks

Washington, D.C.

\$99,500 – To produce storytelling videos to help states make the case among key stakeholders for improving productivity in higher education. (Seven months)

Grants in 2009

Cornell Higher Education Research Institute

Ithaca, N.Y.

\$80,500 – To analyze the extent to which non-instructional expenditures affect the persistence and graduation rates of students from different socioeconomic backgrounds and with different academic qualifications. (Two years)

Corporation for a Skilled Workforce

Ann Arbor, Mich.

\$5,000 – To present CSW's research findings at the American Association of Community Colleges' annual convention in April 2009. (Four months)

Delta Project on Postsecondary Costs, Productivity and Accountability

Washington, D.C.

\$500,000 – To support continued development of data and spending metrics for institutional and state-level cost accountability. (18 months)

Education Sector

Washington, D.C.

\$750,000 – To provide research, analysis, strategic communications and policy promotion aimed at refocusing the public conversation about higher education on the quality of teaching and learning, student attainment and reduced cost to students. (Two years)

“Education is a better safeguard of liberty than a standing army.”

Edward Everett

Education Writers Association

Washington, D.C.

\$350,000 – To provide training and support for journalists covering higher education to develop a strategic response to a changing media environment. (Two years)

Hechinger Institute on Education and the Media

New York, N.Y.

\$600,000 – To increase the capacity of the Hechinger Institute to produce and broker placement of high-quality, solutions-oriented news coverage of higher education for influential audiences and engaged citizens. (Two years)

Institute for Educational Leadership

Washington, D.C.

\$40,000 – To communicate the findings of an evaluative research study of the Educational Policy Fellowship Program. (One year)

Institute for the Study of Knowledge Management in Education

Half Moon Bay, Calif.

\$600,000 – To extend the potential for the online Knowledge Collaborative as the intermediary to encourage and facilitate productivity in higher education. (18 months)

Investigative Reporters and Editors

Columbia, Mo.

\$500,000 – To increase campus coverage of college completion and productivity issues by training student journalists to report on these topics. (Three years)

Investigative Reporters and Editors

Columbia, Mo.

\$10,000 – To support higher education training for journalists at the four-day 2009 IRE conference in Baltimore, Md. (Six months)

Midwestern Higher Education Compact

Minneapolis, Minn.

\$100,000 – To develop a pilot model for Midwestern cities that projects how manipulation of different input and throughput variables contributes to closing the credentials gap. (One year)

National Center for Higher Education Management Systems

Boulder, Colo.

\$91,100 – To prepare an updated version of *Good Policy, Good Practice. Improving Outcomes and Productivity in Higher Education: An Implementation Handbook*. (Nine months)

“The secret in education lies in respecting the student.”

Ralph Waldo Emerson

National Conference of State Legislatures

Denver, Colo.

\$500,000 – To provide state legislators and their aides with information, advice, support and professional development aimed at increasing the percentage of Americans with high-quality college degrees and credentials. (Two years)

National Governors Association Center for Best Practices

Washington, D.C.

\$600,000 – To develop the National Governors Association's capacity to help governors shape policies that increase transparency and accountability in higher education and help increase the number of residents educated to meet workforce needs. (Two years)

Presidents' Forum

Albany, N.Y.

\$58,500 – To convene the Presidents Forum to develop recommendations for demonstration projects that can boost efficiency and encourage better alignment of individual state regulatory requirements, and to support agreements that facilitate the provision of instruction across state boundaries. (Eight months)

Grants in 2009

Public Agenda Foundation

New York, N.Y.

\$796,800 – To support the productivity agenda by developing a model for faculty and institutional engagement, and supporting policy and public will building to increase productivity in higher education. (Two years)

Public Agenda Foundation

New York, N.Y.

\$103,100 – To work with CEOs for Cities to design and promote dialogue sessions in eight cities to encourage integration of the Talent Dividend framework and concepts into local planning efforts as a means of advancing Lumina's Big Goal. (One year)

SPEC Associates

Detroit, Mich.

\$816,000 – To evaluate the Making Opportunity Affordable initiative. (13 months)

SPEC Associates

Detroit, Mich.

\$800,000 – To evaluate the Making Opportunity Affordable initiative. (14 months)

Tides Center

San Francisco, Calif.

\$1,450,000 – To support expansion of Lumina's productivity agenda by managing state contracts and coordinating technical support. (Four years)

Trustees of Indiana University

Bloomington, Ind.

\$750,000 – To allow the Indiana Business Research Center to apply powerful analytic modeling to help answer critical questions about factors influencing student success in higher education and the workforce in Indiana. (26 months)

Washington Monthly

Chevy Chase, Md.

\$10,000 – To upgrade *Washington Monthly's* Web server to accommodate greater-than-anticipated readership of the *Annual College Guide* and home page. (27 months)

Western Governors University

Salt Lake City, Utah

\$800,000 – To draw and share lessons arising from a newer, technology-enabled approach that unbundles elements of higher education and offers individualized, self-paced instruction that helps students meet defined learning outcomes. (Two years)

Number of Productivity grants: 31

Total: \$13,585,200

Philanthropy

Community Investment Network

Raleigh, N.C.

\$10,000 – To support the 2009 Community Investment Network Conference. (Five months)

Emerging Practitioners in Philanthropy

New York, N.Y.

\$10,000 – To provide professional development opportunities to young grant makers. (Three months)

Foundation Center

New York, N.Y.

\$10,000 – To support the Foundation Center's Funding for Education Month programming in June 2009. (Two months)

Greenwich Roundtable

Cos Cob, Conn.

\$49,000 – To develop and disseminate an alternative investment curriculum guide for foundation chief investment officers. (44 months)

Guidestar

Williamsburg, Va.

\$10,000 – To support a project to provide the new 990 tax forms to nonprofit organizations and to implement the Guidestar Exchange Program. (One year)

Indiana Grantmakers Alliance

Indianapolis, Ind.

\$3,000 – To provide resources to facilitate and encourage statewide participation of foundation staff and trustees in the Indiana chapter of Emerging Practitioners in Philanthropy, Indiana Blacks in Philanthropy, a corporate grant makers group, an Indianapolis program officers group, and other IGA-sponsored affinity groups around the state. (16 months)

Keep Indianapolis Beautiful

Indianapolis, Ind.

\$10,000 – To provide general operating support to the organization. (Three months)

Morgan State University Foundation

Baltimore, Md.

\$12,000 – To support the National Association for Equal Opportunity in Higher Education (NAFEO) Kellogg Leadership Fellows' reunion as part of the annual White House Conference on Historically Black Colleges and Universities. (Three months)

OMG Center for Collaborative Learning

Philadelphia, Pa.

\$192,800 – To contribute to the field of philanthropy an improved understanding of what constitutes foundation effectiveness and how foundations can add value, beyond dollars, to the strategies they support. (20 months)

Number of Philanthropy grants: 9

Total: \$306,800

Grand totals

Number of grants approved: 136

Dollar value:

\$58,069,538

Board of directors

Chairman John M. Mutz, retired vice chairman of PSI Energy, former president of Lilly Endowment and former lieutenant governor of Indiana. (*Was succeeded as chairman by Marie McDemmond in March 2010.*)

Frank D. Alvarez, president and CEO of the Hispanic Scholarship Fund, San Francisco, Calif.

Gerald L. Bepko, chancellor emeritus and trustees professor at Indiana University School of Law, Indianapolis, and former chancellor of Indiana University-Purdue University at Indianapolis.

Norris Darrell Jr., senior counsel and retired partner of Sullivan & Cromwell, New York, N.Y.

James C. Lintzenich, former vice chairman and chief executive officer of USA Group; former president and chief operating officer of Sallie Mae.

F. Joseph Loughrey, former vice chairman, president and chief operating officer at Cummins Inc., Columbus, Ind.

Marie V. McDemmond, president emerita of Norfolk State University, Norfolk, Va. (*Succeeded John Mutz as chairman in March 2010.*)

Jamie P. Merisotis, president and chief executive officer of the Foundation, Indianapolis, Ind.

J. Bonnie Newman, former interim president of the University of New Hampshire, Durham, N.H.

Laura Palmer Noone, CEO at Piccolo International University, Scottsdale, Ariz.

Michael L. Smith, former chief financial officer of Anthem Inc., Indianapolis, Ind.

Randolph H. Waterfield Jr., certified public accountant and accounting consultant, High Bar Harbor, N.J.

Belle S. Wheelan, president of the Commission on Colleges of the Southern Association of Colleges and Schools, Decatur, Ga.

Mark G. Yudof, president of the University of California, Oakland, Calif.

Senior management

Jamie P. Merisotis, president and chief executive officer of the Foundation.

James Applegate, senior vice president for program development.

Samuel Cargile, vice president for grantmaking.

J. David Maas, senior vice president, chief financial officer and treasurer.

Dewayne Matthews, vice president for policy and strategy.

Holiday Hart McKiernan, senior vice president, general counsel and secretary.

Juan (Kiko) Suarez, senior vice president for external affairs.

Credits and acknowledgments

Writing: Patricia L. Brennan and David S. Powell

Editing: David S. Powell

Editorial assistance: Gloria Ackerson and Lucia Anderson

Photography: Shawn Spence Photography

Design: IronGate Creative

Printing: Mossberg & Company Inc.



For more information about Lumina Foundation,
please visit our Web site
(www.luminafoundation.org) or write:

Lumina Foundation for Education
30 South Meridian Street, Suite 700
Indianapolis, IN 46204

