



# BENCHMARKING

TRENDS IN EDUCATION PHILANTHROPY

# 2009

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

Grantmakers for Education is philanthropy's knowledge source for achieving results in education. Our mission is to strengthen philanthropy's capacity to improve educational outcomes for all students, which we achieve by:

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

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

Content by Jessica Bearman, Gin Kilgore and Grantmakers for Education.  
Design by Studio 209.

# BENCHMARKING 2009

TRENDS IN EDUCATION PHILANTHROPY

## CONTENTS

- page 2.** Foreword
- page 4.** Guide to the Report
- page 5.** Mapping the Education Grantmaking Landscape
- page 8.** Navigating a Complex, Changing Field
- page 16.** Scanning the Horizon for Emerging Issues and Opportunities
- page 18.** Toward Greater Impact: Challenges for Our Field

# FOREWORD

Dear Colleagues,

On behalf of Grantmakers for Education, I am pleased to release *Benchmarking 2009: Trends in Education Philanthropy*, our second annual study of grantmaking trends and priorities among our members.

As a national network dedicated to improving education outcomes through philanthropy, we are mindful of our role in fostering greater knowledge in the field (one of GFE's eight *Principles for Effective Education Grantmaking* described in the inside back cover). We believe it's vital for funders to understand how their efforts relate to those of others in the field, and, in these times of great change, we especially believe that funders can't afford to work in isolation.

This new study provides a much-needed examination of how GFE's diverse members are responding to some of 2009's most significant developments—particularly the

economic downturn and the greatly expanded federal investment in education—and how they expect their funding priorities and strategies to evolve in the next few years.

The study findings, which draw from a survey of 140 GFE member organizations, underscore four major themes shaping education philanthropy today.

- **Focus in the face of challenge.** During these turbulent times, many GFE members are finding ways to hold steady and redouble their focus on their mission, despite reduced grantmaking budgets. Grantmakers are using a variety of strategies to avoid “thinning the soup,” including keeping grant sizes constant while making fewer grants overall and taking administrative cuts to minimize impact on their grantmaking. At the same time, many funders are also providing more general operating support, understanding that grantees are struggling to cover core costs during the economic downturn.
- **Increased collaboration.** A robust majority—over 90%—of survey respondents collaborate with other funders in some capacity, and more than half intend to increase the extent of their collaborative activities in the next two years. Funder collaboration takes many forms, ranging from highly structured

pooled funding to coordinating strategies to sharing expertise and knowledge. Respondents also noted the value of cross-sector partnerships with key constituencies: businesses, parents, teacher unions, education leaders, researchers and policy makers. Collaboration not only allows grantmakers to leverage funds and knowledge, it helps align the efforts of the many players involved—essential in a field as vast and complex as education.

- **Innovation and scaling what works.** Funders are interested in finding new approaches to entrenched problems, and innovation is high on GFE members' list of priorities. There is growing impatience with incremental responses, and many funders are investing in the research and development of educational innovations. Documenting the effectiveness of innovative practices across the field remains a challenge, however, and several respondents noted that education grantmaking would benefit from a more comprehensive approach to collecting and sharing knowledge. Many grantmakers commented on the need to build the field's knowledge base by identifying and promoting best practices in education and education grantmaking so that efforts are primed for success.

- **Engagement with public policy.**

Consistent with last year, 60% of surveyed grantmakers are supporting policy efforts, including research and advocacy. Substantial numbers plan to maintain or even increase this emphasis over the next two years, leveraging their independent stance and playing a wide variety of roles to advance educational improvements on a broader scale. Many spoke of feeling a sense of momentum and opportunity in 2009 as a result of the economic stimulus and other new federal initiatives.

In a year that stretched philanthropy in so many ways, we are encouraged by the ways in which our field continues to gain focus and intentionality, as funders work together and with grantees to support positive outcomes for students of all ages. By detailing the deliberate and diligent work of so many funders, *Benchmarking 2009* serves as both evidence of and a lens for more strategic education grantmaking—and we conclude the report with an overview of areas that require collective attention across the field to ensure the efficacy of all our work in the months and years to come.

Grantmakers for Education is grateful to the many members who contributed their time and perspectives to this study by participating in the survey, and to the grantmakers who served as advance readers, providing valuable feedback that shaped this report. I look forward to hearing from you about how you use the insights from this study to inform your day-to-day work and long-term priorities.

Warm regards,



Chris Tebben  
EXECUTIVE DIRECTOR

# GUIDE TO THE REPORT

*Benchmarking 2009* presents an overview of the characteristics, priorities, practices and concerns of education grantmakers. The report is divided into four sections:

- **Mapping the Education Grantmaking Landscape.** GFE members represent the diverse types, sizes and priorities of grantmakers funding education. This section describes the funders constituting our survey sample. What is the geographic scope of their work? At what points in the educational system do they invest? How much do they grant to education annually—in total and per average grant?
- **Navigating a Complex, Changing Field.** To what extent are factors in the external environment affecting the goals,

approaches and strategies of GFE members' grantmaking? This section examines these changes while illustrating current funding priorities and strategies of GFE members. It also provides a look ahead based on grantmakers' projections about how their investments may change in the near term.

- **Scanning the Horizon for Emerging Issues and Opportunities.** Even as they respond to current conditions, education grantmakers are also concerned with long-term strategies and priorities. This section examines what issues figure most prominently for GFE members. What do funders want to learn more about? What do they see as the biggest opportunities of the upcoming decade? What are the issues and opportunities that cut across funding priorities and strategies?
- **Toward Greater Impact: Challenges for Our Field.** What can we as a field do to increase the collective impact of our efforts? This final section moves beyond benchmarking current or predicted practices by outlining three challenges to sharpen the work and deepen the effectiveness of education philanthropy.

## Methodology

This report incorporates responses by 140 education grantmaking organizations—58% of GFE's total membership—to an online survey. The survey consisted of fixed-choice and open-response questions exploring four key topics:

1. Which education issues and solutions are drawing the most attention from funders?
2. How do funders approach their work and think about the role of philanthropy in effecting change?
3. What do funders see on the horizon—both for education and for philanthropy?
4. How are funders changing—or maintaining—strategies, in a moment marked both by economic downturn and by new federal policies and priorities?

Responses were charted, coded and analyzed to discern critical trends and common themes among GFE's members.

Because of variations in the respondents to the 2008 survey, we did not draw direct year-to-year comparisons, relying instead on grantmakers' own reports of how their work is changing.

## SECTION 1

# MAPPING THE EDUCATION GRANTMAKING LANDSCAPE

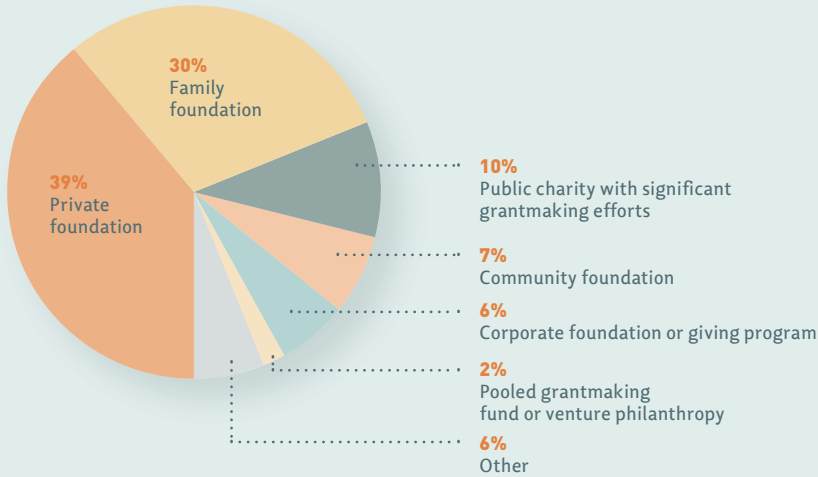
Education consistently receives a larger share of US funder support than any other single issue, according to the Foundation Center. Grantmaking priorities range from local to global and from individual to systemic, with funders taking a variety of approaches, from awarding scholarships, to supporting the development of innovative early education programs, to partnering with local, state and national agencies.

GFE members represent the broad spectrum of funders working to improve educational opportunities and outcomes from early childhood through postsecondary education. The 140 grantmaking organizations that responded to this survey provide a meaningful sample across foundation type, size, focus and strategy.

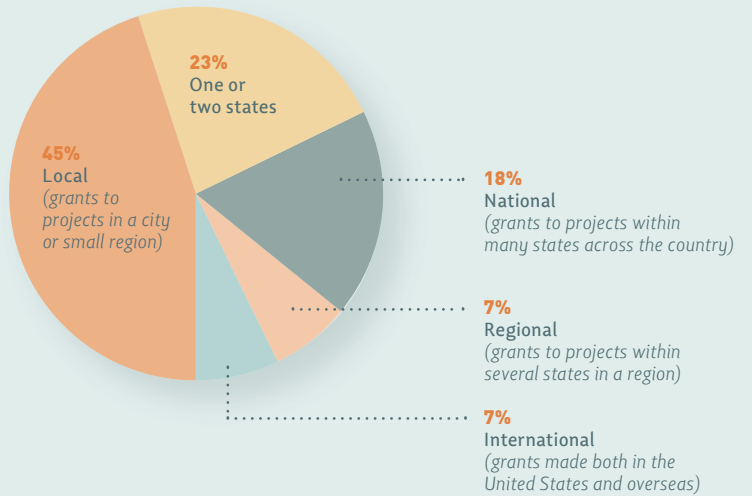
### **Benchmarking 2009 respondents:**

- **Represent diverse organizational types.** While the majority of survey respondents are private (39%) and family (30%) foundations, other funder types include public charities with significant grantmaking programs, community foundations, and corporate foundations and giving programs. (figure 1)
- **Fund locally.** The majority of respondents said that they primarily fund locally (45%) or in one or two states (23%). Another 18% described their grantmaking as national in scope, including funding national programs and/or funding local efforts across the country. (figure 2)
- **Tend to be smaller funders.** Approximately three-quarters of survey respondents had education grantmaking budgets totaling less than \$5 million, weighting the sample toward smaller funders. On the other end of the spectrum, 9% had education grantmaking budgets of more than \$20 million. (figure 3)
- **Make grants of all sizes.** The range of funding varies greatly; 28% of respondents made grants of less than \$50,000 and 15% reported an average grant size of more than \$500,000, with most grantmaking falling between these two ends of the spectrum. (figure 4)
- **Prefer short-term funding.** Most funders surveyed make grants that last for less than three years. Specifically, 34% make grants of one year or less, while 43% fund for two to three years. Fewer than 8% of grantmakers said they invest for time periods greater than five years. (figure 5)
- **Fund at multiple points of the pipeline.** Although nearly all grantmakers surveyed fund K-12 education, the majority also support other critical pieces of the education pipeline: early childhood (49%), out-of-school time (50%), post-secondary (39%) and workforce training (24%). Notably, very few grantmakers fund exclusively in any of these areas, underscoring the growing commitment to ensuring alignment across the pipeline from early childhood through postsecondary education. (figure 6)

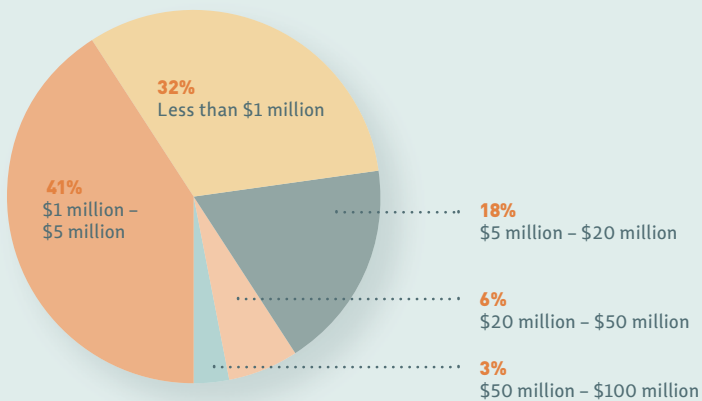
**FIGURE 1**  
**Type of grantmaking organization**



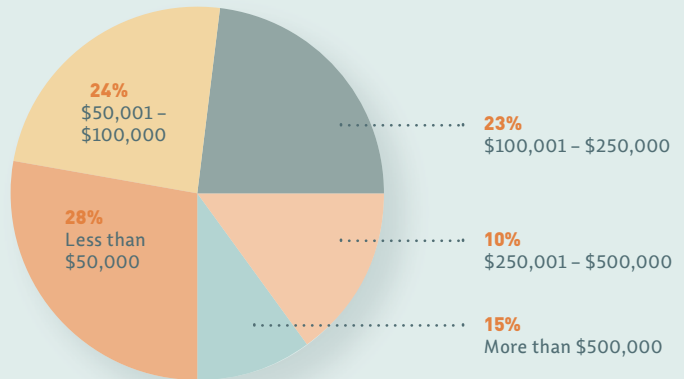
**FIGURE 2**  
**Geographic scope of education grantmaking**



**FIGURE 3**  
**Annual education grants budget**

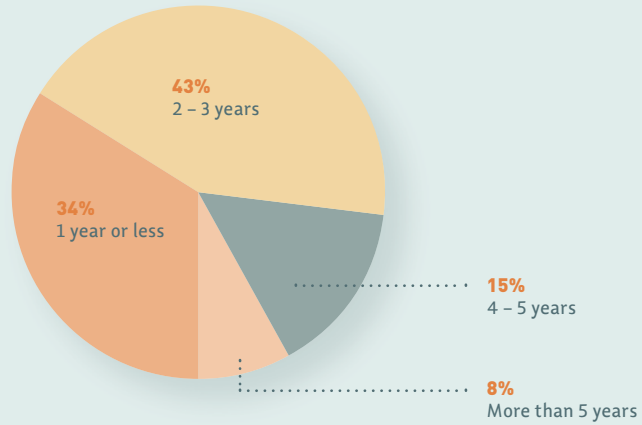


**FIGURE 4**  
**Average education grant size**

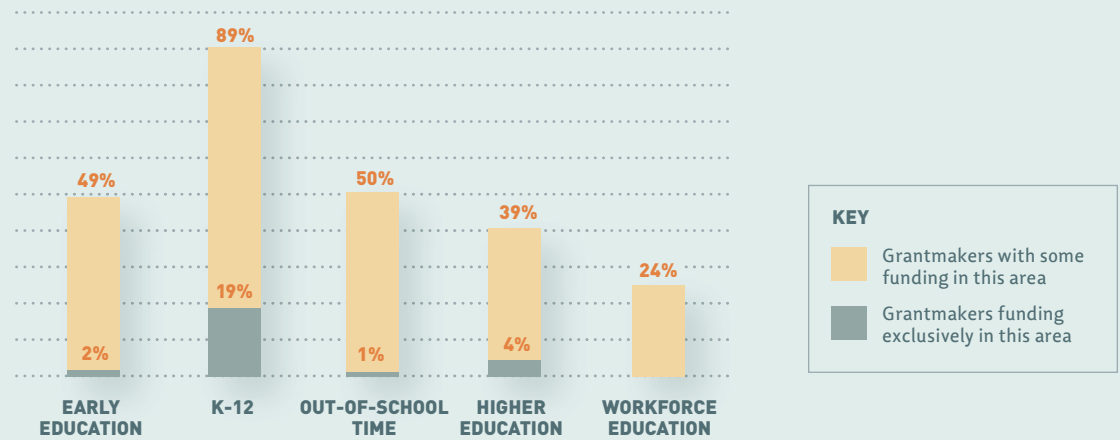




**FIGURE 5**  
**Typical education grant duration**



**FIGURE 6**  
**Education grantmaking content areas**



**KEY**

- Grantmakers with some funding in this area
- Grantmakers funding exclusively in this area

## SECTION 2

# NAVIGATING A COMPLEX, CHANGING FIELD

“External forces have not changed our goals or objectives but they have influenced our strategy. This is a time of enormous opportunity and challenge in public education reform given the stimulus funds, the economy and need for more postsecondary attainment, the Race to the Top, and new technologies. We are more focused on public/private partnerships to help make public sector investments have their highest impacts.”

—Michele Cahill,  
*Carnegie Corporation of New York*

The year 2009 was marked by both economic hardship and an unprecedented infusion of federal education funding. The recession affected funders on myriad levels, from internal cutbacks to reduced grantmaking budgets. Most respondents reported having less to give, even as the public and nonprofit agencies they support were in financial crisis. Simultaneously, the new administration and the passage of the American Recovery and Reinvestment Act (ARRA) introduced new priorities and resources that catalyzed a cascading set of reforms at all levels of government. Grantmakers and service providers alike endeavored to better understand and respond to the evolving education landscape.

### Adjusting grantmaking styles and approaches

Two-thirds of survey respondents reported they have adjusted their grantmaking in response to the changing external environment. Many funders discussed the difficult choices they faced as they sought to increase their impact despite diminishing resources. While many grantmakers chose to redouble their focus on existing priorities and strategies, others responded by shifting their emphases and strategies to address the issues and opportunities at hand. Specific adaptations include:

- **Belt-tightening.** In response to the severe economic downturn, 59% of respondents projected that their total 2009 grantmaking budgets would decline from the previous year. Of these, 22% expected that grant dollars would be reduced by more than 20%. A surprising number were not reducing their funding, however; a quarter planned to stay at current funding levels in 2009, and 14% indicated that they were expanding their grantmaking budgets. (*figure 7*) To minimize the impact of financial shortfalls on grantseekers, three-quarters of grantmakers surveyed reported cutting their own operations budgets by reducing administrative, salary and personnel expenses. Others—a small but significant 13% of those surveyed—increased payout percentages. Funders took divergent approaches to grantmaking when budgets were cut. Nearly half maintained grant sizes but reduced the number of grantees funded, while 22% of funders kept the same number of grantees but reduced grant size. (*figure 8*)
- **A focus on core support.** Because general operating expenses are often hard for nonprofits to cover, especially when times are tight, 64% of the funders identified making general operating

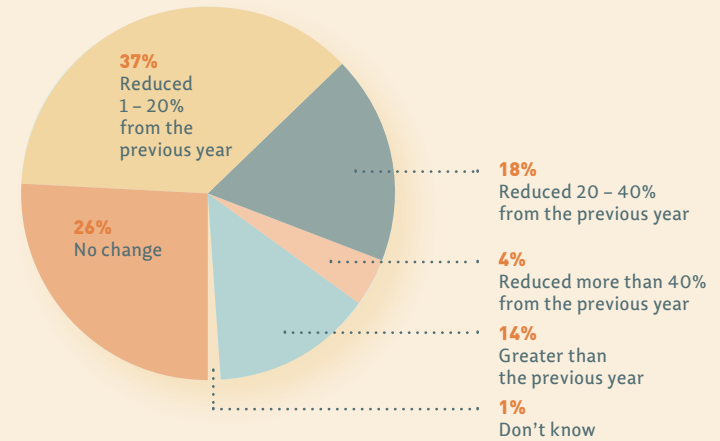
grants as a core strategy. Even more telling, 19% reported that they intend to increase general operating support in the next two years. (figure 9)

- Some retreat from multi-year grants.** Multi-year grants were listed as a current funding strategy by 80% of survey respondents. However, nearly one-fifth said that they intend to do less multi-year funding in the next two years. Respondents often drew a direct connection between economic challenges and this shift, as illustrated by this comment from a private grantmaker: “Rather than investing in longer-term programs, because of the economic downturn, our education grantmaking has been for shorter periods of time (i.e., 1-2 year grants now versus 3-5 year grants previously).” Family and private foundations were most likely to anticipate giving fewer multi-year grants going forward. (figure 9)
- Focus on mission.** A quarter of surveyed grantmakers commented that economic changes had caused their organizations to focus more intently on their ultimate goals. As one corporate grantmaker put it: “The economic downturn had a noteworthy, negative impact on our endowment and operating budget. It has forced us to

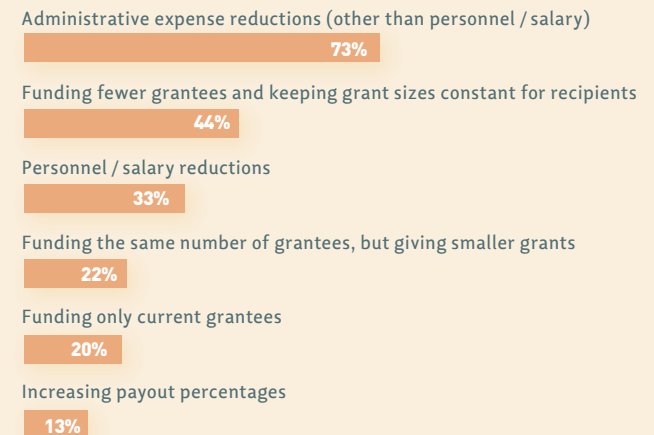
do extensive trimming and tightening, but we are maintaining our mission work.”

- Greater use of data in decision-making.** Many funders commented on the importance of evaluation and data in determining where to invest more limited resources. One respondent observed: “We expect better measurable outcomes from organizations and school districts.” Another funder spoke to the impact on grantmaking: “The financial health of an organization and sustainability analysis is more critical than ever before in our decision-making.”
- Collaboration with other funders.** Grantmakers are finding strength in numbers and honing grantmaking strategies through partnerships: 91% of those surveyed are collaborating with other funders, and half intend to increase the extent—and effectiveness—of their collaborations in the near future. GFE members want to learn more about ways in which grantmakers can share information, work together toward shared goals, and collaborate most effectively with organizations from other sectors. (figure 9)
- Partnerships across sectors.** Grantmakers are working more closely with partners from other sectors. In

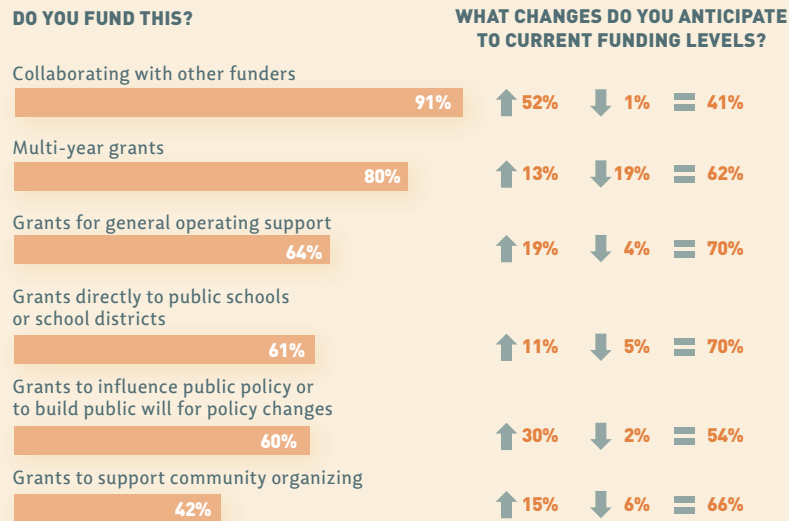
**FIGURE 7**  
Change in actual grantmaking dollars (current fiscal year)



**FIGURE 8**  
Actions taken in response to reduced budgets



**FIGURE 9**  
**Current and anticipated grantmaking strategies**



**KEY**

- ↑ Anticipate increasing funding
- ↓ Anticipate decreasing funding
- = Anticipate maintaining funding

“The current economic climate has forced grantmakers to rethink their grantmaking strategies and objectives in new and innovative ways. There is an increasing trend of grantmakers supporting effective collaboration—and of grantees taking it upon themselves to do so.”

—Elizabeth Lee, *Public Interest Projects*

addition to grantmaking—61% currently make grants to schools or districts— funders noted their interest in further collaboration with schools, agencies, parents and communities to ensure sustained progress. “Foundations have an unprecedented opportunity to build consensus toward an effective education system for all students,” said one family foundation respondent, but only if they “build the relationships among the necessary groups of constituents (foundation colleagues, business, parents, teacher unions, education leaders, education researchers and policy-makers).” The new federal priorities and stimulus

funds provide an avenue for increased partnership, both with grantees and with government. Of those reporting changes due to the external environment, 24% mentioned leveraging ARRA funds, helping grantee organizations access stimulus funds and taking advantage of the momentum generated by the new administration’s education policies.

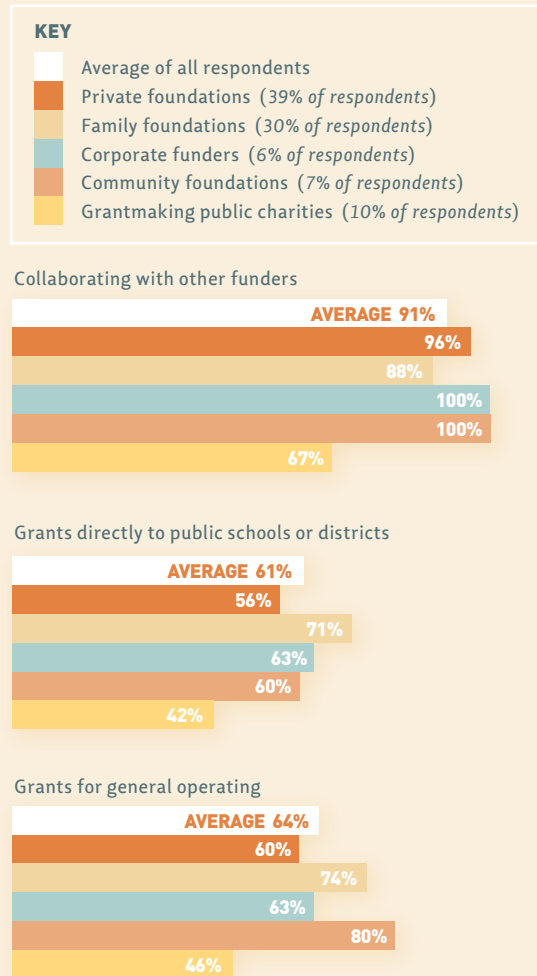
- **Funding policy and advocacy work.** Grantmakers reported devoting a greater share of limited assets to policy and advocacy work. A majority (60%) have provided funding to influence public policy and to build public support for policy changes, and 30% intend to increase that funding over the next two years. In the words of a family foundation representative, “We now realize that our funding strategy that neglected supporting public policy advocacy and building a strong constituency for school reform has come back to haunt us.” There is also greater emphasis on mobilizing communities for reform, with 42% of grantmakers supporting education-organizing strategies. One funder suggested that an effective approach to school reform requires “deeply engaging parents, youth and teachers as advocates, activists and organizers... reshaping the entire constituency and process for school reform.”

“In higher education, we recognize that we have to engage many sectors—such as business, data systems, etc.—in order to cultivate new stakeholders in our issues. We find that funder collaboratives are a critical means to ensure broad reach on big issues. Foundations can then choose the key strategies around which they are in a strong position to leverage and find others who are doing complementary work, in order to effect real change.”

—Molly Martin, *Lumina Foundation*

FIGURE 10

Grantmaker strategies by type of funder



\* Due to the small number of respondents in some categories, not all percentages are statistically significant.

### Honing priorities

“The impact that foundations can have by infusing small amounts of money to effect change in schools is greater when times are tough. Schools need us—both the outside professional and financial support—now more than ever.”

—Wendy Ault, *MELMAC Education Foundation*

The Benchmarking 2009 survey asked respondents to identify their current funding priorities and indicate how they anticipate those priorities changing over the next two years. Overall, the data show a significant increase in funding for innovative programs and new models, reflecting grantmakers' eagerness to spur change and test new ideas. Responses also highlight strong current and continued support for teacher professional development, school and district leadership, early childhood education, college access and readiness, and high school reform. (*figure 11*)

- **Innovation and new learning models.** Many survey respondents articulated a desire for philanthropy to move beyond standard approaches to test new ideas, seek more student-centered learning

models and support new educational delivery systems. “We have to create a space for disruptive innovations to flourish both on the economic and political levels,” noted one funder. This interest was reflected in grantmakers' funding intentions: 66% of respondents currently fund innovation and new models of learning. It is also the area where the greatest number of funders plan to increase their investments, with 33% intending to grow this funding in the next two years. Grantmakers described technology as holding important promise, not only to prepare students for the 21st century, but also as a way to provide individualized instruction, more dynamic assessments and—for school districts—better efficiency.

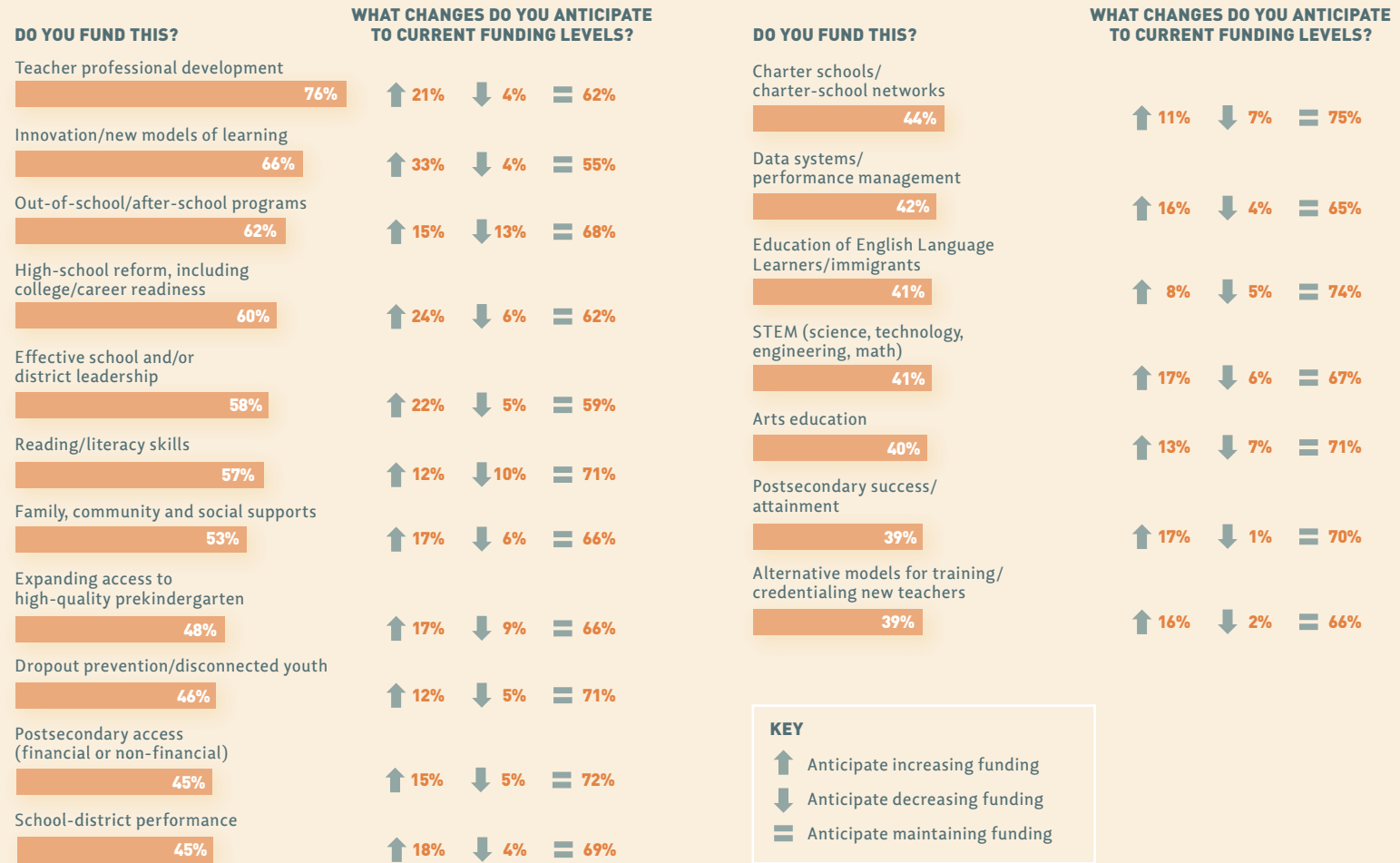
- **More effective teachers.** Funders place a high priority on teacher professional development—an area that is supported by more than three-quarters of grantmakers. In open-ended comments, respondents discussed the importance of elevating and “professionalizing” the career of teaching. Many are interested in ways to attract and retain high quality teachers, including through higher salaries and other incentives, as well as methods of accurately assessing teacher

effectiveness. About 40% of grantmakers also fund alternative models for training new teachers. As funders place greater focus on expanding quality early learning opportunities, professional development for early childhood educators is a growing interest.

- **School leadership.** More than half (58%) of respondents currently make grants to promote effective school and district leadership; 22% of funders will expand their investments in leadership going forward. Several funders commented on the need to build pipelines and training systems for—as one family foundation respondent suggested—“leadership development of principals and teacher leaders. We need good leaders with vision and the will to leverage change.” Another noted that grantmakers need to find “effective ways of helping superintendents—especially in urban districts—develop winning instructional strategies.”
- **Strengthening the high school-to-postsecondary pipeline.** Sixty percent of respondents support high school reform and efforts to promote college and career readiness, and many expect that their support will increase in the years to come. Funders noted the importance of pushing for more

FIGURE 11

Current and anticipated grantmaking priorities



rigorous standards for college and career readiness, and building the capacity of schools, districts and states to help students meet them. Respondents expressed interest in providing alternative pathways to college and careers for disconnected youth.

- **Supports outside of school.** Grantmakers recognize that learning continues beyond the school door and is affected by family and community dynamics. More than half currently fund family, community and social supports as critical strategies for bolstering children's opportunity for success, and 17% plan to increase their work in this area. Nearly two-thirds (62%) support out-of-school and after-school programs. Interestingly, the proportion of funders planning to grow their out-of-school investments (15%) was roughly equal to the proportion expecting their support for out-of-school programming to decline (13%). This above average "churn" suggests this is an area in which building greater knowledge and alignment in the field could be especially helpful.
- **Early learning opportunities.** Many grantmakers see early childhood education as a critical investment area for improving future education outcomes.

Nearly half now direct funding toward improving access to high-quality pre-K programs, and 17% expect to increase grantmaking in this area, a shift that can have significant impact for the field. A growing number of funders are articulating a more expansive view of early learning, with one funder noting: "For low-income children to succeed, there needs to be a focus on them from birth—supporting positive cognitive, social-emotional, and physical development—and continuing throughout the school years." Another predicted: "During the next decade I believe early education is going to be more of a priority, with universal preschool becoming a reality in many states. Foundations will need to play a role in supporting this shift."

- **Focusing on key curricular areas.** Nearly two-thirds of corporate funders ranked science, technology, engineering and math (STEM) as a high priority for funding. In general, support for the STEM subjects seems strong and steady; 84% of those surveyed expect to keep this funding constant or increase it in the next two years. Funders also continue to support reading and literacy skills: 57% responded that these high-stakes skills were part of their portfolio now and 12% plan to increase that support.

- **Access to and success in higher education.** Postsecondary education remains a priority for many funders. While many postsecondary efforts have shifted from an emphasis on access to success, a greater proportion of funders are investing in college access. Many funders emphasized the importance of postsecondary education for individual students and for the nation as a whole. One respondent commented that grantmakers have the opportunity to "change the nation's collective understanding of the minimum level of education that needs to be obtained by all citizens in order for people to have access to employment opportunities... everyone needs some level of postsecondary education that leads to a marketable credential," while another funder noted the importance of raising postsecondary attainment "to make the US economy competitive once again."



FIGURE 12

Top five issues of interest by funder type

Private Foundations

Innovation /  
new models of learning

High school reform,  
including college /  
career readiness

Family, community  
and social supports

Out-of-school /  
after-school programs

Effective school and/or  
district leadership

Family Foundations

Teacher professional  
development

Innovation /  
new models of learning

Out-of-school /  
after-school programs

Charter schools /  
charter-school networks

Reading / literacy skills

Corporate Funders

Teacher professional  
development

Out-of-school /  
after-school programs

Reading / literacy skills

Innovation /  
new models of learning

STEM

Community Foundations

Teacher professional  
development

Out-of-school /  
after-school programs

Postsecondary success /  
attainment

Family, community and  
social supports

Expanding access to  
high-quality pre-K

Grantmaking Public Charities

Teacher professional  
development

Family, community and  
social supports

Reading / literacy skills

Postsecondary access  
(financial or  
non-financial)

STEM

## SECTION 3

# SCANNING THE HORIZON FOR EMERGING ISSUES AND OPPORTUNITIES

“The greatest opportunity is to create an ecology in public education that supports innovation by seeding and scaling education innovations, improving the human capacity of teachers and school leaders to adopt these innovations, and improving the technical infrastructure of schools.”

—Tony Berkley, *W.K. Kellogg Foundation*

In an era of rapid change and great challenge, grantmakers may feel compelled to respond quickly to shifting needs and opportunities. At the same time, funders must take the longer view. Grantmakers recognize the unique vantage point that they occupy and urge their colleagues to make the most of it. “Foundations have the opportunity to be an outside voice, rather than following government and everyone else. We have the opportunity and the responsibility to be the true third and independent sector,” noted an experienced foundation leader.

Survey respondents identified the following issues and opportunities as particularly important to address in the upcoming years.

- **Greater commitment to funding what works.** Education grantmakers want to learn more about what works—both in education and in education philanthropy—so they can take those best practices to scale. One funder noted, “We need to link with academia to bridge the gap between practice and knowledge. We waste too much time reinventing wheels and trying to create new ideas when there is a wealth of academic research out there.”

Many grantmakers observed that both understanding and sharing best practices are essential to making a difference. Survey respondents were particularly interested in sharing data and

experiences that would help to identify promising approaches and support their widespread implementation.

Nevertheless, identifying effective approaches can be difficult. While the efficacy of education programs and education grantmaking is often evaluated on a program or project basis, the field has no aggregated knowledge base to draw from. One respondent cautioned that as a field, “We are operating without much of an evidence base, and we have very little data or sense of how to use it. This is an especially important issue when grantmakers think about scaling efforts: you can’t scale something if you don’t know whether it works.”

- **Deeper engagement with public policy and public will-building.** Over the past decade, there has been a groundswell of interest in public policy among education grantmakers. With this growing recognition of the importance of public policy, grantmakers see opportunities for the field to continue to expand its role while sharpening its practice. Indeed, some respondents noted that without changing policy, funders cannot ensure that other desired changes will be sustained. “It’s such an exciting time,” observed one funder, who anticipated “even greater emphasis on how foundations can play a

role in creating public will and new policies for closing achievement gaps.”

Funders are particularly eager to learn more about effective strategies for strengthening the public’s commitment to education reform. As one corporate funder noted, “There is a need to build a sustainable ‘public will’ for supporting education. Time and again, polls indicate that the public generally supports education. However, that support is short-lived and insufficient to muster support among policymakers and corporate leaders to make significant, sustainable investments in education.”

Survey respondents are interested in continuing to expand the toolkit that they bring to the policy arena as grantmakers. In recent years, grantmakers have employed a wider and more engaged set of tactics to inform the policy process. Many respondents see an important opportunity for funders to expand their support of advocacy and community organizing, and some encourage the field to move still closer to the policy process. One funder noted: “Funders who support education need to become skilled in working with legislators without violating the ‘no lobbying’ rule.”

- **Capitalizing on opportunities at the federal level.** The change in leadership at the US Department of Education has

meant the articulation of new priorities. Many GFE members expressed a desire to learn more about and capitalize on the momentum generated by this change. “Our grant budget in 2010 will be down significantly,” said one private foundation respondent, adding: “However, increases in federal education funds in ARRA and projected in the 2010 budget give us the opportunity to leverage our funding through targeted communication and policy work.”

Grantmakers noted the significance of the government’s emphasis on research-based methods and the potential for stimulus funds to promote inclusive approaches to education reform within communities. Some respondents also spoke generally about a feeling that the sweeping scope of policy initiatives cascading from federal to state and local governments represent a “moment in time,” which—in the words of one grantmaker—“calls for inventive creativity and may not happen again anytime soon.” Whether working on a federal level or in local communities, grantmakers are responding to this window of opportunity, recognizing the potential to advance key elements of education reform that are represented in the comprehensive federal agenda.

## Advancing grantmakers’ learning

GFE is dedicated to helping funders deepen their understanding of critical issues in education so that they can fund most effectively. Respondents identified the following topics as high priorities for the field to advance its learning.

### POLICY AND ADVOCACY

- Organizing for education reform
- Engaging parents
- Funding organizations that conduct advocacy

### WHOLE SYSTEM REFORM

- Aligning systems from early childhood through college
- Supporting changes to the school year, including whole-year school
- Creating stronger middle and high schools

### EFFECTIVE TEACHING

- Recruiting, retaining and rewarding effective teachers
- Delivering effective professional development at all levels
- Improving teacher quality and assessment

### EARLY EDUCATION

- Identifying high quality programs
- Supporting early intervention to close the achievement gap
- Bridging early education and K-12

### CLOSING THE ACHIEVEMENT GAP

- Identifying successful programs for raising achievement
- Engaging disconnected and at-risk youth
- Implementing strategies for drop-out prevention

### OUT-OF-SCHOOL TIME LEARNING

- Assessing the impact of out-of-school time/after-school programs on achievement
- Sharing models for extending the school day

### CHARTER SCHOOLS

- Identifying lessons from effective charters
- Expanding successful models
- Changing or strengthening charter school laws

### COLLEGE ATTAINMENT

- Ensuring college readiness
- Increasing college accessibility, including strengthening community colleges
- Expanding programs to increase college retention

## SECTION 4

# TOWARD GREATER IMPACT: CHALLENGES FOR OUR FIELD

The themes outlined in this report speak to the urgency and import that guide the work of education grantmakers. The survey responses reflected a thoughtfulness and commitment to effective practice—and an unwavering dedication to improving student outcomes. Yet grantmakers continue to express disappointment that our collective investments are not yielding the results we are seeking.

As we reflected on the trends and perspectives arising in *Benchmarking 2009*, we identified three issues that deserve critical consideration by the field in the future.

- **Aligning our efforts.** Focus is a key principle for effective education grantmaking, and many funders have sharpened their focus in response to the economic downturn and other factors. Nevertheless, it is critical for funders to understand how their priorities fit within the broader field of education reform. “The education pipeline is leaking or bursting at crucial points from Pre-K into college,” noted one GFE member. “My impression is that funders are interested in specific interventions—flavors of the month—but with little interest in how they connect, conflict, or reinforce each other. All are important, but what does it all add up to?” Even funders who focus exclusively on one piece of the pipeline—whether it be early childhood education, K-12 or higher education—can be more effective if they understand the priorities and reforms elsewhere along the continuum and make connections across broader issues and funding strategies.
- **Defining and elevating innovation as a practice.** Innovation is the idea of the moment. Funders have clearly

prioritized funding innovative approaches and are responding with zeal to the US Department of Education’s invitation to partner around the Investing in Innovation Fund. Yet “innovation” remains a loosely defined concept in education philanthropy, raising the danger that the term may become faddish or meaningless. As a field, our challenge is to build a common definition of innovation and think strategically about how best to deploy philanthropy’s risk capital to nurture effective new models of teaching and learning. What best practices can we glean from other disciplines on how to identify and systematize effective innovations and to build our sector’s research and development capacity? If we are serious about fostering innovation, we must first be clear about what we mean.

- **Building our collective knowledge base.** The field of education philanthropy is complex and dynamic. Even as funders attest their eagerness to learn from each other, to identify and amplify proven best practices and to scale what works, there is not a robust, generalized evidence base that informs our practice. “We’ve tended to be very busy trying multiple things but there’s a lack of cohesion in the field in terms of the

best way to move the dial forward,” commented one grantmaker.

Ultimately, such observations point to a significant call to action, both for individual funders and for the field as a whole. Going forward, we must develop our own clear standards for success, rigorous measures of effectiveness and more intentional opportunities to share data, strategies and lessons learned. On the individual level, grantmakers must hone their approach to gauging the impact of their funding; as a field, we must create better procedures for sharing evaluation data and promising practices, so that we can all strengthen our investments based on this shared learning.

To be sure, defining and building a collective process for amassing evidence of the impact of specific philanthropic investments will be no small or easy task, but it is a process that is imperative to deepening the impact of all our work—and to achieving the highest education outcomes we seek for all students. To effect systemic and sustained education reform, we must undertake our own field’s development with equal rigor.



## PRINCIPLES FOR EFFECTIVE EDUCATION GRANTMAKING

### PRINCIPLE NO. 1:

#### **Discipline and Focus**

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

### PRINCIPLE NO. 2:

#### **Knowledge**

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

### PRINCIPLE NO. 3:

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

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

### PRINCIPLE NO. 4:

#### **Effective Grantees**

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

### PRINCIPLE NO. 5:

#### **Engaged Partners**

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

### PRINCIPLE NO. 6:

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

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

### PRINCIPLE NO. 7:

#### **Persistence**

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

### PRINCIPLE NO. 8:

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

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

grantmakers<sup>for</sup>education 

Grantmakers for Education improves the knowledge, networks and effectiveness of education philanthropy. By connecting effective education strategies with effective grantmaking strategies, we help foundations and donors leverage their investments to improve achievement and opportunities for all students. Founded in 1995, we are a national association of nearly 250 philanthropies that connects grantmakers with knowledgeable leaders, promising programs, experienced colleagues and actionable research.

[information@edfunders.org](mailto:information@edfunders.org) | 503.595.2100 | [www.edfunders.org](http://www.edfunders.org)



We appreciate the generous support provided by the Prudential Foundation for the preparation of this report.