

Case in Brief No.3

PRINCIPLES FOR EFFECTIVE EDUCATION GRANTMAKING

Working Together to Achieve Greater Impact: The Donors' Education Collaborative of New York City

PRINCIPLES FOR EFFECTIVE EDUCATION GRANTMAKING

Discipline & Focus	Knowledge	Resources Linked to Results	Effective Grantees	Engaged Partners	Leverage, Influence & Collaboration	Persistence	Innovation & Constant Learning
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Since the mid-1990s, constituency building and advocacy for better public education have grown steadily in New York City. “Working Together to Achieve Greater Impact” explores how that growth was fueled by the Donors’ Education Collaborative of New York, which pools its members’ financial resources and expertise to advance shared grantmaking goals.

The case study illustrates the importance—and challenges—of the sixth of Grantmakers for Education’s eight Principles for Effective Education Grantmaking: *leverage, influence and collaboration*.

The Donors’ Education Collaborative of New York (DEC) began with a scene more typical of politics than philanthropy: five foundation presidents in a room, trying to figure out what to do for a city that had fallen on hard times in the early 1990s.

They investigated specific topics—such as the public hospital system and school governance reform—and sought advice from some of the city’s most well-informed voices. What the group of five eventually settled on in late 1994 was more in the nature of a general mandate than a specific plan: The foundations would work together for five years, pooling funds to support a common set of grantees, with the goal of increasing public support for New York City’s public schools.

At the time, many of the city’s schools were plainly failing, the system had suffered a series of devastating budget cuts and a succession of chancellors had done little to improve the situation. Responses to these problems from parents and other traditional education constituencies had been scattered and ineffective. >

For a funder wanting to make a difference in such an environment, a collaborative effort with other foundations offered few disadvantages and some very real advantages. Working together would mean learn-

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ing to cooperate in a complex and highly politicized arena, yet it would also give grantmakers a chance to put their heads together, share intelligence and perhaps arrive at more carefully considered decisions. They would be able to pool their financial and human resources, including their credibility with political leaders, the press, the business community, nonprofits and other foundations.

In the spring of 1995, DEC members—including the original five foundations plus others who expressed interest—began to puzzle through the actual operations and strategy of the collaborative. They returned often to a few key principles to guide their choices: collaboration, flexibility and participation. Hoping to attract and hold as many participants as possible, they set the minimum annual contribution to the pooled fund at \$25,000, low enough to attract smaller foundations but high enough to require genuine commitment. They debated the pros and cons of a weighted voting system, eventually deciding on a simple formula of one vote per foundation.

DEC members began refining their grantmaking strategy to improve the city's schools. They were united in their disen-

chantment with funding “model programs” to improve school organization or classroom practice, at least for New York City. “High turnover of chancellors was the reality,” recalled Janice Petrovich, a program director at the Ford Foundation, “so you couldn’t count on them to make change. We felt that everything had been tried. People were disappointed with their grantees and with the schools.”

To spur real improvements in the school system, DEC members settled on the strategy of creating a broader constituency for better schools—or, more immediately, a number of constituencies, organized around specific objectives and school- or neighborhood-level needs, that might eventually merge into a wider force.

Their strategy reflected two complementary theories about how philanthropy could make a difference: (1) a pooled grantmaking approach could advance social change in an area that had long resisted reform efforts because it would engage a range of foundations, make available a large pool of funds, and leverage members’ interests, influence and knowledge; and (2) sustainable, systemwide reform could be achieved by combining policy-change strategies with efforts to build permanent, broad-based constituencies that would advocate for and monitor those strategies.

After making initial planning grants in late 1995 to nine organizations, DEC chose four community organizing and advocacy projects in June 1996 to receive substantial support over an initial four-year period (three remain active grantees of DEC):

- The Equity Reform Project, through which two lead partners and three other organizations proposed to build a constituency for school finance reform in the state;
- The Parent Organizing Consortium, which sought to coordinate and strengthen the work of a disparate collection of neighborhood-based parent organizing groups in the city;
- Transforming Education for New York's Newest, which brought together the New York Immigration Coalition and Advocates for Children to spearhead a campaign to improve educational services to the growing population of immigrant students; and
- The Metro Industrial Areas Foundation, which agreed to work with the Public Education Association to build a citywide parent coalition to press for specific education policy changes.

DEC engaged the Chapin Hall Center for Children to conduct an evaluation of its work, which was published in 2004. At the end of DEC's initial grantmaking phase, three of the four projects could show clear ways they had strengthened local constituencies for school improvement and garnered new credibility for community organizing and advocacy groups. By 2006, DEC members could point to specific breakthrough successes by their grantees, including the adoption of new school district regulations that secured parents' right to information in their home languages and expansion of a promising model for improving teaching quality. (While the fourth project, the Metro Industrial Areas Foundation, experienced some early success,

Lessons learned

This case study—the full text of which is available at www.edfunders.org—suggests four important lessons for grantmakers seeking to increase their impact:

- **Pooled resources can bring more significant resources to bear on a problem—and therefore promise a greater likelihood of success:** By aggregating funds from large and small donors into one grantmaking vehicle, New York-based grantmakers leveraged their investments and accomplished much more than they could have alone.
- **Collaboration pools not only grantmaking dollars but also grantmakers' wisdom and knowledge:** By working in tandem, foundations can enrich and inform each other's work. DEC members adjusted their own education strategies in New York City and elsewhere based on lessons learned from DEC's grantmaking results.
- **As with all grantmaking, persistence and adaptability are key practices for effectiveness:** The current phase of DEC's work, after many refinements to its original strategy, appears to be yielding the most significant return on its long-term investment in improving New York City public schools.
- **Collaboration with other funders can yield a distinctive, opportunistic grantmaking strategy that is broadly owned and different from what a foundation might do on its own:** To make a difference in the difficult political environment of New York City in the mid-1990s, DEC settled on the unconventional strategy of re-energizing neighborhood activists and unifying them into a citywide constituency for better schools—a strategy and set of grantees that some DEC members would not have funded independently.

its policy development goals never gelled into a parent-organizing agenda, and the project was discontinued.)

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Moreover, according to both Chapin Hall and DEC members, the collaborative and its grantees had learned to work more strategically with school system and city officials and to deploy their collective influence to leverage change. The impact of DEC has not been limited to its grantees, nor have DEC members' investments been limited to grants to the collaborative. Some members have leveraged DEC grants with their own additional grants to cultivate related projects, such as litigation, that DEC does not fund. Some have seen their own local and national grantmaking strategies evolve to reflect lessons learned from their DEC experience.

As the grantees learned to balance community organizing and policy development, DEC member foundations also developed a more nuanced understanding of connections between the approaches. Lori Bezahler, president of the Edward W. Hazen Foundation, said, "I was always one of the people out there stressing the importance of community organizing. Others did the same with policy development. But the truth is, we started talking each other's language. Our relationships grew rich."

Since its founding in 1995, 27 foundations and donors have become involved as members of the DEC, some for the entire duration and others for shorter periods. The collaborative is scheduled to operate at least through 2007, by which time its grantmaking investments will total nearly \$10 million.

Drawn from the experience and wisdom of our members, GFE's Principles for Effective Education Grantmaking are designed to help strengthen philanthropy's capacity to improve educational outcomes for all students. Our series of accompanying case studies is designed to help donors, leaders and program staff reflect more deeply on what the principles mean for their own grantmaking, how to integrate them into their efforts and how to improve the results of their grants in education.

This Case in Brief provides a synopsis of an in-depth case study and the lessons it suggests for other education funders. We encourage you to review and consider the full text of the case study; free copies of it and others are available online at www.edfunders.org or by calling 503.595.2100. In addition, the case studies in this series are being taught at many of GFE's programs, and also can be taught in individualized settings by special arrangement.