

Trends in Education Philanthropy

2015

BENCHMARKING 2015

Trends in Education Philanthropy

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FOREWORD

Dear Colleagues,

On behalf of Grantmakers for Education, I am pleased to present Benchmarking 2015: Trends in Education Philanthropy. Over the past 20 years, Grantmakers for Education has grown into the largest and most diverse consortium of education philanthropists in the nation. Founded in 1995 on the premise that collective insights, shared resources, and constructive collaboration enable grantmakers to make more intentional and impactful investments, Grantmakers for Education set out to demonstrate the power of networks in affecting greater change. Today, our branches are as wide as our roots are deep. With a diverse membership of nearly 300 organizations and 1,400 individuals, together, we extend the reach and expand the influence of education philanthropy.

As in past years, this report draws from a survey of Grantmakers for Education

membership that provides a snapshot of giving patterns as well as grantmakers' qualitative impressions of lessons and insights from their work. For the first time, we have also sought out the perspectives of non-members who are active in the field, to help broaden our perspective as we seek to strengthen, deepen, and broaden philanthropy's impact on public education.

It has been two years since our last Benchmarking Report, and this year we find that while the focus on shaping the future of public education remains, the approaches deployed by education philanthropists continue to evolve. This report begins by examining the magnitude and nature of giving across geographies and the age continuum, from birth through to adulthood, as philanthropists seek to support learners at whatever stage and setting they are in. Strikingly, no matter where education philanthropists are working, the commitment to equity is paramount—in different ways, education philanthropists are all working toward a vision of a future where outcomes for all learners improve.

This report would not be complete without us spotlighting funders' current funding priorities and emerging trends in the field. Looking at many different funding priorities, we examine funders' activities

and perspectives to understand the field's top priorities, today and in the years ahead. We highlight the ways in which funders are already grappling with the challenge of measuring and magnifying their impact on learners. And finally, we look at the broader context within which our members operate to ask ourselves: Are we doing everything we can to proactively help our members prepare for future challenges and opportunities?

The field of education philanthropy is critical in advancing toward a future where outcomes for all learners improve and with them, the strength of our nation. We hope that through our efforts in gathering this trend research, we help each other better understand the broader picture, reflect on our practice and continuously strengthen the impact of education philanthropy. Grantmakers for Education is grateful to the many members who contributed to this effort by sharing their perspectives through the Benchmarking survey.

I look forward to hearing how you use the insights in this report.

Best regards,

Ana Tilton, Executive Director

Section 1

THE CURRENT STATE OF GRANTMAKING

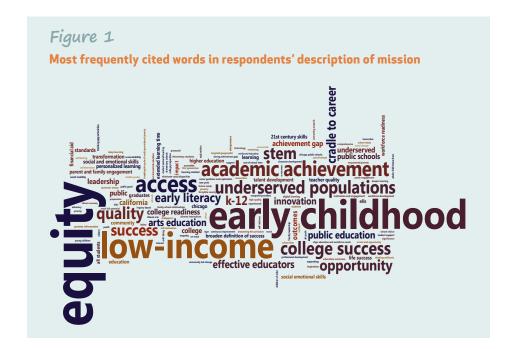
Together, what's next.

Over the next three years, Grantmakers for Education will position itself to bridge the gap between now and next under the guidance of a new strategic plan and operating principles. Building upon our strong history, we will move with you toward the future, exploring new ideas and more strategic ways of working together. We will empower and superpower our members' efforts to improve outcomes for all learners.

As we shift our strategy, we do so to help our members identify and prepare for what's next; promoting our *Principles for Effective Education Grantmaking* and executing an agenda designed to keep members informed of relevant and pressing issues across the education spectrum and equip them with the tools and knowledge required to help shape the future of education.

We strive to do this by engaging our

network of funders to provoke meaningful dialogue on the most critical challenges in public education today and into the future; connecting members to share resources, ideas, and questions; bringing new thinking and drawing new partners to our field; empowering our members to be better prepared for tomorrow; and identifying strategies that help address future challenges.



Grantmakers for Education introduced its Benchmarking Series in 2008 to assess the state of education philanthropy and to learn from its members how the field was evolving. This series has offered members a snapshot of trends, emerging issues, and challenges funders are anticipating on the horizon. The reports offer an opportunity for us all to step

How would you describe the purpose of your education philanthropy?

"To increase the number of vulnerable youth who persist in their education and obtain meaningful employment"

"To ensure that low-income children and families have access to a quality education"

"To eliminate the K-12 achievement gap"

"To increase opportunities and life success for low-income students" back and reflect on what has succeeded, what has not, and what lessons should inform our work in the coming years.

This year, in addition to examining how education grantmaking has evolved over the years—looking at what has remained constant and what has changed—we are introducing a new dimension to our analysis that looks at the magnitude of grantmaking in different settings and focus areas. While it is important to note that this funding data is not comprehensive, we believe this added level of nuance allows us to dig deeper in understanding key trends across the field.

Sustained focus on equity

Changes across the education philanthropy sector are apparent in each Benchmarking Report. Yet one thing that has held steady is funders' commitment to equity—as in 2012, in 2015 more than 90% of foundations see equity as part of their organization's mission. Many funders make explicit their commitment to supporting underserved communities and marginalized student populations in their mission statements and grant strategies. Nearly 30% of members report that equity is a "stated and core part of our mission."

Clearly, education philanthropists are not the only ones concerned with equity. Politicians on both sides of the ideological

spectrum are increasingly charged to address growing levels of economic inequality; students on college campuses across the country are grappling with questions of privilege and exclusion; protest movements have continued to amplify long-standing questions of social justice and economic issues. As funders continue to emphasize the importance of equity to their work, they will continue to confront the inequities in our education system as both causes and symptoms of these broader political, social, and economic tensions. Going forward, the field must ask itself: How does our work relate to this ongoing national conversation?

Key funding priorities

As the data indicates, funders recognize that learning is not confined to any one setting or age range. They are spreading resources across a wide array of settings and in support of a diverse set of activities to support learners (see charts page 6).

The distribution of funding across these focus areas reflects both the sheer scale of education philanthropy as well as the diversity of approaches deployed by funders. Our members see the work occurring in one area as highly relevant to what is happening elsewhere, and funders who are attuned to the connections between areas are positioned

Figure 2

Percent of total funding by focus area, Grantmakers for Education members

TOP 12 FOCUS AREAS BY AMOUNT OF FUNDING

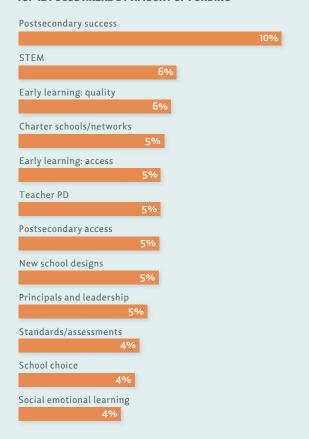


Figure 3

Percent of Grantmakers for Education members actively making grants, 2015

TOP 12 FOCUS AREAS BY NUMBER OF FUNDERS



to reach across (and beyond) the sector to connect their grantees to valuable insights and resources.

This year, nearly two-thirds of all Grantmakers for Education members made grants in support of teacher professional development—as in 2012 it was the area attracting involvement from the greatest percentage of funders. In 2015, expanded learning/after school was a major priority—it was the third most commonly funded area in 2012 and second among Grantmakers for Education members in the current year. Other areas that have remained priorities over the past few years include STEM, reading and literacy, and efforts to promote college access and success.

Funders continue to reflect the interconnected nature of education in their grantmaking approach. Among our survey respondents, the average funder made grants in 11 of the 31 different focus areas we asked about (see the data appendix for a full list of areas), and only 6% provided funding to three areas or less. In 2015, more than 70% of members funded efforts across multiple stages of the learning continuum (from birth to five through the K-12 system and on to postsecondary and the workforce). The picture that emerges from the data shows a

Grantmakers are not just operating within the confines of the traditional school day—they are actively working to engage out-of-school and expanded learning time programs as well. In 2015, 50% of funders made grants in support of "expanded out-of school, after school, and summer programs," contributing more than \$50M.

field that is actively making connections between the individuals, organizations, and systems that support learning across the country. This is nothing new, and the trend toward grantmaking in multiple areas appears to be accelerating—in 2012, 9% funded exclusively within one level of the system, compared to 17% who exclusively funded one area in 2008.

Every funder adds value when it draws upon its own unique set of perspectives, experiences, and goals to support individuals

and organizations working to improve our education system. Yet the magnitude of the impact funders are making becomes even clearer when we view these grantmakers collectively. In the next few pages, we highlight our view on key trends and considerations within some major areas of the education philanthropy field to better understand the full scope of impact education philanthropists are making.



SUMMARY:

Teacher preparation and professional development

Total grants given by members

\$150M-\$200M

Top types of grantees

- Top activities supportedTraining and professional development
- Incubating or supporting new innovation
- Scaling up existing organizations
- Operational support/capacity building
- Research and evaluation

- School districts

67%

Technical assistance and professional development providers

Percent of members making grants

- 4-year colleges and higher education institutions
- Community-based organizations
- Alternative teacher and leader pathways



- **There have been two shifts: supporting more job-embedded teacher professional development and emphasizing, with any program or project, coherence with the district and school's vision and training efforts**
- What we support must be embedded—we have focused over the last two years on supporting implementation of Common Core and aligned assessments, but that is likely to change in the future as alt cert programs that have stronger focus on accountability provide competition to traditional teacher/prep university system
- 44 A more refined focus on staff development focused on integrating learning models, non-cognitive, blended and personalized learning
- We are scaling up organizations that help build the capacity of urban schools and districts to support their teachers to make the instructional shifts required by the Common Core standards!"

Teacher preparation and professional development

The philanthropic community has long been focused on helping educators improve their practice, and this year the data shows that work continues. In 2012, we wrote:

"Funders recognize the need to invest in a teaching profession that is changing and will look different in the future. Several cited the need for a stronger teacher pipeline, starting with teacher preparation programs that prepare educators to teach 21st century skills, customize teaching to student learning styles, and gain strong content knowledge around STEM or the Common Core standards. Others noted the importance of 'identifying effective teaching models and practices and making professional development more relevant to the demands of new models of learning."

Much the same could be said about the funder community today. As in 2012, funders recognize that effective teacher preparation and professional development is fundamental to realizing the full promise of innovation in other areas of the sector. Effective educators are at the heart of efforts to implement rigorous standards, create high-quality early childhood opportunities, adopt new tech-enabled school models, meet

the diverse needs of all learners, and realize the full potential of almost all the work the funder community collectively pursues. The sustained resources funders are directing toward supporting educators are a welcome trend.

A couple of emerging developments did catch our eye.

First, the data suggests that funders will be paying increased attention to teacher voice initiatives over the next year—nearly half project their budgets for these efforts will increase in 2016. At the same time, funders may be revisiting their grantmaking in support of teacher evaluations and compensation reform. Whereas in 2012 we wrote that "teacher evaluation and tenure reform were noted as a leading trend by many grantmakers," in 2015 only 11% of funders project their budgets will increase in this area (compared to 21% who project it to decrease).

Second, it appears as if the field is directing more resources to support the other adults in school systems—namely, school and district leaders. In the 2012 report, we wrote:

"Several respondents noted that funders are not paying enough attention to principal leadership and the role of principals in defining school leadership. Many suggested that 'principals need training on how to

evaluate teachers, provide feedback and tie it back to meaningful professional development opportunities'."

In 2015, the sum total of grants to support school and district leadership nearly equaled that of grants devoted to teacher preparation and professional development. Many funders see these two strands of work as inseparable. They are making grants to support principals as they "develop shared leadership teams" in their schools, focusing on developing principals as "instructional leaders." By funding things like professional learning communities where "groups of teachers and their principals participate in professional development together," education philanthropists are helping to support a new wave of dynamic and collaborative school leaders that can effectively develop the educators in their building.

This support for educators and leaders is not limited to the K-12 system. Training and professional development is the most commonly supported activity among funders active in promoting quality early learning opportunities. Funders report focusing on amplifying and responding to "the collective voice from [early learning] providers," helping to address the most pressing issues such as "high-quality implementation, developmentally

focused curriculum, raising the bar around [early childhood] teacher preparation."

Workforce readiness funders are recognizing the need to engage both educators and business leaders by fostering "business partnerships with secondary career and technical schools and partnerships between secondary and community college." For funders supporting expanded learning opportunities, "co-teaching" models that partner "certified teachers with community educators" can help broaden educational opportunities for students. Across sectors and age ranges, the focus on identifying and developing educators and leaders is clear.



SUMMARY:

Postsecondary access and success

Total grants given by members

\$250M-\$300M

Top activities supported

- Operational support/capacity building
- Scaling up existing programs
- Incubating or supporting new innovations
- Research and evaluation
- Strategic planning support

Funder Perspectives "

Percent of members making grants

48%

Top types of grantees

- Community-based organizations
- 4-year colleges and higher education institutions
- 2-year and community colleges
- Technical assistance and professional development providers
- Research and evaluation organizations
- Our college access and success strategy is one in the same. We fund high-quality programs that achieve meaningful outcomes for students
- We focus on BOTH access and success—to us they are inseparable. Access is useless without success.
 Success is useless without access **
- We are interested in scaling up cohort-based models that provide a mix of academic and social supports to at-risk students entering 2- and 4-year colleges and universities
- Our efforts focus on increasing the number of underrepresented students who complete postsecondary education with credentials that are relevant to market demands **

Postsecondary access and success

Postsecondary access and success has long been an area of focus for education philanthropists: In 2008, our report described how grantmakers were "pressing educators and policymakers to prepare students for the rigors of college, ensure their progress to graduation and make college more affordable." At the time, nearly 70% of funders were active in support of "high school reform, including college and career readiness." In 2012, one of the key areas of focus was strengthening connections between high school and postsecondary education systems. As our Benchmarking Report from that year noted:

"The most common point of focus along the pipeline was at the transition from high school to postsecondary education ... even for funders focusing on earlier points in the pipeline, a growing number cited focus on increasing degree and credential attainment, aligning supports and earlier interventions that can lead students toward that ultimate goal."

Today, that focus clearly remains. As in 2012, many referenced the importance of orienting the system toward postsecondary achievement earlier in a learner's journey, such as the funder who described an

increasing focus on "embedding career exposure and education into the system starting in middle school and continuing through college." Others cited the necessity of meaningful postsecondary credentials to participating in today's labor market, linking "workforce and career readiness" explicitly with a "new interest in reducing inequality."

In a constantly evolving labor market, where the best jobs today require new kinds of skills and the jobs of tomorrow do not yet exist, the value of postsecondary experiences in terms of the opportunities they create for students is an area of cross-sector concern. Education philanthropists recognize this trend. Many cited the need to connect traditionally marginalized student populations to meaningful postsecondary credentials that put them on a path to dynamic careers. Broadly speaking, they saw "increasing attention, efforts, measurement, and collaboration around making sure students actually succeed once they get to college" as weighing heavily on their strategies in the years ahead—while at the same time noting that what is required in terms of skills and experiences to achieve "success" in a changing society is itself under constant revision.

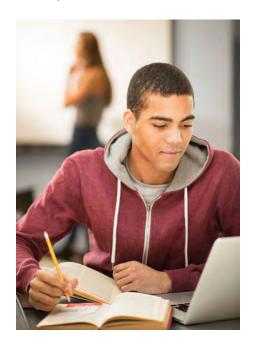
Already, philanthropy is helping lead the way by cultivating collaborative approaches that support access to high-quality

postsecondary opportunities and success for all learners. This approach recognizes that preparing students for postsecondary success starts long before they ever even think about college and careers—it requires looking at the whole continuum, starting from birth, and supporting efforts that give children the knowledge and skills needed to grow and achieve.

In the closely related focus area of career readiness, where 46% of involved funders expect their budgets to grow over the next year, funders are actively seeking out cross-sector partnerships with the business community to ensure tighter alignment with the needs of local economies. They are, as funders' descriptions of their goals in this area evince, helping to "build partnerships between businesses and secondary schools, career and technical, and community colleges"; working closely "in collaboration with local economic development corporation[s]"; and demonstrating "increasing interest in workforce and career readiness to support [efforts to] reduce inequality."

This willingness to work across sectors is a growing trend for education funders. In 2011, our report noted that several respondents saw public-private partnerships as not new but becoming "increasingly frequent, because of the need to scale

initiatives or create sustainability." In 2012, 62% reported engaging in cross-sector partnerships. In 2015, 71% reported actively collaborating on grantmaking with a private sector organization. With the challenge so pronounced, and achieving success so important to our members' mission to promote equity for all, it will be critical that funders continue to lead by bringing together the best minds and resources from all parts of society.



SUMMARY:

Early learning: Enhancing quality and expanding access

Total grants given by members

\$200M-\$250M

Top activities supported

- Training and professional development
- Research and evaluation
- Advocacy and public policy
- Incubating or supporting new innovation
- Strategic planning and support
- Operational support/capacity building

Percent of members making grants

38%

Top types of grantees

- Community-based organizations
- Early childhood providers
- Technical assistance and professional development providers
- School districts
- 4-year colleges and higher education institutions
- Research and evaluation organizations



- We define our work as 'access to quality' ... our point of view is that high-functioning systems can attain a level of quality that will prepare children for school without sacrificing much in the way of access!
- We have been convening providers from the early childhood education sector with the sole purpose of bringing a collective voice to the most important aspects of this burgeoning field—high-quality implementation, developmentally focused curriculum, raising the bar around teacher preparation, etc."
- We approach quality enhancement through teacher quality and creating a professional learning community for educators to share practices. We are also working on state licensure and QRIS standards
- "Focus on early childhood as a long-term system changer"

Early learning: Enhancing quality and expanding access

Perhaps no other issue in education attracts such bipartisan support as early learning—that has not always been the case, and this emerging coalition of funders, educators, business and civic leaders is a promising development. In 2015, politicians from across the aisle in local, state, and national campaigns made support for expanded access to early learning opportunities a central part of their education platforms. And the philanthropic community has been at the forefront, with more than 40% of funders making grants in 2015 to enhance the quality of or expand access to early learning.

Yet while this momentum is promising, funders involved in early learning efforts report that the work is nowhere near complete. Based on their perspectives, a few prominent challenges become clear:

Pre-K is an important component of early learning strategies, but not the only part that matters

Grantmakers note that in the field, there is "a sense that we have to start much earlier [in a child's life] to make change," and that there is an increasing awareness of the importance of birth to five to ensuring "that children start school ready to learn"

- 2. Ensuring a path to long-term financial sustainability for all remains a challenge Even the magnitude of the resources of philanthropy and the public sector working in tandem has yet to address the challenge of ensuring sufficient space in high-quality early learning centers for all learners, and making sure those resources are sustainable. Funders are working to find ways to leverage public sector resources at the city and state levels, while developing "more of an emphasis on advocacy for financial sustainability" and focusing on early childhood education as "a long-term system-changer."
- 3. Expanded access is unlikely to mean much without equitable access to quality
 Funders define their work "as access to quality and do not separate them" and are working to "develop more city-wide strategies around quality" yet there is still much work to be done, especially around preparing and supporting effective early learning educators and ensuring children are benefiting from stimulating and engaging learning curricula and resources.

The high-profile status early learning has assumed represents both an opportunity and a challenge.

As one funder warned, in early childhood education, "the field is exploding and in some ways is out of control ... policies are being written without enough attention to what really works for the child and what are essential considerations when implementing at scale." Another cautions that while "early care and education has been an increasing area of focus for policymakers ... there is still

a need for implementation of what actually promotes children's learning and for systems that provide early childhood opportunities." While the involvement of civic and business leaders offers access to a broader set of resources, funders need to be particularly attuned to the importance of implementing high-quality programs and policies in such an active and highly visible focus area.



SUMMARY:

New school models/designs

Total grants given by members

\$50M-\$1,000M

Top activities supported

- Building public will
- · Research and evaluation
- Incubating or supporting new innovations
- Operational support/capacity building

Percent of members making grants

32%

Top types of grantees

- School districts
- Community-based organizations
- Technical assistance and professional development providers
- Policy/advocacy organizations
- Research and evaluation organizations



- We anticipate beginning to fund public 'innovation' schools that are hybrid of district and charter and take the best from both systems"
- ⁴⁴ The most important investments to be made right now are to ground-level innovators who are pioneering new learning, budget, and school-organization models to shift away from our century-old model of education systems and toward competency-based student progression with personalized, student-centered, blended, and experiential learning environments.
- We want to generate innovative designs capable of providing personalized learning experiences for all students and increase the reach of nonprofits that deliver those designs?

New school models/designs

Unsurprisingly, the funders active in supporting new school designs are keenly focused on incubating and supporting innovation within the sector—it was the most commonly funded activity among grantmakers in 2015. For some, these grants represent an opportunity to help bring about a transformative paradigm shift, leveraging emerging technologies to fundamentally revisit the ways in which learners experience their education. As one wrote:

"The school development strategy itself is born from our conviction that the most important investments to be made right now are to ground-level innovators who are pioneering new learning, budget, and school-organization models ... who are shifting away from our century-old focus on grade-level progression, few learning modalities, and subject-focused curriculum, to competency-based student progression within personalized, student-centered, blended, and experiential learning environments designed around richer/deeper definitions of student success."

In that sense, new school designs are deeply linked to innovations in other areas of the sector. Grants here are critical to developing structures that enable schools and systems to

realize the full potential of new developments in personalizing learning, supporting educators, utilizing technology, and more.

Also interesting is the extent to which funders are supporting activities that help create a more conducive environment for adopting new school designs—two-thirds of funders reported making grants in support of building public will, with the same percentage funding research and evaluation efforts in 2015. As one grantmaker wrote in assessing the major trends shaping the field, there is "[an increasing] consciousness among grantmakers that funding programs without ensuring they are aligned with local policies and the needs of the community, teachers, and students prevents highly successful programs from achieving national scale." In an area where innovation is the goal, the potentially disruptive impact of these changes on those who are intended to benefit cannot be ignored, and this attention to the broader implementation context is encouraging.

At the same time, the development and proliferation of new technologies has enabled new models of learning and facilitated different kinds of experiences for learners. Grantmakers who pointed to the impact of these emerging technologies described the potentially transformative impact this could have on the field in clear terms:

- "Personalized learning (supported by effective use of technology) is the huge lever for transformation of education in the next 20-40 years"
- "We see the rapidly changing face of educational technology increasingly [enabling] individualized student learning"
- "The rapid proliferation of new learning configurations and new tools that enable them and the explosion of entrepreneurial energy driving that proliferation make it hard to predict what the field will look like in 5-10 years"

Given how deeply new digital tools have permeated our society, a move toward increased integration of new technologies into the educational experience may be inevitable. And increasingly, a high level of technological fluency is a prerequisite for leaners to succeed when competing in a global digital economy.

The philanthropic sector has a clear role to play in supporting innovation—funders are uniquely positioned to be risk-takers, to provide the resources required to experiment, pilot, and rethink existing paradigms. At the same time, funders have an opportunity to help ensure that innovation is matched with a commitment to the thoughtful and equitable

implementation of effective technologyenabled models. Simply getting more technology in the hands of more educators and learners is no guarantee of improved outcomes. As one funder cautioned, there is a need to "preserve time and space for groundbased innovation and model-building before the rush to scale up (badly) begins." With the education system in the midst of a shift away from "a century-old model in K-12 and a 400-year-old model in higher education," there is a need for both patience and discernment from funders to give innovators "the time and latitude to improve their designs so that the early adopters and early majority can benefit from their work." How well funders are able to strike that balance is likely to go a long way toward determining just how "transformative" new education technologies will be.



SUMMARY:

Charter schools and networks

Total grants given by members

\$100M-\$150M

Top activities supported

- Research and evaluation
- Scaling up existing organizations
- Operational support/capacity building
- Incubating or supporting new innovations
- Building public will
- Training and professional development

44 Funder Perspectives **77**

Percent of members making grants

27%

Top types of grantees

- Charter schools and networks
- Community-based organizations
- Alternative teacher and leader pathways
- Policy and advocacy organizations
- Research and evaluation organizations

- "We provide general operations support to growing charter networks, and then more targeted support to fully grown networks"
- We are just starting to increase our involvement here given the proven effectiveness of the sector
- Our goal is to grow effective charters and spread best practices broadly across all public schools
- "Seeking to expand the capacity of outstanding charter schools that serve predominantly lower-income students"

Charter school and networks

As the charter sector continues to mature, our data suggests that philanthropists see their role evolving as well. Whereas in the early days of the charter movement funders played a prominent role in seeding and incubating new charter models and networks, today the primary focus is on scaling up existing organizations and providing the support needed to improve their effectiveness (as nearly 90% of funders focused on this area reported doing). As a whole the sector has had some noticeable successes—cities where charters have achieved scale and created collaborative relationships across the public system and schools and networks that have demonstrated outstanding results in areas of persistently low performance. There have been persistent challenges too, many rooted in ongoing debates around how well the sector serves marginalized student populations, uneven quality across operators, and the tensions inherent to how limited public resources get allocated.

Today education philanthropists are considering what can be done to maximize the impact of the charter sector on the education system, both through "expanding the capacity of outstanding charter schools" and by "spreading best practices broadly

across all public schools." Funder interests in the space are continuing to evolve—some are helping to facilitate more productive collaborative relationships with traditional districts, for example, or working intensively and innovatively to develop effective and innovative charter models.

One emerging trend that could have significant implications for funders active in this sector is the emergence of "portfolio" models, or hybrid governance structures that house schools run by different kinds of operators within one broad systemic umbrella. Some funders see "the continued popularity of portfolio-based districts" as opening up new possibilities for how to "create, manage, and support the success of

Grantmaking in support of policies relating to school choice is expected to hold relatively steady over the next year, with ~80% of active funders projecting budgets to stay the same or increase in 2016.

quality schools." Within these portfolio districts and in any area where charters have a significant presence, philanthropists see a pressing need to "find ways to collaborate that bring the lessons and practices of successful charter networks into traditional public school

districts" and vice versa. For these funders the focus is on finding the best practices in fostering achievement regardless of governance structure, and then finding ways to thoughtfully channel and adapt those practices into any educational setting.



Section 2

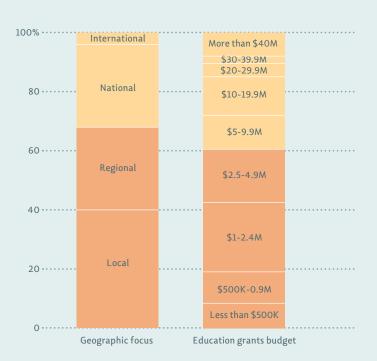
EMERGING TRENDS

Trend #1: Education philanthropy is growing, driven by a broad set of funders

Looking at the funder responses to this year's survey, one thing is abundantly clear—education philanthropists have been hugely successful in marshalling substantial resources to support learners across the country. In 2015 alone, our members made grants worth nearly \$1.9B. And according to the data, that number is only expected to grow: For our members, total grantmaking is projected to top \$2B in 2016, an approximately 7% increase over the current year.

Just as striking as the magnitude of education philanthropy's giving is its diversity. Education philanthropists can be found everywhere, and operate in different geographies and at different scales. While large national foundations may garner the most national headlines, the contributions of small and local philanthropists are absolutely

Figure 4
Distribution of members by geographic focus area and education grants budget



critical (and in many cases more prominent in the local media). In 2015, 41% of our members made grants primarily or entirely within their own local community, and another 26% made grants only within a defined geographical region. Nearly 65% of philanthropists had grant budgets of less than \$5M in 2015.

The influence of these local and regional grantmakers, who often have deep connections to their communities and extensive knowledge of the education landscape, is only expected to grow. In 2015, nearly 70% of all members reported funding only within a local or regional area. More than 60% of members reported education grantmaking budgets of less than \$5M annually, and nearly 20% gave less than \$1M annually. Their contributions are critical and highly valued in their home communities, and all Grantmakers for Education members benefit from their expertise. With such a diverse array of philanthropists working across the country, Grantmakers for Education recognizes the critical importance of bringing funders together to share best practices and learnings. In fact, we consider our diverse membership one of our biggest strengths—by working with such a broad array of organizations, we are better able to aggregate different perspectives to help our

members identify and prepare for what's next and find opportunities to work together when their goals are aligned.

Trend #2: Meeting the needs of diverse learners

Ask any educator, and they will remind you that efforts to meet the individual needs of students academically and emotionally are in no way new. For many, adapting teaching and personal styles to better reach each and every learner has always been at the heart of effective teaching. Still, the increasing energies and resources being directed toward a broader understanding of what constitutes learning is exciting and could potentially catalyze a movement to take what the best educators already know and do and embed it at the core of every interaction our learners have with the education system.

Of the 30+ categories that we asked funders about, in only 6 did more than 40% of those involved today project growing budgets over the next year:

- Social and emotional learning (59% project budgets to grow; 94% stay the same or grow)
- Personalized and/or competency-based learning (53% project budgets to grow;
 95% stay the same or grow)

- Teacher voice initiatives (50% project budgets to grow; 91% stay the same or grow)
- Workforce and career readiness (47% project budgets to grow; 92% stay the same or grow)
- Education of English language learners/ immigrants (47% project budgets to grow; 91% stay the same or grow)
- Wraparound supports (47% project budgets to grow; 86% stay the same or grow)

In areas like social and emotional learning or personalized/competency-based learning, each of which already attracts grantmaking from ~40% of philanthropists, these projected

According to the most recent data from the National Center for Education Statistics, only 59% of English-language learners graduate high school, compared to the national average of 80% for all students.

increases could represent a substantial commitment of additional resources into two burgeoning areas.

Educators are meeting head-on the challenge of providing tailored approaches and supports to students with unique backgrounds and needs, and philanthropy is playing an increasing role. As the field continues to mature, we expect social and emotional and personalized/competency-based learning to become increasingly central to the work of funders and educators across the field—less a discrete strand of work than a core focus embedded within all efforts to support student learning. Already, funders are pursuing activities that make these tailored approaches foundational to the learning experience:

- Within social and emotional learning:
- "Our goal is for educators to have the motivation, skills, and resources to embed evidence-based SEL practices so they are able to build and maintain schools that develop prosocial students"
- "We support our investees to use existing SEL programs or approaches and provide teacher training as needed"
- "Our initial investments focused more heavily on research. Now, we are pivoting to more translational work to bridge research to practice (such as building tools for teachers, PD, etc.)"

- Within personalized/competency-based learning:
 - "Our grantmaking is focused on professional learning and supports at the classroom/building and district levels"
 - "We will continue to make capacity building grants to organizations that leverage this model to meets the needs of individual students"
 - "Support school-based efforts directly with students. More of a focus on this in the past 2+ years and will continue in this direction for the foreseeable future"
- Within wraparound supports:
 - "We want to help move the field towards a full service community-schools approach that is fully integrated with the school day and features interdependent relationships between outside providers and school/ district employees"

Taken together, grants in support of social emotional learning, personalized learning, and wraparound supports aim to address the academic, social, and health factors that influence student outcomes. Increased grantmaking in support of English Language Learners and recent immigrants speaks to increased awareness of the expanded supports needed to help school systems effectively reach this rapidly growing population.

The challenge going forward is substantial: How to take a compelling research base, bolstered by growing public awareness and the everyday knowledge of educators, and translate it into meaningful changes in practice and policy that shape the experience of every single learner across the country. These more integrated funding efforts are an encouraging start.

Trend #3: Revisiting major areas of reform

When we published the 2012 version of our report, one issue was clearly at the forefront for our members: The Common Core State Standards (CCSS). As we wrote at the time:

"Funders overwhelmingly cited the Common Core State Standards as the most significant trend impacting education— and by extension, education philanthropy. Many respondents believed the new standards represent a unique opportunity for transforming education. They noted that the new standards will require both districts and states to implement comprehensive change at a time of reduced budgets and saw an important supporting role for philanthropy."

Today, Common Core still matters. Many philanthropists continue to cite the influence

of the standards as highly pertinent to the work they are doing within teacher preparation, new school designs, college and career readiness, and other areas, and the standards remain a salient issue for parents, educators, and politicians.

Funders writing about the key trends they perceive in the next few years cited:

- "The continued roll out of the Common Core including aligned assessments"
- "Ongoing questions about the Common Core"
- "Understanding the implementation of the Common Core"
- "Public push-back against Common Core standards and concerns about the amount of time that students (K-12) are spending taking and preparing for standardized tests"
- "Common Core and the Next Generation Science Standards"
- "The challenge of helping teachers successfully implement the new CCSS and educating parents on the new CCSS"

Clearly, the work is not yet done.

Yet while the Common Core has implications for the work of all funders, only a portion of the funding community has been

engaged in actively funding work relating to standards and assessments—and the data suggests that funders may be pulling back in the coming year. In 2012, only 24% of grantmakers were making or planning on making grants related to implementing Common Core, and 60% reported that they had "no plans to do so" in the coming years. In 2015, it appears that funders did what they say they would do: Today, about one-third of our members are actively making grants within standards and assessments, and only a quarter of those are projecting that their budgets will increase in the coming year (compared to 28% projecting a decline).

While the movement toward more rigorous standards and assessments has clear implications for the work our members are engaged in, based on the data, what role they see in addressing these concerns remains unclear. It could be that there has been a relatively steady level of involvement from a core group of funders over the past five years, and that many funders do not see a need for their direct involvement in this work. Standards and assessments have become an increasingly hot-button issue, and the extent to which that politicization has influenced funder considerations toward grantmaking in

the space bears evaluating. With the level of concern regarding the impact of the standards so high, it is clear that there is an important role for philanthropy to play as the field digs deeper in implementation of the standards—what exactly that role should be, and who in the funding community will lead the way, is yet to be determined.



Section 3

EVALUATING AND MAGNIFYING IMPACT

For every dollar funders direct into the education system, funders are being tasked with justifying their investment and evaluating its impact. They are being challenged to demonstrate that every dollar spent is being spent effectively and that everything possible is being done to measure and expand the impact of their grants.

Finding opportunities to collaborate effectively

One way to magnify impact is to improve practices and enhance efforts by combining brainpower and resources, and funders are doing that in droves—almost 95% of grantmakers reported collaborating with each other on grants or other related efforts in 2015. This is nothing new: In every year since our first Benchmarking survey in 2008, at least 90% of members reported collaborating with other funders. In 2015, funders are actively working with, co-funding, or collaborating with another grantmaker on approximately 30% of all grants.

Yet while funders recognize the importance of collaboration—more than 90% reported that the impact was greater on grants where there was active collaboration with other funders—it is not always easy. Almost half of all funders reported that execution was more challenging when collaborating, and less than 10% said it was easier. For funders who found collaborative grantmaking challenging, major issues included differences in each funder's or funders' grant approval processes and reporting requirements, differing strategies and agendas among collaboration participants, and the unanticipated burdens on grantees and staff.

What makes collaborative grantmaking successful? Funders detailed a clear set of best practices based on their experiences collaborating to date:

The importance of upfront communication to establish common expectations and alignment on methods and goals

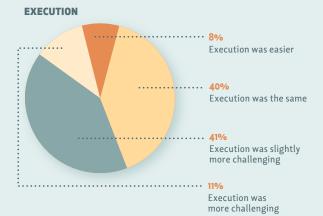
- "It is critically important to have clarity on shared values and larger goals from the outset. If you agree on goals and values, it will be much simpler to develop a cohesive strategy that all participants are committed to"
- "Agreeing on and being clear on the purpose of the work up front is critical"
- "Build trust, be clear about aims, set up open channels of communication—invest in the relationships"

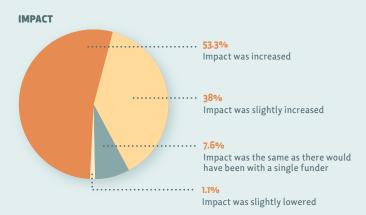
A joint set of terms for measuring impact and evaluating success

- "Having a single common metric that all can agree upon at the outcome of the work and having all funders at the table to help co-create any initiative is critical to success"
- "Common reporting and communications protocols that reduce the administrative burden on the grantee and co-investors"

Figure 5

Member attitudes toward collaborative funding efforts (relative to funder-led projects)





Flexibility to incorporate funders looking to contribute in different ways

- "Avoid rigid collaborations and pooled funds. Make the collaboration as informal and flexible as possible. The money will still flow as the relationships grow across partners"
- "Keep the door open for additional funders to join the work over time"
- "Flexibility of the grantmaking staff and boards was key and ongoing communication is imperative"

More than anything, trust is the key—grantmakers who have established open lines of communication and familiarity with each other's strategies and goals are far better positioned for success in pursuing joint work.

Appetite for collaboration does vary significantly by focus area. Whereas more than 70% of funders active in supporting early learning and postsecondary success thought increased collaboration would be beneficial, less than 40% saw performance management systems, school turnaround, charter schools and networks, or school choice as well-suited for collaborative work. (See chart page 24.)

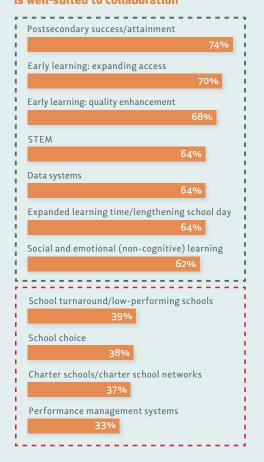
There are some clear reasons why collaboration may be harder in these areas—each has been a highly politicized aspect of the education reform movement, and funders

likely come to this work with substantive differences in perspectives and approaches. Funders in these areas are likely to have well-defined strategies and goals, which could preclude the kinds of compromises and alignment that successful collaboration requires. For those operating in areas that are acutely sensitive to public perception, the added strain of executing on collaborative efforts—combined with a desire to be fully in control of the grantmaking agenda—may outweigh the potential benefits of working together in the minds of some funders.

Yet it seems worthwhile for funders in all areas to ask themselves if they are doing enough to work with their counterparts, if only because the benefits of collaboration to both grantees and funders are so pronounced. The 70% of funders who said collaboration increased the impact of grants touted the "opportunities for scaled impact" and the ability to "avoid redundant work that is often at cross purposes and hurts us all," among many other reasons. Grantees can avoid duplicative and time intensive reporting requirements, and funders learn from the expertise and methods of their counterparts.

One funder compellingly summarized both the challenges, and the urgency, of pursuing collaborative grantmaking:

Figure 6
Percent of active funders who believe area is well-suited to collaboration





"Partnerships take a lot of time and energy. Sometimes staff has to convince the board of the advantage of participating in such endeavors. It can seem like your funding is getting diluted, rather than having more leverage or impact. Smaller foundations in particular have this problem. It's hard for smaller foundations to have enough dollars to take the lead on a funding initiative or collaboration, and when they participate in large collaborations, they often don't feel like a valued member. On the other hand, we're all aware of the value of leveraging investments so it's a constant tension. Local initiatives tend to make more sense for smaller foundations, however, we want to know (and be part of) the larger national solutions to education reform that are possible."

That same funder ended with a call on Grantmakers for Education to provide more in the way of guidance and support for funders interested in pursuing collaborative grantmaking opportunities:

"We look to Grantmakers for Education for guidance on this and I wish there was more offered by Grantmakers for Education on collaboration, on how best to plug in regarding scale, and how we should be interpreting national trends and knowledge in different contexts."

We welcome the challenge. Our members are actively engaging with their peers to have these critical conversations through our **Impact Groups**, which bring together funders around shared topics of interest such as data, education policy, out-of-school time, postsecondary access, attainment, and more.

We look forward to continuing to drive more effective collaboration by connecting funders, formally and informally, through our various programs, initiatives, and knowledge sharing efforts.

Utilizing different tools to measure impact

In our 2012 Benchmarking Report, we discussed an emerging trend toward "evidence-based practices and greater accountability, for both education systems and education philanthropy." We noted "a continued focus on measurable outcomes and more funders using data as a guide to identify areas of funding and focus," which was predicated on the growing use of "research and evaluation of innovative practice" to inform grantmaking strategies. As grantmaking continues to expand and evolve, that focus remains, but funders are still grappling with a persistent challenge—how best to evaluate and articulate the

impact that their grant activities are making, and how to measure that impact against internal goals to assess the overall impact of their overall portfolio.

Funders continue to express dissatisfaction with the measurement tools available today—many express discontent with the tools available for evaluating the impact of their overall portfolio, and nearly half of all funders are not happy with the tools available for evaluating the impact of individual grants (which funder themselves often create).

Given the increased focus on data and accountability across the education sector, this represents a significant challenge, as philanthropists try to answer key questions: What should funders hold grantees accountable for? What should they hold themselves accountable for? And how should they measure those indicators of success?

Clearly, funders are trying. They are relying on a wide array of measurement tools and approaches to attempt to more precisely measure the impact of their grantmaking activities, both at the individual grant and overall portfolio level. Looking at the full range of responses, it appears as if funders fall broadly into two camps—those that are relying on rigorous quantifiable metrics and others using more informal survey and self-report instruments (see chart above).

Quantifiable Measures

- "Comprehensive annual dashboards with agreed-upon metrics"
- "Require annual outcomes with related measures and benchmarks specified when the grant is made and reported on at the end of each grant year"
- "We have a fairly standard practice where grantees fill out measurable objectives for the grant in our agreement and report on them throughout the grant period"
- We ask our grantees to identify up to 5 outcome measures with baseline numbers and targets when they submit their application.
 We also ask what their long-term goal for each measure is"
- "There is a global impact tracing tool that measures impact (scale and scope) of the portfolio"

Quantifiable Evaluation

- "We survey grantees, partners, and internal and external stakeholders at regular intervals and then review that feedback as part of our planning process"
- "No tools, just discussion about what the portfolio looks like and where it's going, both internally and with other local funders"
- "We ask our grantees to tell us how they plan to measure their effectiveness and then they report on how they met/did not meet their own objectives"
- Develop strategic learning and evaluation questions for each individual program team and a plan to address the questions"
- "We survey grantees, partners, and internal and external stakeholders at regular intervals and then review that feedback as part of our planning process"

Each of these measurement approaches comes with its own set of benefits and challenges. Funders who utilize more quantifiable metrics are concerned that the tools they are using may not be the right ones—that their measures might not be nuanced enough to capture the impact of the work they and their grantees are doing,

or that they are simply not measuring the right thing. At the same time, using consistent metrics facilitates tracking of impact over multiple years, and their use naturally lends itself to clear and concise reporting. Generally, it seems as if more funders are utilizing quantifiable metrics when evaluating their grantees than in evaluations of the

37% of grantmakers indicate some level of discontent with the tools they use to evaluate individual grants; 48% so indicate discontent with regard to the tools they use to evaluate their overall portfolio.

impact of their own grantmaking portfolio this may reflect a lack of "know-how" when it comes to utilizing measures to capture the holistic impact of an array of grant activities, or a lack of trust in the measures themselves.

Given this proliferation of approaches and the extent to which frustration is common to the field, there is likely an opportunity for significant collaboration and knowledge sharing to develop and share effective practices across grantmakers. For funders to maintain the credibility of their claims of impact, they need to be utilizing valid and reliable measurement tools, practices, and approaches to support them.



Section 4

WHAT COMES NEXT FOR EDUCATION PHILANTHROPISTS?

"Let the deeper conversations and the 'scary questions' be confronted: As grantmakers, something we are doing is not working. We need to look outside the box or, perhaps even better, create a new box whose sides are flexible and lets light in from the global community. In practice we isolate ourselves. We talk big talk about being global, calling in international thought leaders, but all too often, we find ourselves right back where we started—funding a project that,

if the principal or superintendent left, would likely fail. We have to look beyond politics and budgets and look at communities and organizations that are poised to be able to test, evaluate, and develop strategies for the benefit of our nation"

—Local foundation with budget of <\$500K</p> Across the field, funders and practitioners have been working diligently and creatively to improve the efficacy of their work. Funders recognize that to do this work effectively there is no going it alone; they are continuing to seek out opportunities to work across the field and across sectors to deepen and broaden the impact of their work. When asked to describe how their organizations would adapt to the emerging trends they anticipated affecting their work over the next few years, many pointed to the need for greater levels of collaboration and knowledge sharing:

- "Our organization is working to set a model of collaboration that shows that the process, not the program, is the key"
- "[We will pursue] thoughtful coordination with other funders including public funders, and thoughtful use of dollars where public and private capital are not investing"
- "As a national funder, we will need to increase our focus on sharing back trends or patterns we observe across organizations/ locations so that our portfolio of grantees overall is better informed"
- "By engaging with grassroots and grasstops stakeholders"

- "Understanding the opportunities for building solidarity with unlikely partners who will be equally concerned about the receding commitment to public education that has occurred over the past ten to fifteen years"
- "We launched a group several years ago ...
 that convenes funders statewide to
 identify educational issues and then fund
 non-partisan research to then take to the
 Capitol to add to the discussions about
 education policy"
- "Complimenting grantmaking with communications strategies and facilitating learning communities to shift attention on what's possible"

For some funders, the scope and diversity of the resources and attention that have been mobilized to address these challenges require an evolved approach. As one funder wrote:

"The challenge will be to weave together all of the different intersections and approaches: Infant/toddler, PK-3, K-12, high school graduation, post-secondary. How do we connect collective impact, various funding streams, boundary-spanning—especially with a large public school district and an active, well-resourced philanthropic and nonprofit sector."

As the data confirms, the efforts being undertaken today to create educational opportunities for all students are extraordinary, and the desire to thoughtfully and collectively reflect on approaches, tactics, and goals encouraging. Yet as the funding landscape continues to evolve, new challenges are likely to emerge.

In an era of increasingly strained public finances, are funders doing everything they can to ensure the sustainability of the programs and initiatives they help launch?

Does a commitment to equity permeate all aspects of a funder's work, and are they adapting programs and strategies to address a lack of equity when it occurs?

Are funders fully engaging all stakeholders within the broader communities in which they operate, to ensure that their efforts help advance these communities' own goals and aspirations?

Are funders continuously learning from their and the field's experiences and incorporating those insights into their grantmaking approach, so that they are maximizing the impact of every dollar they spend?

These are only some of the questions funders will need to grapple with in the coming years. Here at Grantmakers for Education, we see our role as helping to create the structures and relationships necessary to thoughtfully tackle these challenges as a field, head-on. Over the next year, through a range of programs, convenings, reports, and conversations, we are committed to supporting individual funders and the field by asking:

What are the conversations we are not having today, but that we need to have in order to move our work forward?



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Grantmakers for Education (GFE) is a national network of hundreds of education philanthropies, united by a passion and commitment to improve public education and learning for all students of all ages, cradle to career. GFE is a force multiplier, harnessing the collective power of education grantmakers to increase momentum, impact, and outcomes for this nation's learners. We are proud to promote a culture of learning among education funders and provide a forum for interaction and engagement that builds upon and deepens the impact of our member's individual investments. Grantmakers for Education and its members believe in the power of what we can all achieve when we work together and learn from each other's successes and challenges. For more information or to learn about membership, please contact us.

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Trends in Education Philanthropy

APPENDIX - GFE SURVEY ANALYSIS

BENCHMARKING 2015

Trends in Education Philanthropy

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Appendix - GFE Survey Analysis THE EDUCATION GRANTMAKING LANDSCAPE

GFE survey analysis

Even the wide array of responses we received likely understates the true diversity of education philanthropy. Our experiences over the past few years have connected us with funders who do incredible work in prisons and juvenile justice centers, foster homes, hospitals, and all the other settings that impact the education of young people and adults.

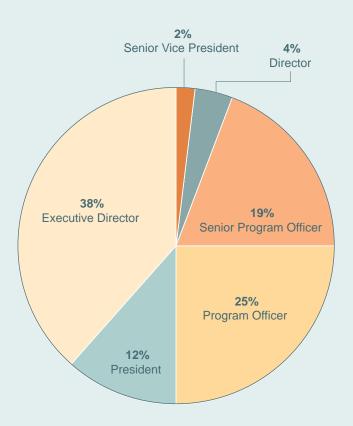
Still, this survey captured responses from many different kinds of philanthropists operating across the sector. Funders look different and are involved in different focus areas, supporting their grantees and operating in different ways.

The Appendix captures responses from Grantmakers for Education members in these five areas:

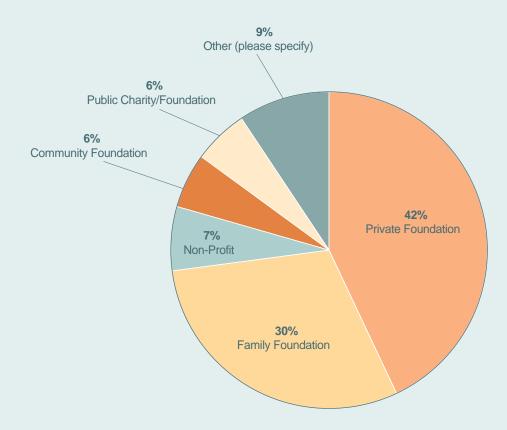
- Member demographics
- Funding
- Grantmaking focus
- Collaboration
- Measurement

Member Demographics

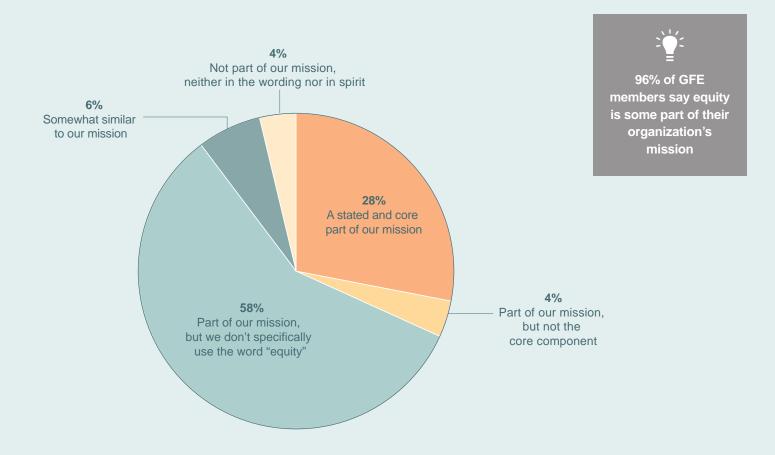
Q: What is your title?



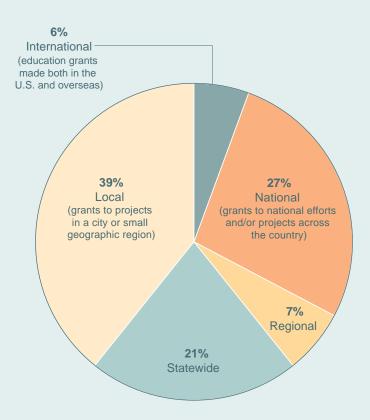
Q: Which type of organization are you affiliated with?



Q: To what extent is the notion of "equity" a part of your organization's mission?

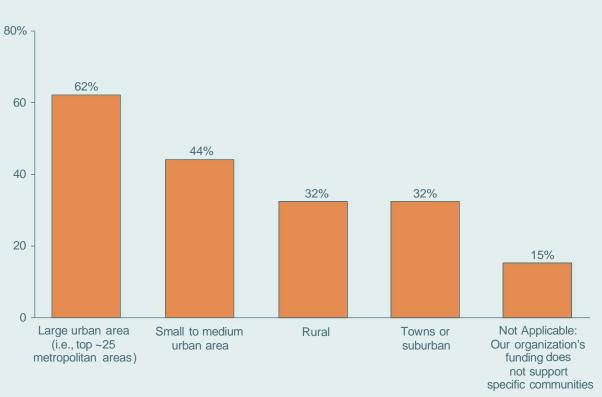


Q: What is the geographic scope of your organization's education grantmaking?



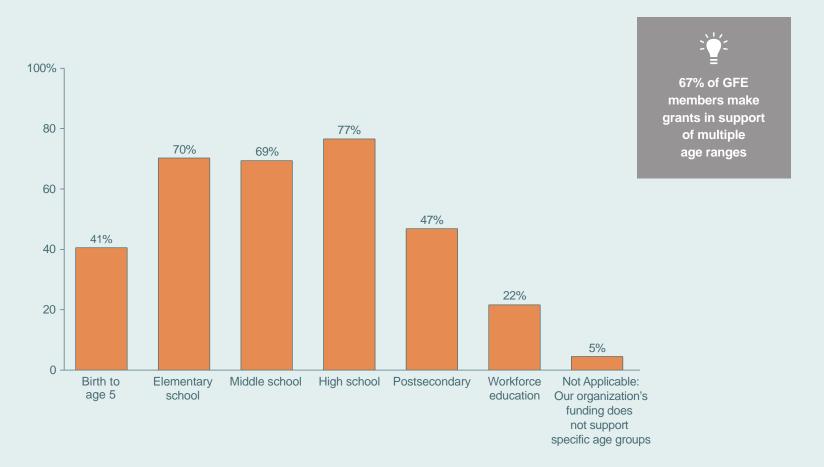


Q: In which types of communities do you fund?

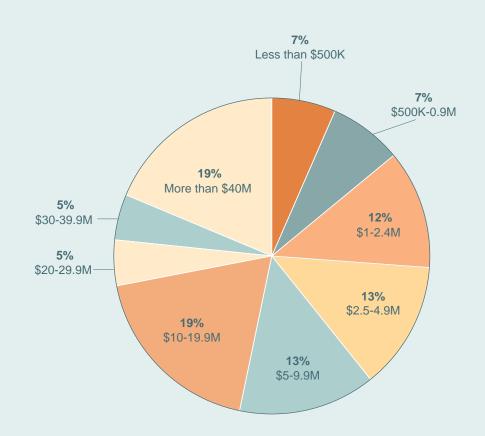




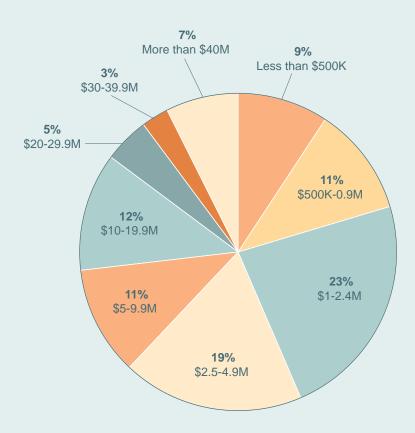
Q: Which of the following age groups does your organization's education grantmaking support?



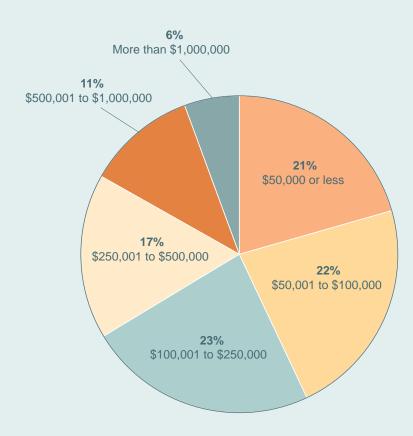
Q: What is your organization's approximate **total grants budget** for the current fiscal year?



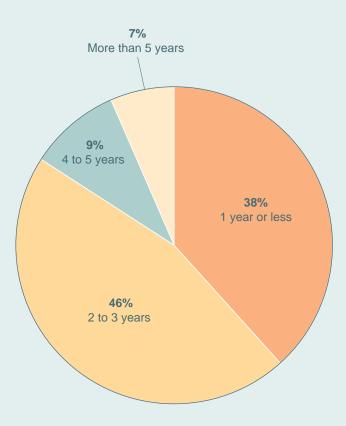
Q: What is your organization's approximate **education grants budget** for the current fiscal year?



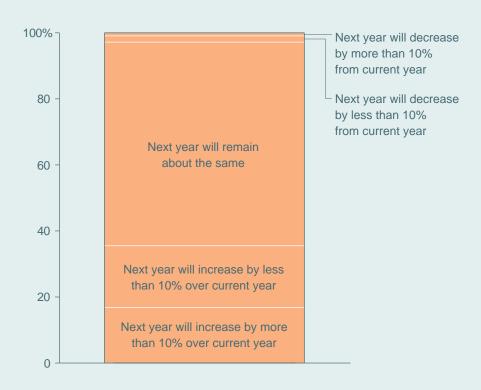
Q: Approximately what size is your organization's average education grant?



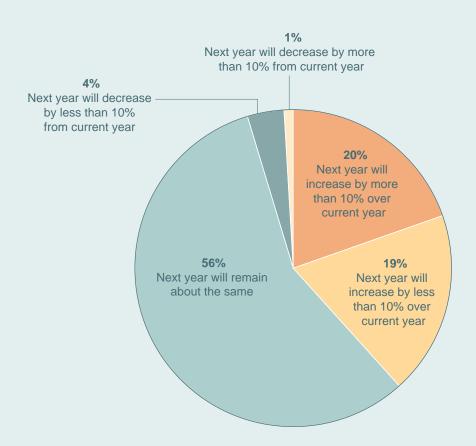
Q: What is the duration of a typical education grant for your organization?

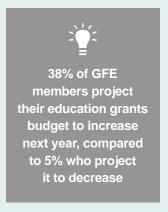


Q: Relative to your current fiscal year, how do you expect your total grants budget to change for the next fiscal year?

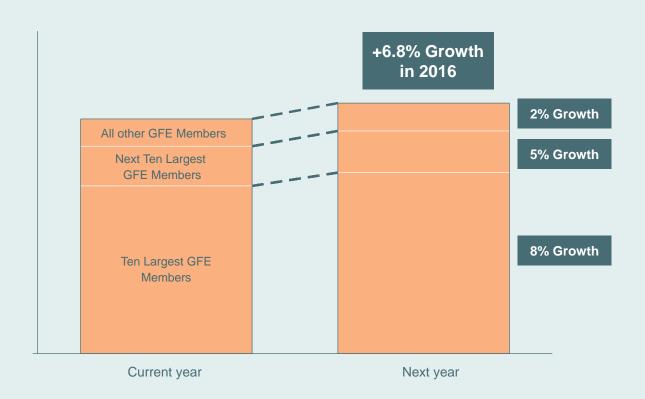


Q: Relative to your current fiscal year, how do you expect your education grants budget to change for the next fiscal year?

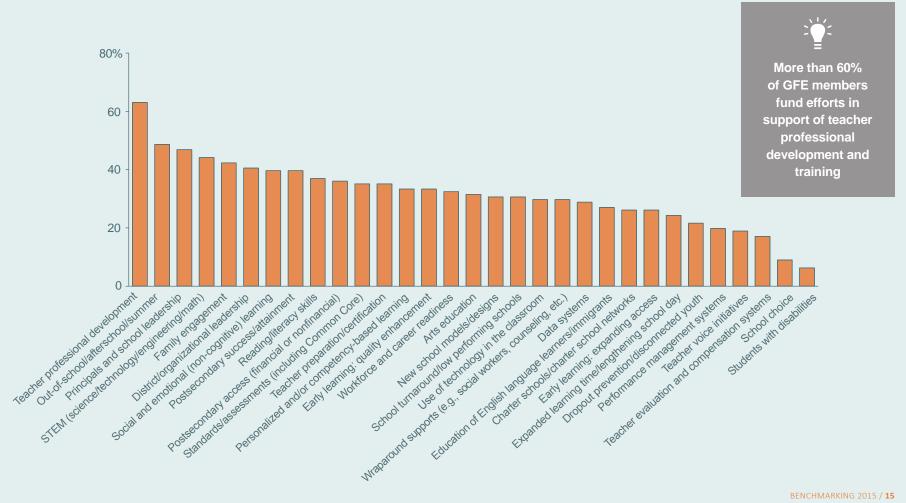




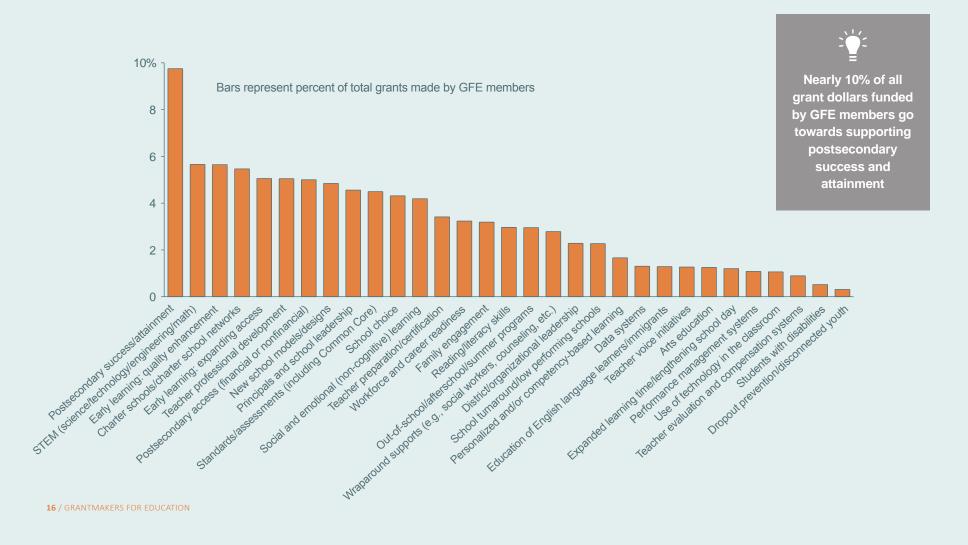
Q: Relative to your current fiscal year, how do you expect your **education grants budget** to change for the next fiscal year?



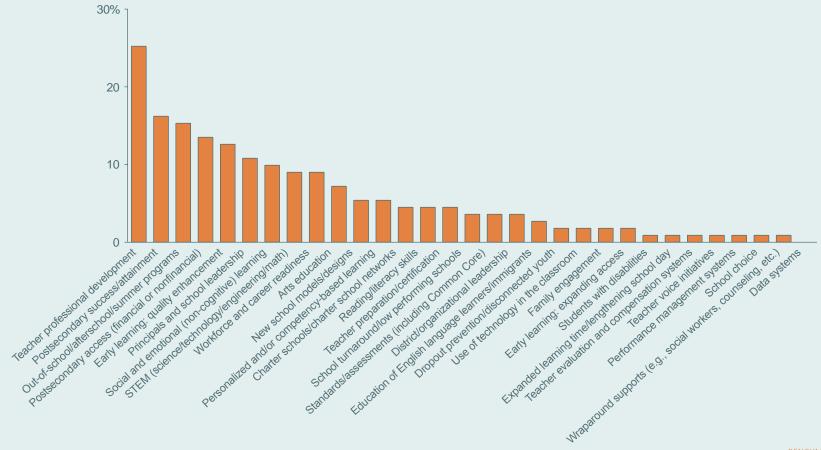
Q: In which of the following issue areas does your organization make grants?



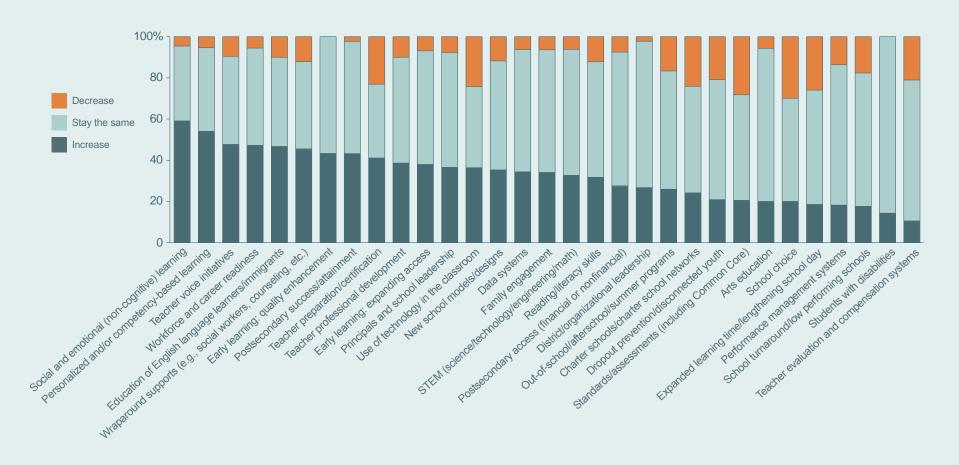
Q: How much of your grantmaking is allocated to each of the areas you invest in?



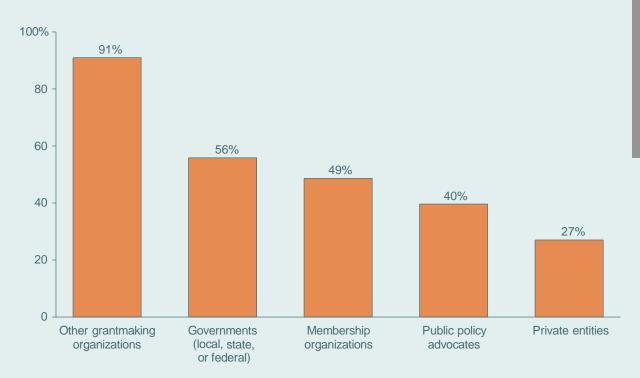
Q: For the issue areas in which your organization makes grants, which issue areas are the top two most important to your organization's work in education?



Q: Over the next two years, do you think the level of investment in each of these issue areas by your organization will increase, stay the same, or decrease relative to the current investment level?

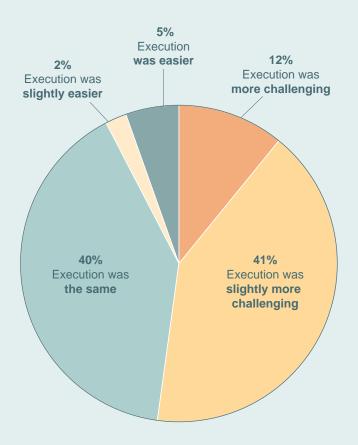


Q: Outside of grant recipients, with what other types of organizations do you collaborate on grants or on other efforts related to grantmaking?

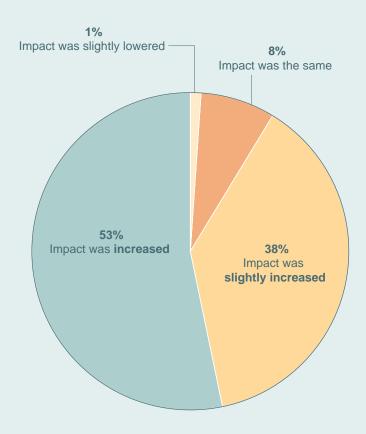


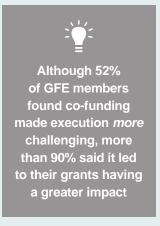


Q: For grants in which your organization co-funded with another grantmaker, how did it affect the ease of execution?

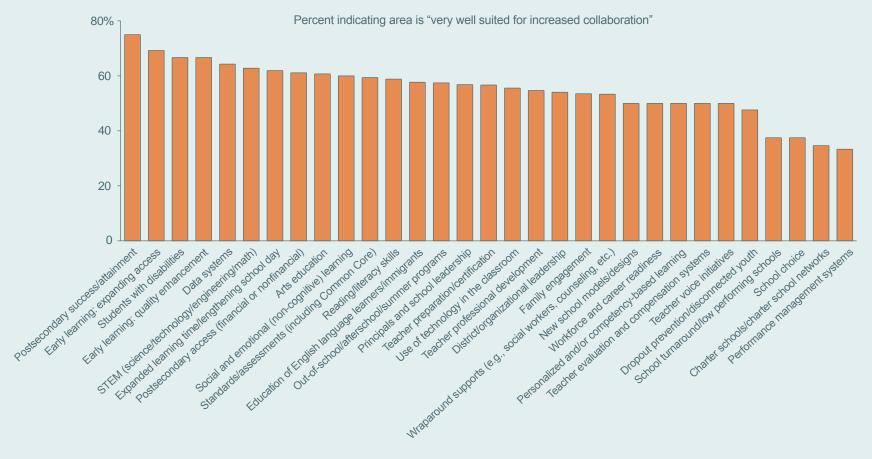


Q: For grants in which your organization co-funded with another grantmaker, how did it influence the level of impact that you were able to achieve?

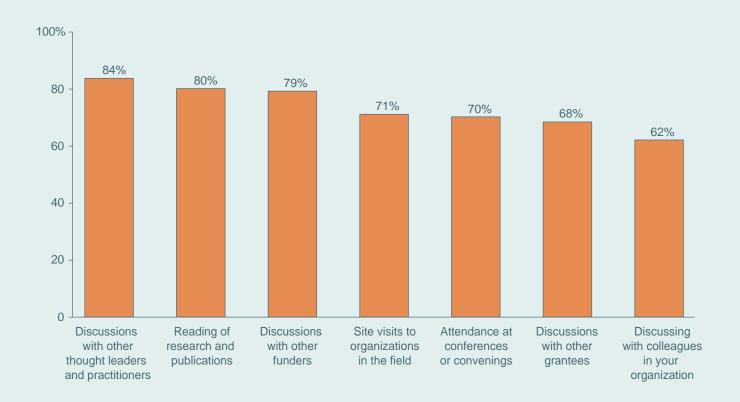




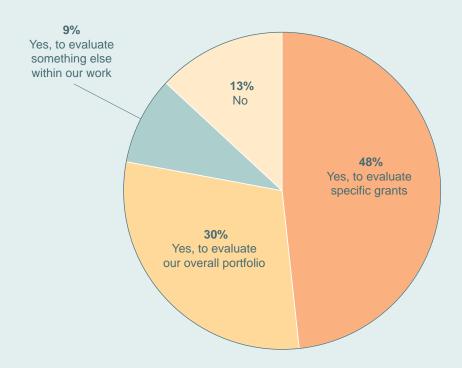
Q: Of the issue areas where you actively invest today, are there any that you believe are particularly well suited for increased collaboration among funders?



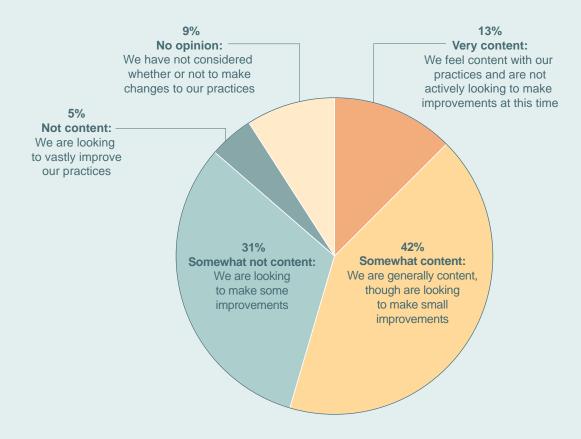
Q: What practices do you and others in your organization use most often to generate new ideas and validate your thinking?



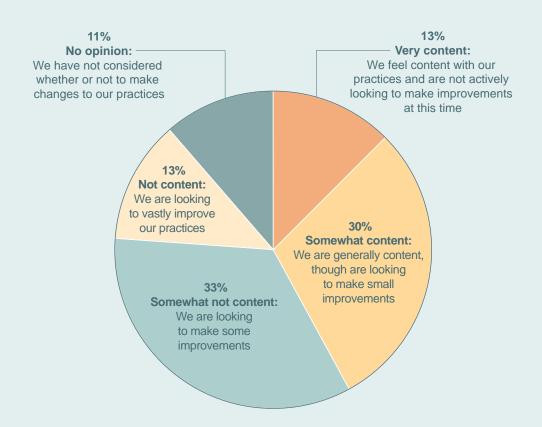
Q: Does your organization have regular practices around measurement and impact evaluation?



Q: To what extent is your organization content with its current practices around measurement and impact evaluation related to **specific grantmaking?**

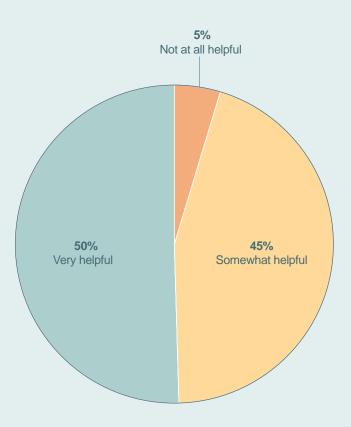


Q: To what extent is your organization content with its current practices around measurement and impact evaluation related to its **grantmaking portfolio?**





Q: How helpful would it be to have access to tools, resources, and best practices on the topic of measurement and impact evaluation?



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