



Trends in Education Philanthropy

Benchmarking 2018-19

Trends in Education Philanthropy: Benchmarking 2018-19

Table of Contents

Foreword	1
Key Findings	2
1. Big Picture Trends in Education Philanthropy	5
2. Philanthropic Practice in Education	10
Funders Are Committed to Advancing Education Equity	10
Collaboration Remains a Priority for Funders.....	13
Public Policy Prioritizes Local Focus	14
3. The Content of Education Giving	15
Early Learning	15
K-12: Focus on the Whole Learner	17
K-12: Core Academics and Obama-Era Priorities.....	21
Postsecondary Education and Workforce/Career Readiness	24
4. Looking Ahead: Critical Questions Shaping the Future of Education ...	25
Endnotes	27
Funder Spotlights	
Coming Together to Restore Public School Funding	9
Building Internal Competency to Advance Education Equity	12
Catalyzing Engagement in State-Level Early Learning Policy	16
Educating the Whole Learner	20
Appendix A: Methodology	28
Appendix B: Education Funders' Field-Building Strategies	30

Foreword

DEAR COLLEAGUES,

I'm excited to share our 2018-19 benchmarking report with you. This is the 10-year anniversary of the first administration of our benchmarking survey and report. For a decade, we have been tracking trends in education giving and helping you to situate your own grantmaking within them.

As the nation's largest association of education grantmakers, we are able to capture information across the entire system serving children and youth, from their first experiences in early learning settings all the way through postsecondary education and workforce preparation. I want to extend a personal thank you to the many of you who took the time to complete the survey, allowing us to develop this composite of the state of education philanthropy.

When we first administered this survey in 2008, our nation was at the nadir of the Great Recession and philanthropy was playing an important role in ensuring schools, educators and support organizations had what they needed to serve learners. A decade later, though the economy is strong, education spending in 38 states has not returned to pre-recession levels. The role of philanthropy is as essential as it was then, but its direction has evolved.

Our first benchmarking survey coincided with the dawn of President Obama's tenure. The federal imprint in those years was substantial. Starting with the Race to the Top in 2009 and continuing until the passage of the Every Student Succeeds Act in December 2015, the hallmarks of the era were topics like standards, assessment, school turnaround and teacher quality. Many funders were partners in these important reforms. However, these are among the topics that have seen the steepest declines on the funding priority list in 2018.

Survey data make clear that we, collectively, have begun to redefine education philanthropy and education reform quite profoundly in the past few years. A focus on equity is manifesting itself in increased funding projections for restorative justice initiatives and wraparound supports for schools. DEI (diversity, equity, and inclusion) efforts are listed among the most promising trends in the field. Interest in social and emotional learning is growing as the brain science supporting it deepens.

Postsecondary education and early childhood education are generating increased enthusiasm among funders, though early education grant dollars are dwarfed by the dollars going to the other end of the education spectrum. Meanwhile, many K-12 issues are not seeing the same momentum. Funders have lost faith in government, especially the federal government, as either a thought leader or to sufficiently fund education.

I hope you will find that the report has something for everyone. We have organized it so that you can easily focus on:

- Big Picture Trends;
- Philanthropic Practice; and/or
- The Content of Education Giving

I am grateful to the team at TCC Group who supported us in the survey administration, analysis and writing for this report.

I am eager to discuss the findings in depth with all of you and to learn how you use them to inform your own work in the coming year.

Best,



Celine Coggins

Executive Director

Grantmakers for Education

Key Findings

Grantmakers for Education's *Trends in Education Philanthropy: Benchmarking 2018-19* report offers insights on the current and evolving priorities of the education funding community. It can help funders to understand their role in supporting education innovation and identify future priorities that hold the greatest promise for benefiting America's learners.

This latest report in Grantmakers for Education's series of benchmarking studies identifies what's now and what's next for education philanthropy. Findings are drawn from the survey responses of Grantmakers for Education members and other education funders and presented in the context of the 10-year anniversary of the benchmarking report.

Big Picture Trends in Education Philanthropy

This new benchmarking study comes at a time of seemingly rapid evolution in the priorities of education funders. Three trends stand out based on the speed with which they have come to the fore, their crosscutting focus and the scale of their current or potential impact on education philanthropy. Based on survey responses:

- **Education funders have markedly increased their focus on the learning stages before and after K-12 education.** While elementary and secondary education has long dominated U.S. education funding priorities and continues to do so, some of the largest gains in shares of funders and biggest anticipated increases in support reported by respondents were for early learning, postsecondary education and preparation for career and workforce. Among factors driving the growth for early learning are a growing understanding of the critical

importance of preparing young learners for success prior to beginning kindergarten, as well as increased public interest and investment in early learning. For postsecondary education and workforce and career readiness, a central factor has been a belief in the critical importance of postsecondary education in preparing learners for a rapidly changing labor market.

- **Education funders have ramped up support for strategies embracing the whole learner, while moving away from the academic areas of focus that characterized the prior decade of education reform.** A growing body of research on the impact of social and emotional intelligence and family and community supports on learners' academic and life success has fueled funder interest in advancing strategies that support learners' holistic development. Respondents cited social and emotional learning as the factor or trend they think has the greatest potential for a positive impact on education over the next five years.
- **Education funders have lost confidence in federal government leadership on and funding for education reform.** Survey findings suggest that many funders have stepped away from direct engagement in the large-scale, academic-focused, national efforts to reform the education system and have migrated back to focusing on local communities. In fact, when asked to identify the factors they think will have the greatest potential negative impact on education in coming years, the single largest share of respondents cited current federal education leadership.

Philanthropic Practice in Education

Grantmakers for Education has tracked the evolution of education funders' engagement in three crosscutting areas of philanthropic practice across several prior editions of the benchmarking report. The latest report provides an updated look at the nature and extent of education funder engagement in these areas of practice and finds:

- **Funders Are Committed to Advancing Education Equity.** Seventy-five percent of respondents targeted funding with an explicit focus on low-income populations, ethnic or racial minorities, people who identify as LGBTQ, immigrants and refugees, women and girls and/or people with disabilities. Among respondents, efforts to promote educational equity primarily focused on providing resources to communities least-well served to increase equitable learning opportunities for youth.
- **Collaboration Remains a Priority for Funders.** Education funders place a high value on engaging with peers through formal networks, participating in shared learning, aligning grantmaking and even pooling their funding. Overall, 91 percent of respondents to the latest benchmarking survey reported participating in some type of collaborative activity. Increasing the potential for impact and leveraging resources were most commonly cited as factors influencing funders' desire to collaborate.
- **Public Policy Prioritizes Local Focus.** When asked how they were addressing trends with the greatest potential positive or negative impact on education, the single largest share of respondents indicated that they planned to increase their support for public policy-related activities. Much of this policy-related activity is taking place at the local level. Just 11 percent consider the current federal policy environment to be moderately or highly favorable to their current education funding priorities. By comparison, close to three-quarters of respondents consider the local policy environment to be moderately or very favorable to their priorities.

The Content of Education Giving

The new edition of Grantmakers for Education's benchmarking report for the first time offers descriptive analyses, respondent insights and funding outlooks organized by four entry points to education:

- **Early Learning.** As mentioned above, early learning has benefited from an increased focus by education funders on the learning stages before and after K-12 education. Preparing young learners for success in school and life will experience continued strong growth in funder support, ensuring both access and program quality.
- **K-12: Focus on the Whole Learner.** A focus on the whole learner has ramped up funder support for social and emotional learning and family and community engagement. Funders will continue to increase investments in many learning approaches, including personalized learning or learner-centered learning, with some of the strongest growth in support for social and emotional learning. Similarly, funders will continue to expand investments beyond the K-12 classroom that ensure learners have the support from family and community they need to be successful.
- **K-12: Core Academics and Obama-Era Priorities.** The most notable decreases in funder interest come in the areas of assessment, standards and accountability. Addressing the development of K-12 teachers and leaders appears to be a decreasing priority for the education funding community, but many continue to focus on this space. Meanwhile, following Obama-era engagement in supporting new school models and school turnarounds, funders appear to have moved away en masse, though support for charter schools has remained steady.
- **Postsecondary Education and Workforce/Career Readiness.** Postsecondary education and workforce and career readiness have benefited from a growing focus by education funders on the learning stages before and after K-12 education. Looking ahead, workforce and career readiness will benefit from continued growth in funding. Postsecondary education will also receive greater overall funder support.

Looking Ahead: Critical Questions Shaping the Future of Education

Looking ahead, the observations and insights shared by survey respondents suggest clear reason for optimism, while also pointing toward implications that allow us to engage in critical reflection together. Among the complicated questions the survey data raise, Grantmakers for Education has chosen to highlight six.

1

Grantmakers see great promise in fields like early childhood education and social and emotional learning.
Will funders substantially re-allocate resources to help early childhood education and social and emotional learning reach their potential?

2

It is clear the pendulum has swung from a focus on core academics to a focus on the whole learner.
Yet, should we be worried that the pendulum will continue to swing away from academics?

3

The vast majority of funders do their grantmaking with an eye toward improving equity in our education system.
Can we better describe the many things we mean when we talk about “equity” such that we can reflect on our collective progress over time?

4

High levels of interest were reported in both postsecondary education and early childhood education.
Is it correct to infer a corresponding waning of interest in K-12 education reform? What are the implications for this segment of the system, which serves the largest portion of learners?

5

Commitment to engaging families and communities in shaping the education agenda is a growing priority among funders and is a positive trend.
How will we navigate the challenge of sharing power with those who have historically had little, especially on occasions when their ideas differ from our own?

6

The systemic and structural challenges faced by today’s education sectors exceed the capacity of any single foundation to address independently.
Do we have the collaborative relationships in place with one another and partners in other sectors to have a meaningful impact on the priorities we have identified?

ABOUT THIS REPORT

The 2018-19 edition of Grantmakers for Education’s benchmarking report offers a refreshed format that enables readers to consider big picture trends affecting the field, explore cross-cutting areas of foundation practice, access and compare key learnings and statistics across identified entry points to education and consider critical questions that will shape education in coming years. The report also offers four “Funder Spotlights,” which serve to illustrate why and how education funders are seeking to have an impact in the areas of public education financing, social and emotional learning, and early learning, and how they are preparing themselves to address education equity.

Findings presented in this report are based on the responses of 91 education funders, including 65 members of Grantmakers for Education. Well over half of respondents identified as family, private, or independent foundations. Roughly two-thirds fund at the local level, although substantial shares also fund at the state, regional and national levels. Because respondents to the 2018 benchmarking survey represent only a small fraction of the thousands of U.S. foundation, corporate and other private funders of education and do not constitute a representative sample, findings presented in the report should be interpreted as suggestive of priorities and trends among survey respondents but not conclusive for education philanthropy as a whole. For more details, see the Methodology appendix.

1

Big Picture Trends in Education Philanthropy

What has changed since Grantmakers for Education published its last field-wide benchmarking report? What do these changes tell education funders about the future and how they may want to prepare and be engaged?

In publishing its first benchmarking study a decade ago, Grantmakers for Education sought to provide its members and other funders with timely insight on the evolving priorities of the education funding community. For funders seeking to know “what’s next” for education philanthropy and understand how their grantmaking priorities fit within broader trends in the field, this report and its subsequent editions have served as an essential resource.

Trends in Education Philanthropy: Benchmarking 2018-19 continues this tradition of helping funders to understand their role in supporting education innovation and identify future priorities that hold the greatest promise. This latest benchmarking study comes at a

time of seemingly rapid evolution in the priorities of education funders and documents noteworthy trends. These trends speak to all aspects of funder engagement in advancing education.

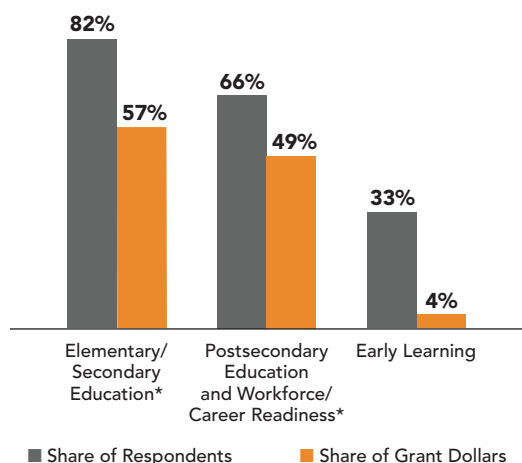
Looking across these various trends, three stand out based on the speed with which they have come to the fore, their crosscutting focus and the scale of their current or potential impact on education philanthropy.

Education funders have markedly increased their focus on the learning stages before and after K-12 education.

Elementary and secondary education has long dominated U.S. education funding priorities and continues to do so. Among respondents to the 2018 benchmarking survey, 82 percent report funding some aspect of K-12 education. Their giving for this priority also accounts for approximately 57 percent¹ of the \$794 million in education funding reported by respondents in their most recently completed fiscal year. Yet, some of the largest gains in shares of funders and biggest anticipated increases in support reported by respondents were for early learning, postsecondary education and preparation for career and workforce.

In 2018, 56 percent of respondents to the benchmarking survey reported funding postsecondary education. This share was up by more than 10 percentage points compared to the 2015 survey, the most recent prior survey—the largest single area of growth of all topics surveyed. Overall, 42 percent of grant dollars awarded

2018 Funding for Early Learning, Elementary/Secondary Education, and Postsecondary Education



* Funding may be counted toward more than one funding priority within this category. Therefore, figures undoubtedly overestimate the total share of giving focused on this category.

by respondents focused on postsecondary education. Workforce and career readiness also experienced a marked gain in the share of funders providing support. Moreover, preparation for the workforce and careers ranks among the top factors or trends that respondents believe have the greatest potential for a positive impact on education over the next five years. Together, postsecondary education and workforce and career readiness accounted for two-thirds of survey respondents and almost half of education funding.

On the other end of the education continuum, nearly three-out-of-five of funders of early learning expect to increase their giving for this priority over the next two years—surpassing projected growth for all other priorities identified in the survey. Overall, just over one-third of respondents to the benchmarking survey reported funding for early learning, consistent with the prior 2015 survey. Their support accounted for 4 percent of total education funding reported.

What has attracted education funders toward increasing their focus on either side of K-12 education? In the case of early learning, this reflects a growing understanding in the field of the critical importance of preparing young learners for success prior to beginning kindergarten, as well as increased public interest and investment in early learning. For postsecondary education and workforce and career readiness, a central factor has been a belief in the critical importance of postsecondary education in preparing learners for a rapidly changing labor market. What cannot

be determined from the latest survey, however, is whether this increased investment in early learning, postsecondary education and career and workforce readiness reflects any degree of reduction in support for elementary and secondary education.

Education funders have ramped up support for strategies embracing the whole learner, while moving away from the academic areas of focus that characterized the prior decade of education reform.

A growing body of research on the impact of social and emotional intelligence and family and community supports on learners’ academic and life success has fueled funder interest in advancing strategies that support learners’ holistic development. The importance of this approach has been underscored by the lack of notable improvements in educational outcomes as a result of changes made under the 2001 No Child Left Behind Act, with its narrow focus on academic standards and testing, and Obama-era reforms that focused on new school models, teacher preparation, and school turnarounds, among other priorities. In fact, when respondents were asked to identify the factors or trends they think have the greatest potential for a positive impact on education over the next five years, the single largest share of respondents to the 2018 benchmarking survey cited the growing recognition of the importance of social and emotional learning to learners’ development.

Top Trends Impacting Education*

POTENTIAL FOR POSITIVE IMPACT

1. Social and Emotional Learning
2. Teacher Preparation and Development
3. Workforce and Career Readiness
4. Community Engagement
5. Diversity, Equity, and Inclusion (DEI)
6. Early Learning
7. Postsecondary Education
8. Collaboration
9. Community Schools/Wraparound Supports
10. Personalized Learning/Learner-Centered Learning

POTENTIAL FOR NEGATIVE IMPACT

1. Federal Education Leadership
2. Public School Financing
3. Teacher Preparation and Development
4. Postsecondary Financing
5. Charter Schools/Charter School Networks
6. Efforts to Limit Diversity, Equity, and Inclusion (DEI)
7. Technology
8. Politicization of Education
9. Postsecondary Education
10. Standards/Assessments

* Ranking based on coding of open-ended responses to the questions: “What are up to three factors or trends you think have the greatest potential for a positive [or negative] impact on education over the next five years?”

One-third of respondents to the latest benchmarking survey fund social and emotional learning, although their giving represented a modest 3 percent of overall education funding. Nonetheless, well over half (56 percent) of these funders anticipate increasing their giving for this priority over the next two years—the second highest share reported across all education priorities tracked in the latest survey. A slightly smaller but still substantial share of respondents report providing support for community schools and wraparound supports (29 percent), and close to half of these funders (45 percent) expect to increase their giving for this priority over the next two years. Family and community engagement accounted for a similar share of respondents (29 percent), and more than one-third of these funders (37 percent) expect to increase their support.

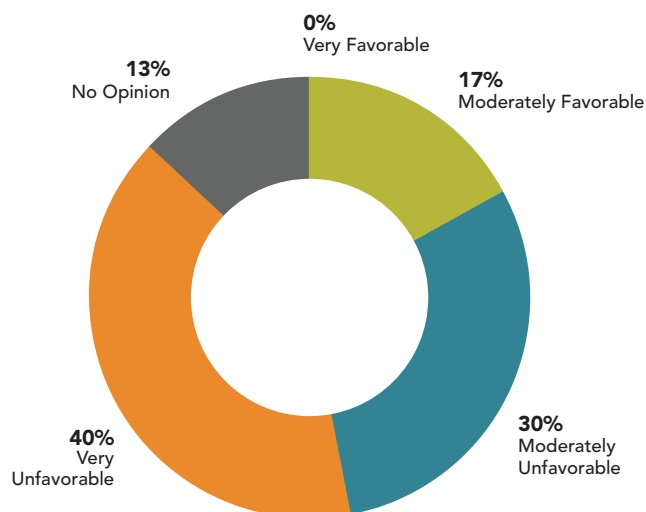
Critical to realizing the potential of a whole learner approach, according to respondents, will be integrating social and emotional learning and family and community supports into a culturally competent and equity-based educational system. Robust engagement beyond academics alone will not ensure learner success. Therefore, the success of a whole learner approach will entail in part developing systems-change strategies that can be implemented across a fragmented education landscape.

At the same time, many of the largest drops in shares of funders providing support between 2015 and 2018 are in areas that Obama prioritized in the Race to the Top federal funding opportunities. Standards and assessment received support from 30 percent of respondents to the 2015 survey but only 15 percent in the latest survey. Similar declines were seen with new school models (32 percent to 8 percent) and school turnaround (30 percent to 12 percent), as well as teachers preparation and development (approximately 66 percent to 36 percent). The outlook for future growth in funding also appears less than promising.

Education funders have lost confidence in federal government leadership on and funding for education reform.

A decade ago, when we first administered this survey, Americans elected a new presidential administration that promised to make the reform of the U.S. education system one of its signature priorities. Through high-profile grant

Favorability of Federal Policy Environment to Supporting Education Policies Consistent with Your Organization's Current Priorities

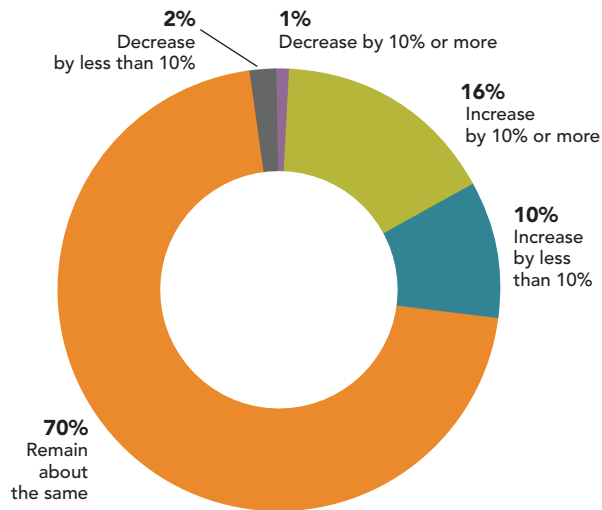


competitions, such as Race to the Top and Investing in Innovation (i3), the new administration established an active role for the federal government, proclaiming its intention to promote higher standards and more equitable opportunity for the country's many learners. Many in the education funding community responded, providing support for the efforts of states working on Race to the Top applications, providing matching support for grant competitions and initiating or increasing their public policy-related engagement, among other activities.

A decade later, findings from the 2018 benchmarking survey suggest that many funders have stepped away from direct engagement in large-scale, academic-focused efforts to reform the education system at the national level and migrated back to focusing on local communities. Only 17 percent of respondents to the latest benchmarking survey consider the policy environment at the federal level to be even moderately favorable to their organizations' current priorities. Moreover, when asked to identify the factors or trends respondents think will have the greatest potential negative impact on education over the next five years, the single largest share of respondents cited current federal education leadership.

What has diminished the promise of federal government and funder collaboration? Undoubtedly, myriad factors have contributed, such as: a radical shift in Department of Education priorities under the current presidential

Change in Anticipated Education Grants Budgets in the Next Fiscal Year



administration, combined with a lack of interest by the administration in partnering with funders; shifting education priorities over the Obama administration's eight years in office leading to fewer opportunities to engage and partner; some criticism of federal policies advanced during the Obama administration years, such as Race to the Top and Common Core implementation; and the shift in responsibility for education reform implementation to the states as a result of the Every Student Succeeds Act (ESSA).

A number of funders may also have considered the collaborative opportunities with the federal government and national nonprofit partners that began roughly a decade ago to have been exceptional, one-time prospects that existed separately from their long-term strategic objectives. For these and other education funders, the focus of their grantmaking and collaborative efforts has remained primarily at the local and, in some cases, state level.

An additional factor is undoubtedly the lack of current federal investment in public school financing. Among the potential negative factors or trends cited by respondents as having the greatest potential impact on education over the next five years, insufficient public school financing ranked high. As of 2018, 38 states had not returned to 2008 levels of K-12 funding.² And this factor placed second only to current federal education leadership among potential negative impacts identified. At the same time, just 8 percent of respondents provide any funding related to public school finance, and only 7 percent of these grantmakers anticipate increasing their funding for this priority over the next two years. (See also funder spotlight on "Coming Together to Restore Public School Funding.")

The role of private funders.

The resources of private funders represent a tiny fraction of total U.S. annual expenditures on education. But foundations, corporations and other private funders are unique in the educational ecosystem in that they have far greater flexibility than most public funders to invest in exploration, experimentation and innovation that can benefit all stages of the educational system. *Trends in Education Philanthropy: Benchmarking 2018-19* offers insights on the current and evolving priorities of the education funding community that can help funders to understand their role in supporting education innovation and identify future priorities that hold the greatest promise for benefiting America's learners.

Coming Together to Restore Public School Funding*

In recent years, cuts in state-level support for public education—in many cases driven by a marked loss in tax revenue in the aftermath of the Great Recession—have exacerbated disparities in the resources available to learners, hitting those historically least well served the hardest. Yet few private funders directly engage in supporting efforts to increase public education financing. Texas funders have been an exception.

In 2011, Texas state officials proposed a \$5.4 billion reduction in funding for public education to help fill a \$27 billion budget shortfall, caused primarily by a loss in tax revenues from the petroleum sector. The potential impact of these cuts on the state's growing public school population catalyzed a group of funders to begin to consider ways they could work together and, ultimately, led to the creation of the Texas Education Grantmakers Advocacy Consortium (TEGAC).

From the outset, the consortium adopted an approach of finding common ground among funders who were all concerned about the cuts but represented markedly different perspectives on how best to drive change on behalf of students in Texas schools. Ultimately, the consortium agreed upon a three-part advocacy strategy that participating funders could engage in to whatever extent their leaders and trustees felt appropriate for their institutions. These strategies included:

- Funding objective, high-quality research on the impact of the budget cuts, which was especially helpful for educating the staff of busy legislators and other state leaders.
- Involving foundation trustees in ways that reached beyond grantmaking, such as traveling to the capital to meet with legislators to make the case for public education funding.
- Engaging in public awareness and outreach activities to encourage community understanding of the impact of the cuts.

The efforts of the consortium, along with those of directly affected communities and many other advocates, resulted in the 2013 restoration of \$3.9 billion of the 2011 cuts. The consortium's research provided "the only objective source of data on the impact of the budget cuts," and the engagement of funders in direct advocacy "was also powerful for legislators." This initial success has since encouraged more Texas funders to participate in the consortium, with members determining shared priorities for subsequent biennial legislative sessions.

* This Funder Spotlight is based on Jenkins, L. and D. Johnson, "Joining Forces: How the Texas Education Grantmakers Advocacy Consortium is Engaging Funders in Education Policy," Case Study No. 13: Principles for Effective Education Grantmaking, Grantmakers for Education, 2016. The full case study can be accessed at http://edfunders.org/sites/default/files/Case%20Study_TEGAC_2016.pdf.

Grantmakers for Education has tracked the evolution of education funders' engagement in three crosscutting areas of philanthropic practice across several editions of the benchmarking report. These include advancing education equity, establishing and maintaining collaborative relationships with other funders, and undertaking and supporting public policy-related activities. The 2018-19 edition of the benchmarking report provides an updated look at the nature and extent of education funder engagement in these areas of practice.

Funders are committed to advancing education equity.

Education funders continue to prioritize educational equity and consider its advancement as being among the factors having the greatest potential positive impact on education over coming years. The 2018 survey found that 75 percent of respondents targeted funding with an explicit focus on low-income populations, people of color, people who identify as LGBTQ, immigrants and refugees, women and girls and/or people with disabilities.

Just over two out of five respondents indicated that their education funding included a specific focus on ethnic and/or racial groups. However, this figure may underestimate the level of education support targeting this population. In some cases, a focus on low-income populations serves as a proxy for reaching communities of color, which are disproportionately economically vulnerable. As one respondent concluded, "By focusing our work on low-income communities, we naturally end up promoting equity for minority students."

According to the survey, most education funders address educational inequities at least in part through a focus on economic status. One typical respondent noted, "Our

organization promotes educational equity through our allocation of resources, technical assistance and advocacy all focused on creating opportunities for young people from low-income backgrounds." In some cases, this focus reflects the more homogenous demographics of a funder's geographic areas of focus. "While our region has relatively little racial diversity, we have a clear divide between those students from economically advantaged backgrounds and those that are not," remarked a respondent.

Survey responses indicate that education funders are actively seeking ways to put equity commitments into practice in clear, strategic and effective ways and addressing questions such as:

- Where should we focus geographically and in regard to specific communities?
- How best can we engage the most impacted communities in defining the work?
- Which of our grantmaking practices reflect and further equity principles?
- What outcomes can we expect given the intersecting nature of equity concerns?

A funder from a state characterized by a few relatively more diverse urban centers and extensive rural areas, commented, "Equity means very different things across the state." Another respondent shared, "We've been having lots of conversations about what it would look like for us to be more explicit about adopting an 'equity lens' when doing and talking about our work. It's challenging to know what this would really look like operationally."

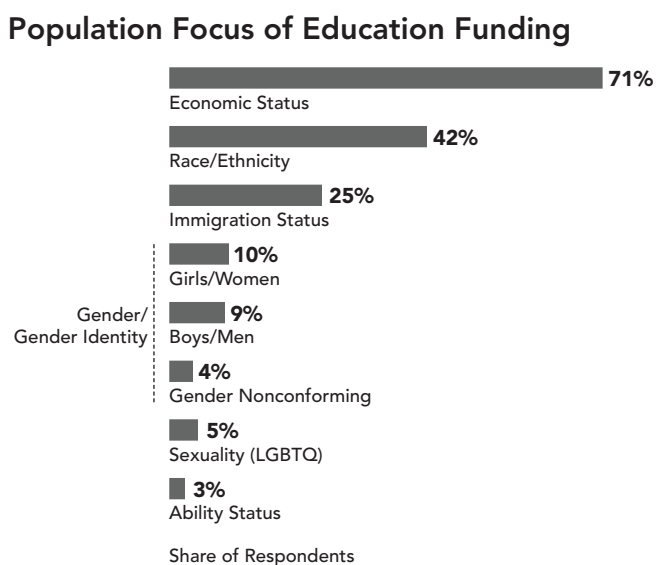
Among respondents to the 2018 benchmarking survey, efforts to promote educational equity primarily focused on providing resources to communities least-well served, in order to increase equitable learning opportunities for youth. At the same time, some education funders are working to identify and address the root causes of educational inequity. "The greatest challenge in advancing

educational equity is the complexity of the issue,” concluded one funder. “It deals with large systems that are slow and difficult to change, individuals who may have the best intentions but continue to reinforce racist structures and it’s exacerbated by racism in workplaces, public policy, the criminal justice system, etc.” Another respondent concurred, stating that it is “critically important for educators to understand bias and how it impacts student achievement.”

The national political environment has reinforced the commitment of funders to supporting diversity, equity and inclusion work. “We are feeling greater pressure to focus on diversity and equity-related issues as part of our grant-making, given this void at the federal level,” remarked one funder. Another noted that the “dismantling of protections for LGBTQ students, undocumented students and other vulnerable student populations will have very real impacts on students’ well-being.” The “rise of hate groups” that “add stress in our school systems” was also cited as a driver for funder engagement in educational equity work.

Finally, one-third of respondents (33 percent) reported that their institutions have written policies on applicant and/or grantee diversity. The goals of these funders include “trying to support our grantee organizations to hire diverse teams and to listen to diverse voices” and increasing “representation of diversity in administration and governance of school systems.” A funder that supports culturally responsive pedagogy noted that they “just developed an equity rubric to review grants as well as an equity assessment our...partner schools will take. We hope this will give us important data around the disposition and mindsets conducive to healthy school communities.”

Population Focus of Education Funding



FORMAL COMMITMENT TO BOARD DIVERSITY A MODEST BUT GROWING PRIORITY

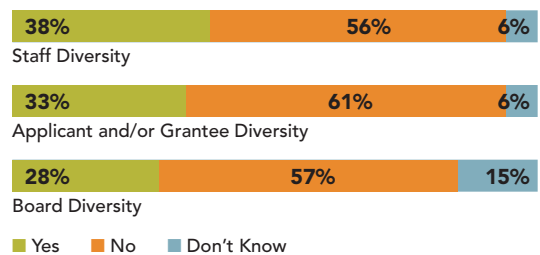
The vast majority of education funders lack formal policies on their boards’ diversity. Among respondents to the 2018 benchmarking survey, only 28 percent responded affirmatively to having written policies on board diversity. Another 15 percent were uncertain as to whether their institution had a written diversity policy for their boards. According to the most recent research from BoardSource, nonprofit boards—including foundation boards—are no more diverse than they were two years earlier.³

Nonetheless, findings from the survey may somewhat underrepresent the commitment of education funders to board diversity. Several respondents noted that, while they do not have written policies, they actively recruit for board diversity. Other respondents are moving toward adopting more formal policies. “We are working on a DEI strategy and...hope to have a more articulated strategy around grantmaking and staff/board policies later this year,” indicated one funder.

Board diversity can be especially helpful in advancing an educational equity agenda. “Our staff is way ahead of our board on this one,” observed one respondent. A family foundation funder noted, “Our all-white family is really uncomfortable in this space. Our staff is racially and ethnically diverse and this is much more important to us. We take baby steps each year in pushing this agenda with our board.”

Funders Report Having Written Diversity Policies On:

Funders Report Having Written Diversity Policies On:



Building Internal Competency to Advance Education Equity*

The majority of respondents to recent benchmarking studies embrace a commitment to equity in educational opportunity and attainment. Advancing an equity agenda requires both developing outward-facing strategies and engaging in internal learning, dialogue and self-assessment to ensure that staff have a shared understanding of and commitment to an equity agenda.

Two funders that have made internal learning an essential element of their equity journey are the NewSchools Venture Fund and the Lumina Foundation. Through diversifying organization leadership and evolving approaches to owning their equity agenda, these funders have been building the internal capacity needed to achieve greater education equity in their activities.

For NewSchools, a new leader came on board in 2014 “committed to putting diversity and equity front and center.” In part by bringing in more diverse leaders at the top of the organization and letting them build their own teams, NewSchools staff went from being predominately white to almost half people of color by 2017. The previously all-white board also added two people of color in the first 18 months under the new leader. To ensure that the organization is living up to the diversity, equity and inclusion standards it asks the ventures its supports to embody, NewSchools has also conducted internal sessions with staff to “increase their understanding of racial equity, unpack issues of race and personal bias and identify ways to strengthen the organization’s systems and practices related to diversity and equity.”

For the Lumina Foundation, establishing an ambitious external goal for postsecondary educational achievement served as the catalyst for an evolving internal focus on equity. According to one foundation leader, “It was mathematically impossible to reach the 2025 goal by continuing to do very well by white, middle-class Americans while ignoring those from our equity populations who have not been well represented among degree holders.” Other factors

intensified the foundation’s sense of urgency: a growing understanding that students of color often did not feel comfortable or that they could express their point of view, as well as increasing racial and ethnic tensions nationally.

The foundation began with an environmental scan of internal operations and external messaging that concluded staff “needed a deeper understanding of and comfort level with racial equity, as well as more consistent language in talking about equity.” This initial work was followed by the appointment of a staff member to lead the foundation’s equity initiatives, the strengthening of hiring practices to “ensure that the interview process would advance only if there were a diverse pool of applicants,” and the offering of voluntary staff learning opportunities on race and equity.

In beginning to develop its next strategic plan, however, the foundation concluded that it had shifted too quickly from building staff “expertise and comfort” around racial equity to a focus on grantmaking. As a result, the foundation was hindered in its “ability to fully embrace equity as THE framework through which [it] could achieve the 2025 goal. Without this critical step, a deep and sustainable commitment to equity [was] impossible.” Leadership at the foundation concluded that they needed to take responsibility themselves for making racial equity “an organization-wide priority,” and discontinued the equity lead position. They also brought in external facilitators to support staff in developing “a shared understanding of equity, recognize systematic barriers to equity and strengthen their personal competencies related to working with individuals of different races and backgrounds.”

These conversations could be uncomfortable for staff, who traditionally avoided discussions of politics and race, but yielded broad agreement on their value. As one foundation leader noted, a commitment to equity “doesn’t equate to having the skills and competencies needed to embed and lead on equity.... [Having] some understanding of systemic racism, or what leads to or sustains attainment gaps, or will lead to narrowing of attainment gaps...will help all of us make better decisions as we work with grantees.” Consistent with this observation, the facilitator of NewSchools’ staff equity training sessions noted, “Some people want to ‘do equity’ in two hours, or four hours, but that’s not how this works. It needs to be ongoing.... I’ve seen the work take root, shifting from just having conversations to being central to what they are doing.”

* This Funder Spotlight is based on Russell, C. and L. Jenkins, “The Equity Journey: NewSchools Venture Fund and Lumina Foundation Pursue Diversity on the Road to Equity,” Case Study No. 16: Principles for Effective Education Grantmaking, Grantmakers for Education, 2017. The full case study can be accessed at https://www.edfunders.org/sites/default/files/Case_NewSchools_Lumina_2017.pdf.

Collaboration remains a priority for funders.

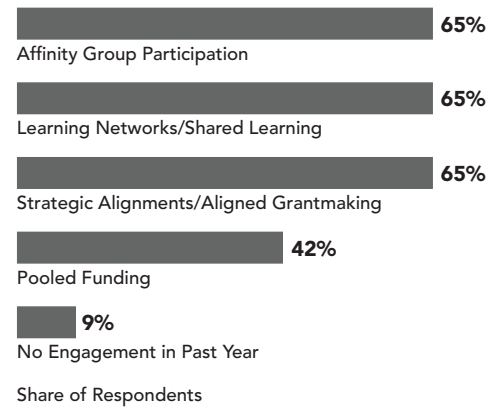
Education funders place a high value on engaging with peers through formal networks, participating in shared learning, aligning grantmaking and even pooling their funding. Overall, 91 percent of respondents to the 2018 benchmarking survey reported participating in some type of collaborative activity. Since the benchmarking study series began tracking funder engagement in collaboration in 2008, at least 90 percent of respondents have reported participating in some type of collaborative effort to support their education priorities.

Funders reported engaging in collaborative efforts across a broad range of priority areas, with some funders indicating that all of their funding priorities required collaborative efforts to make progress. “We work closely with other funders in the area...to ensure our funding priorities are mutually reinforcing and we’re all working toward the same goal,” concluded one respondent. “We believe this kind of systemic collaboration is essential to progressing on issues such as education.” Another funder concurred saying, “It is important to have multiple funder voices supporting an issue. It is more likely to drive change than having a single funder promote an issue as part of their strategy.”

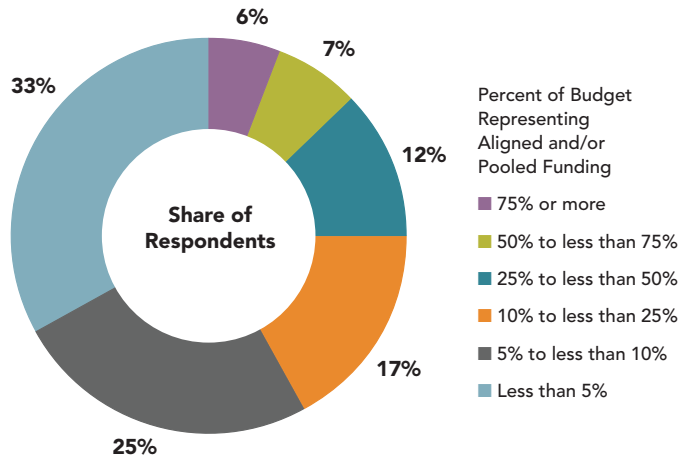
Other funders cited the need to collaborate with peers to leverage their resources. “We make a significant proportion of our grants with...partners because our resources are insufficient to meet needs,” noted one respondent. The need to combine limited resources can also be a factor in encouraging collaboration around policy-related efforts. “There are very few funders willing to support advocacy,” said one funder, “so we partner there.”

While successful collaboration can multiply the impact of funders’ education initiatives, it does not come without challenges. As one respondent opined, there can be “‘too many cooks in the kitchen’ and not enough coordination to get everyone working toward the same goal.” According to respondents, another challenge can lie in figuring out the right balance between advocating for one’s institutional priorities and arriving at shared priorities together.

Education-related Formal Collaborative Efforts During Past Year



Share of Education Funding Representing Aligned and/or Pooled Funding in the Past Year



Public policy prioritizes local focus.

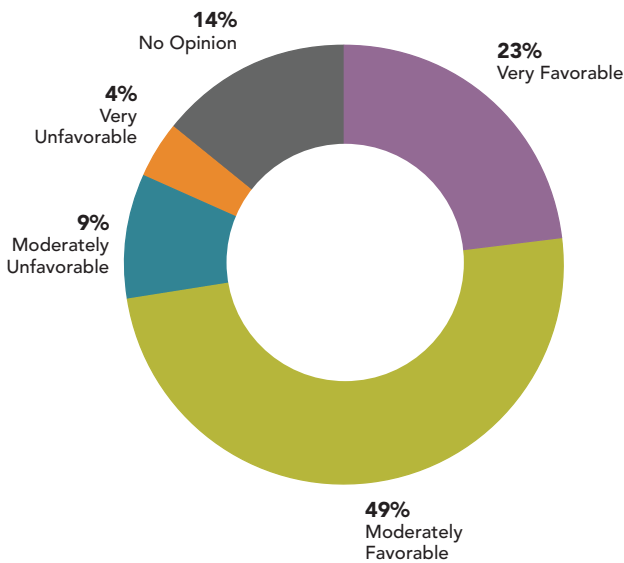
When funders were asked in the 2018 benchmarking survey how were they addressing the positive and negative trends they think have the greatest potential impact on education over the next five years, the single largest share of respondents indicated that they planned to increase their support for public policy-related activities. As one respondent observed, “We have gotten much more involved in advocacy than we ever have been. We need to impact policy to really see the full effect of our strategy play out.”

Efforts to engage the public, build public will, advocate and inform public policy benefited from the support of 53 percent of respondents to the 2018 benchmarking survey. This share was slightly lower than the 59 percent of respondents to the 2012 survey that reported engaging in public policy or public will building activities. Among grantees that focus on public policy and advocacy,

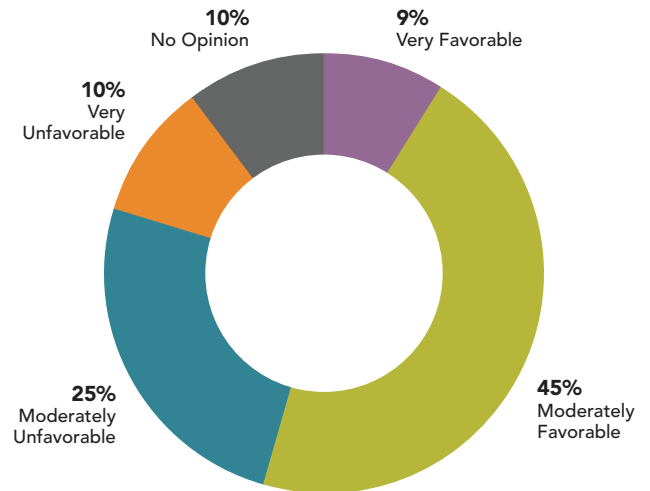
education funders were more likely to support those working in the area of elementary and secondary education (36 percent of funders) than early learning (27 percent of funders) or postsecondary education (20 percent of funders).

The 2012 benchmarking study predicted that “many education policy issues will shift from federal to state and local arenas,” following the exceptional engagement by education funders in early Obama-era reform efforts. This prediction has proven true. In fact, just 11 percent of respondents consider the current federal policy environment to be moderately or highly favorable to their education funding priorities. By comparison, close to three-quarters (72 percent) of respondents to the latest survey consider the local policy environment to be moderately or very favorable to policies consistent with their current priorities. At the state level, this was true for just over half of respondents.

Favorability of Local Policy Environment to Supporting Education Policies Consistent with Your Organization’s Current Priorities



Favorability of State Policy Environment to Supporting Education Policies Consistent with Your Organization’s Current Priorities



3

The Content of Education Giving

The 2018-19 edition of Grantmakers for Education’s benchmarking report for the first time offers comparable learnings and statistics organized by identified entry points to education: early learning, focus on the whole learner, core academics and Obama-Era priorities in K-12 education, and postsecondary education and workforce/career readiness. These brief profiles highlight overall findings and document key issues identified by respondents.

Early Learning



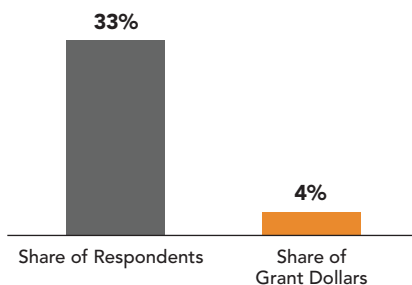
Outlook

Early learning has benefited from an increased focus by education funders on the learning stages before and after K-12 education, although it accounts for a small share of grant dollars. Preparing young learners for success in school and life will experience continued strong growth in funder support.

EARLY LEARNING CONTINUES TO GROW AS A FUNDER PRIORITY

The value of investing in structured early learning opportunities, from music lessons for infants through universal preschool, has been well established. “We know the earlier a child is exposed to learning, the greater their long-term outcomes,” observed one respondent to the 2018 benchmarking survey. Yet as of 2016 approximately one-in-three four-year-olds and one-in-seven five-year-olds were not enrolled in either a partial- or full-day preschool program, and these shares “were not measurably different from the percentages enrolled in 2000.”⁴

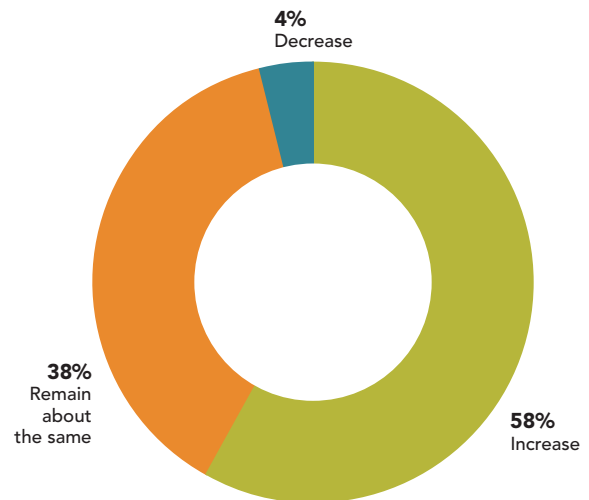
2018 Funding



Overall, one-third of education funders responding to the 2018 survey funded efforts to provide access to early learning and/or to ensure the quality of these programs. Well over half of these funders (58 percent) also anticipate increasing their funding for this priority over the next two years—the highest percentage reported among all of the education priorities tracked in the latest survey. This growth in private support coincides with increased public advocacy for and investment in early learning. Why does interest in supporting early education continue to grow? As one funder concluded, “If we address the front end of the education continuum, we won’t have to invest in fixing the back end.”

Beyond supporting access to early learning opportunities, ensuring the quality of these programs has been a focus cited by respondents in earlier benchmarking studies and again in the latest survey. One respondent specifically homed in on a lack of investment in the development of the early learning workforce noting, “You can’t achieve quality early childhood education without it.”

Anticipated Change in Funding Over Next Two Years



Catalyzing Engagement in State-Level Early Learning Policy

For more than fifteen years, three Pennsylvania foundations have collaboratively supported expansion of early learning opportunities statewide. The Grable Foundation, The Heinz Endowments, and the William Penn Foundation began their work based on emerging research about the benefits to individuals and society that result from investments in early learning. The foundations continue to meet regularly to share their work, discuss state-level opportunities and needs, and identify ways they can collaborate or provide support independently.

Among many initiatives supported by these foundations, the Pennsylvania Early Learning Investment Commission (ELIC)* provides an illustrative example of how foundation support can serve to advance an evolving state-level policy agenda. ELIC was established by a governor's executive order in 2008 to leverage the position and wisdom of business leaders to educate the public and policymakers about the importance of early learning. The nonpartisan commission informs Pennsylvania's business leaders about the importance of early learning and engages them in outreach to policymakers, interactions with media on early learning issues, and coalitions of business leaders around the state. While the commission was established by executive order, it has been dependent on private sources for operational support. The three foundations, recently joined by Vanguard Charitable, continue to provide support for ELIC staff and operations. According to Elliot Weinbaum of the William Penn Foundation, the ELIC has played a key role in engaging support for early learning from stakeholders working in fields outside of education. More recently, recognizing the limitations inherent in being entirely dependent on a small number of foundations, funders have also supported ELIC to diversify its revenue base. With a new executive director and re-vamped business model, ELIC is poised to expand support for early learning well into the future.

These same funders have also been supportive of direct advocacy work, with outreach organizations helping residents across the state and from every background to understand the importance of early learning. One specific

example of this advocacy, the Pre-K for PA campaign, works toward the day when every child in the commonwealth will have access to free or affordable high-quality pre-kindergarten programming. In the five years since the campaign has been underway, state investment in pre-K in Pennsylvania has more than doubled, now exceeding \$260 million dollars annually. Foundation support helped advocacy organizations push for greater investment in early learning that has improved the life course for tens of thousands of children. "Investing in research, education, communications and advocacy is essential to increase public investments in early childhood (and K-12) education," noted Michelle Figlar of The Heinz Endowments. "This is a space that philanthropy can support both grassroots and grass-tops organizations."

Emerging leaders in the early learning field are another constituency foundations are helping to engage in Pennsylvania's early learning policy process. "As an emerging leader in the field, it can be overwhelming or confusing to make an impact at the state level," noted Gina Federico, training and policy assistant with Early Intervention Technical Assistance (a business partner of Pennsylvania's Office of Child Development and Early Learning, or OCDEL) who oversees the OCDEL Policy Fellowship. "Professionals know that they are getting regulations and policy statements from the state but don't know how they can use their voices in informing this process. The agency or organization for which someone works may not be able to provide this type of learning." With funding from The Grable Foundation, as well as support from The Heinz Endowments for alumni fellows and an evaluation, the OCDEL Policy Fellowship is currently supporting its third cohort to understand and navigate the complex systems that shape the public and private early learning system and use and share that learning back within their organizations and communities.

The OCDEL Policy Fellowship has been so successful that OCDEL will commit state funds to cover over half of the cost of the fourth cohort. OCDEL had committed funds for the past three years but is increasing its contribution as it considers long-term sustainability of the fellowship. The program would not have existed without initial support from foundations. While there were clear benefits in supporting emerging leaders in early learning to become more policy- and systems-savvy, "the state couldn't fund the pilot," observed Kristen Burns of The Grable Foundation. "And that's what was needed to make the case for its value."

* See <https://paearlylearning.com/>.

K-12: Focus on the Whole Learner



OUTLOOK

A focus on the whole learner has ramped up funder support for social and emotional learning and other non-cognitive approaches in K-12 education. Funders will continue to increase investments in many learning approaches, with some of the strongest growth in support for social and emotional learning.



OUTLOOK

A focus on the whole learner has increased funder interest in family and community engagement. Funders will continue to expand investments beyond the K-12 classroom that ensure learners have the support from family and community they need to be successful.

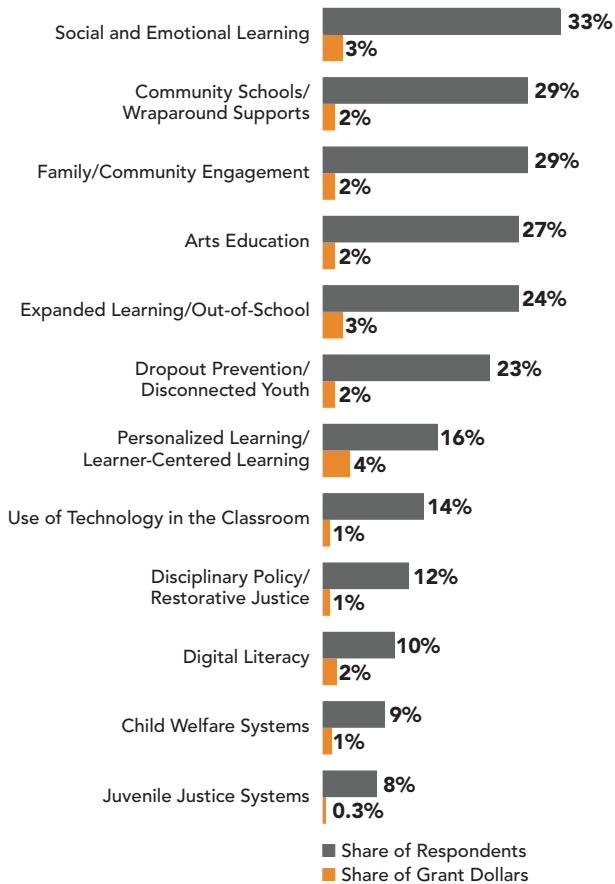
SOCIAL AND EMOTIONAL LEARNING BENEFITS FROM GROWING FUNDER INTEREST

Looking back to the 2015-16 benchmarking study, social and emotional learning and the sometimes-related priority of personalized learning were identified as emerging

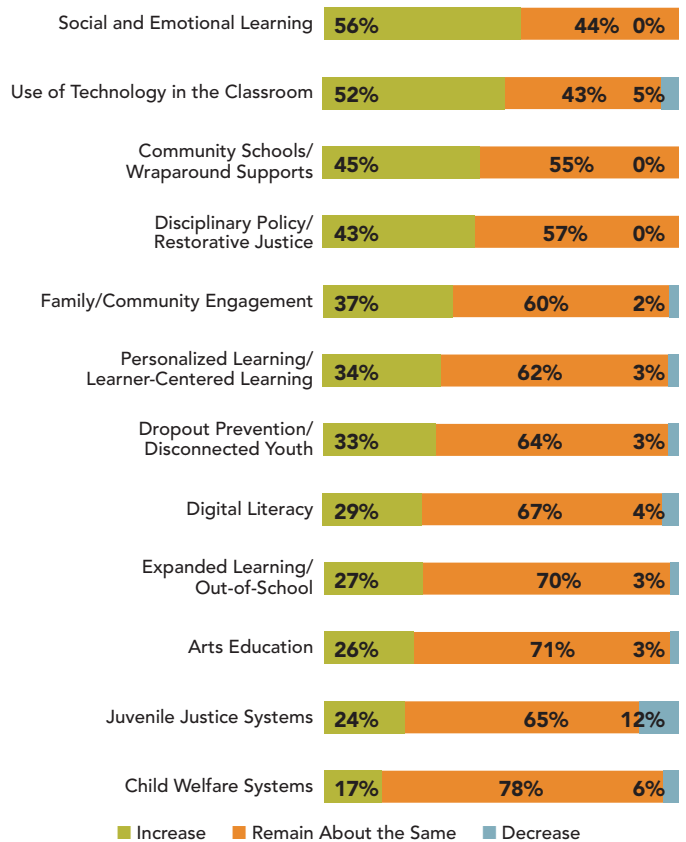
trends among education funders geared toward meeting the needs of diverse learners. The report’s authors stated that, “We expect social and emotional and personalized/competency-based learning to become increasingly central to the work of funders and educators across the field—less a discrete strand of work than a core focus embedded within all efforts to support student learning.” This prediction has borne out based on findings from the 2018 survey. Overall, one-third of respondents reported providing support for social and emotional learning, and more than half of these funders anticipate increasing their giving for this (mostly) K-12 priority over the next two years.

Social and emotional learning also ranked as the leading factor or trend respondents believe has the greatest potential for a positive impact on education over the next five years. According to one respondent, this growing belief in the value of social and emotional learning reflects “increased recognition that the ‘whole child’ matters and that schools play a critical role in ensuring that students receive more holistic support.” Another respondent spoke to the benefits of social and emotional learning beyond individual learners, concluding that it “will create

2018 Funding



Anticipated Change in Funding Over Next Two Years



healthier, more resilient communities.” Respondents also emphasized the integral role of trauma-informed practice within social and emotional learning, which will “help educators more effectively reach students who have experienced trauma.”

A smaller share of 2018 survey respondents (16 percent) provide support for personalized learning or learner-centered learning, but one-third of these funders expect to increase their investments over the next two years. (For a profile of how funders are engaging to support social and emotional learning see “Educating the Whole Learner.”)

COMMUNITY ENGAGEMENT INCREASINGLY IMPORTANT TO EDUCATION FUNDERS

Funders continue to expand their support for efforts to embed the elementary and secondary educational experience within learners’ families and communities, leveraging existing family and environmental supports and directly addressing challenges to their overall well-being. Among respondents to the 2018 benchmarking survey, 60 percent provided funding related to engaging family and communities in learning environments and they anticipate strong growth in funding for these priorities over the next two years.

Among the factors or trends funders identified as having the greatest potential for a positive impact on education over the next five years, engagement with learners’ families and communities ranked near the top. As one respondent put it, “Family-focused thinking” is essential “because it recognizes that students are not individual units separate from others.” Another respondent offered that, “It is the only model that addresses all the other aspects of poverty that challenge a student beyond his academic exposure and opportunities.”

Respondents indicated that how communities are engaged will be essential to the success of learner access and outcomes. “We need to be intentional and collaborative in our approach,” stated one funder. This insight applies equally to funders supporting efforts in urban and rural communities with youth least well-served. In addition,

funders were not limited to thinking about family and community engagement strictly in terms of enhancing the well-being of individual learners. In fact, a number of respondents emphasized the role of community organizing in engaging youth and families in defining their educational priorities, enabling school and system change and ensuring attention to sustained improvement. “Building power and increasing collaboration will be necessary preconditions to school improvement,” concluded one respondent. Another remarked that community schools “will become the source of organizing a neighborhood and training leaders.” A third respondent distilled this sentiment down to “community engagement/civic participation = better schools.”

EXPANDED LEARNING SEEN AS IMPORTANT TO ENSURING EQUITABLE OPPORTUNITY

Expanding learning opportunities offered in the primary and secondary years through afterschool, out-of-school and summer programs have been identified as a critical priority by education funders since the first benchmarking study was released in 2008. “All of the evidence suggests you can’t close the achievement gap without it,” concluded one respondent. Yet, while the 2012 benchmarking study reported that “on average, the percentage of funders who cited expanded learning opportunities as an important priority investment has held at 70 percent,” only about one-quarter (24 percent) of respondents to the 2018 survey indicated that they fund expanded learning opportunities. Nonetheless, a couple of funders cited a lack of public investment in expanded learning as being one of the factors or trends that have the greatest potential for a negative impact on education over the next five years.

SUPPORTING DISCIPLINARY POLICY CHANGE LIKELY TO BE AN AREA OF GROWTH

About 12 percent of respondents currently focus resources on efforts to reform disciplinary policies, and over two-fifths of those that currently fund this priority anticipate increasing their giving over the next two years. Research indicates that harsh discipline and “school push out” approaches disproportionately target black and Latino youth and contribute to youth disengaging from and dropping out of school altogether.

FUNDERS SUPPORT ROLE OF TECHNOLOGY BUT EXPRESS CONCERNS

When asked to identify the factors or trends they think have the greatest potential for a positive or negative impact on education over the next five years, slightly more respondents identified the use of technology in the classroom as having a negative than a positive impact.

Among those seeing positive attributes, one respondent identified the benefits of a “focus on computer science, creative computing and digital literacy (broadly defined) for underserved students, because digital tools and being digitally savvy are the means of creation and essential to economic mobility.”

Among respondents expressing a more pessimistic stance on the role of technology in the classroom, a primary concern is that, as one respondent put it, “Tech is being used for the sake of tech versus meaningful educational outcomes.” Another respondent expressed a larger caution that, “Technology has become a ‘magic pill,’ rather than a tool to enhance teaching and learning.” Even among respondents that expressed positive belief in the role of technology, one noted the “need to figure out appropriate usage and access.”

Educating the Whole Learner

Establishing a deeper understanding of how children learn and approaches to support each learner's unique development builds upon decades of research. These findings illuminate the importance to life success of positive relationships with adults, having agency, finding relevance, and experiencing safe spaces and a sense of belonging. This work "resonates with our human experience of learning," noted Zoë Stemm-Calderon of the Raikes Foundation. When asking adults about their most powerful learning experiences, "They don't talk about worksheets but rather about the quality of relationships with the people that were helping them, having the opportunity to make meaning with others and to master something and learning about things connected to what mattered in their world."

The Seattle-based Raikes Foundation, a national funder, seeks a "just and inclusive society where all young people have the support they need to achieve their full potential." The foundation works to advance this vision in part through support for basic research on the science of learning and development tied to an equity analysis, as well as through working with researchers to design and test approaches that leaders can use to build equitable schools and systems. For example, the foundation brought together 10 nonprofit school support organizations to participate in a three-year learning network that uses the science of learning and development and continuous improvement to advance equity in the schools they support. Collaboratively, these organizations are developing practices, tools, policies, and interventions that close opportunity gaps for those least well served by our current system. The Building Equitable Learning Environments (BELE) Network was co-designed and is supported by experts in science, equity, and continuous improvement.

A place-based funder, the Tauck Family Foundation supports the "holistic development" of the children of Bridgeport, Connecticut, where they can be empowered and successful in their education and reach their full potential. The foundation adopted an exclusive focus on education in Bridgeport in 2012 based on a belief in the

ability of education to provide a ladder out of poverty and a desire to narrow its focus to have a greater impact. Through subsequent research, it identified social and emotional learning (SEL) as a means to this end. The foundation's interest in supporting Bridgeport children's access to social and emotional learning, coupled with SEL as a priority area of need for the then superintendent, served as a catalyst for the establishment of the Bridgeport Public Schools SEL Initiative, which builds the skills of public-school administrators, teachers, staff, students and their families. Through rigorous measurement, the initiative has demonstrated enhanced academic outcomes, along with improved school climates, decreases in suspensions and reduced absenteeism. Tauck has recently expanded its portfolio to provide similar deep, long-term investments in social and emotional learning to Bridgeport's Catholic schools and early learning programs, in addition to ongoing support to local charter schools and out-of-school time efforts. Establishing strong community support and allowing school administrators to lead this work has been critical to the success of these initiatives to date. "We see our role as being a champion for and supporter of these efforts," observed foundation leader Mirellise Vazquez.

Reflecting increased funder engagement with SEL, in 2016 a group of leading grantmakers—including the Raikes and Tauck Family foundations—created Grantmakers for Thriving Youth (GTY). GTY seeks to advance a comprehensive approach that will enable all young people to acquire the skills and capacities needed for success in learning, work, citizenship and life. Said Lead Facilitator Kathleen Traphagen, "GTY is designed to provide grantmakers with a continuum of options for participation, from shared learning and coordination to collaborative action."

Many funders of SEL also joined together to support the National Commission on Social, Emotional, and Academic Development at the Aspen Institute. The Commission's new report, *From a Nation at Risk to a Nation at Hope*,* provides a roadmap for change to ensure that all children have the social, emotional and academic skills they need to learn and thrive. The timing is fortuitous, according to Terri Shuck, former executive director of the National Public Education Support Fund, as education funders "move beyond technical approaches for 'fixing' schools to a deeper understanding of how humans learn and the fundamental connections between the development of individual identity, and family and community supports to actually improve learning and life outcomes for all students."

* See <http://nationathope.org/>.

K-12: Core Academics and Obama-Era Priorities



OUTLOOK

Addressing the development of K-12 teachers and leaders appears to be a decreasing priority for the education funding community. But funders who remain committed to this topic anticipate increasing their grant dollars for this priority.



OUTLOOK

Following engagement in supporting new school models and school turnarounds over the prior decade, funders appear to have moved away en masse. Charter schools are an exception and will continue to garner a consistent level of support.



OUTLOOK

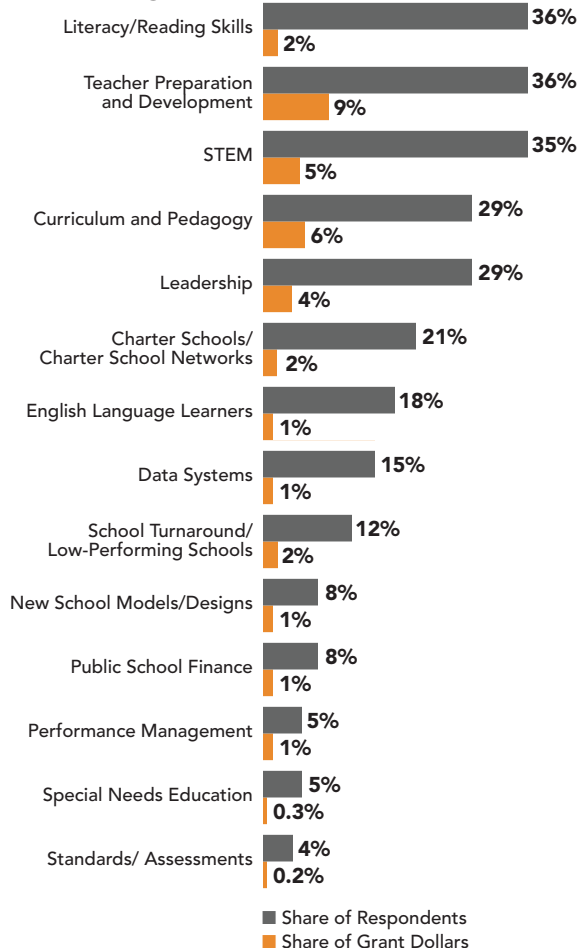
The role of funders in supporting standards, data and assessments may wane. However, their commitment to the value of evidence-based practice will remain strong.

FEWER FUNDERS FOCUS ON TEACHERS AND LEADERS

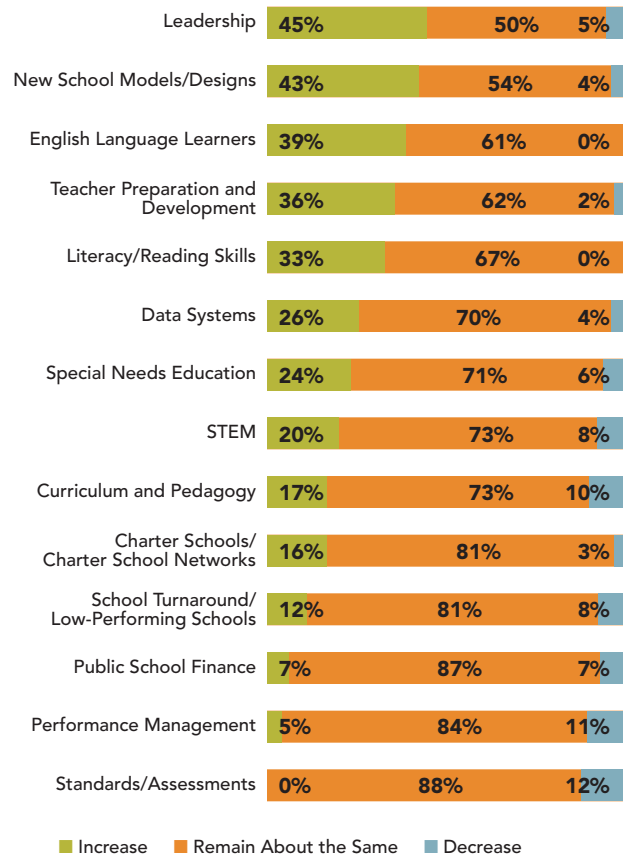
In recent years, teacher preparation and development had ranked as a top priority for education funders. As recently as the 2015-16 benchmarking study, roughly two-thirds of respondents had reported funding teacher preparation and development—surpassing all other focus areas. By comparison, approximately half that share of respondents (36 percent) identified themselves as providing support for teacher preparation and development in the 2018 survey. This marked decline in share suggests that supporting teacher learning and development may have ceased to be a priority for a number of funders.

This finding should not suggest that teachers do not benefit from substantial education funder resources. Among 2018 respondents, teacher preparation and development represented 9 percent of overall education grant dollars. This share exceeded all other focus areas except postsecondary education. Moreover, teachers ranked among the top two factors or trends education funders believe are likely to impact the education field over the next five years (see below). As one funder stated, “We

2018 Funding



Anticipated Change in Funding Over Next Two Years



believe strongly in supporting teachers.... We think one of the keys to better performance in school is better engagement in the classroom.”

Findings from the 2018 benchmarking survey showed a similar decline in the share of education funders engaged in supporting education leadership (i.e., principals, superintendents, etc.). A total of 29 percent of respondents reported supporting leadership, compared to almost half of respondents to the 2015 survey.

Despite the reductions in shares of respondents providing support for teacher preparation and development and school leadership, resources for these priorities appear likely to continue to grow. Among education funders supporting preparation and development for teachers, more than one-third (36 percent) expect to increase their funding over the next two years. For those funding education leadership, the share expecting to provide greater support over the next two years was even higher (45 percent).

EMPHASIS ON EDUCATORS SEEN AS BOTH POSITIVE AND NEGATIVE

When asked to identify the factors or trends likely to have the greatest potential for a positive impact on education over the next five years, respondents to the 2018 benchmarking survey ranked teacher preparation and development as the second most-important factor after social and emotional learning. Identified by one respondent as “the most significant factor for in-school learning,” teachers are essential for improving educational outcomes for learners. Funders identified a variety of approaches for addressing the needs and improving the experiences of teachers in the classroom. These include: collective efficacy and visible learning and teaching, in which teachers evaluate themselves and help learners become their own teachers; competency-focused teacher preparation; practiced-based teacher preparation; increased teacher autonomy; alternative teacher certification, enabling easier entry into the teaching profession; and better teacher compensation to attract more talent and reduce turnover.

Respondents also ranked teachers as one of the top factors likely to have the greatest potential negative impact on education over the next five years. Concerns identified by respondents most commonly focused on a

potential teacher shortage as baby boomers retire, low teacher compensation contributing to higher turnover and fewer individuals see the teaching profession as offering a sustainable career. One factor undoubtedly contributing to the latter trend was the narrowing of focus on teacher quality over the last decade tying much of students’ success to teacher performance, with less consideration of resource and environmental factors.

CURRICULUM AND PEDAGOGY A PRIORITY FOR MANY FUNDERS

The 2018 benchmarking survey for the first time asked if respondents fund curriculum and pedagogy, which undoubtedly encompasses funders’ more specific educational priorities, ranging from science, technology, engineering and math (STEM) instruction to social and emotional learning to massive open online courses (MOOCs). A substantial 29 percent of respondents indicated that they do fund this area. Three respondents also identified project-based learning as being among the factors or trends that have the greatest potential for a positive impact on education over the next five years.

FUNDERS APPEAR LESS ENGAGED IN SUPPORTING NEW SCHOOL MODELS AND SCHOOL TURNAROUNDS

Private funders continue to play an essential role in helping to seed innovation and experimentation in school design, scale-up successful models and support school turnarounds. However, it appears that fewer funders may support these types of activities. In the 2015-16 benchmarking study, 32 percent of respondents reported funding new school models and/or designs, compared to just 8 percent in 2018. Similarly, about 30 percent of 2015 respondents reported providing support focused on school turnaround/low-performing schools, compared to 12 percent in 2018. While differences in survey samples may account for some of this disparity, the scale of the differences suggests that a number of education funders have decided to move away from investing in these priorities.

What cannot be determined from the 2018 data is the relative importance of factors that may be driving this change. For example, to what extent does this trend

reflect an inevitable shift away from the education priorities of earlier federal administrations as funders seek out fresh funding priorities? Has the failure of some models to yield tangible benefits diminished funder interest? Has the change in federal education leadership lessened the potential benefits of investing in institutional innovation? What other combination of factors may be influencing this trend?

CHARTERS SCHOOLS GARNER CONSISTENT SUPPORT

Respondents to the 2018 benchmarking survey showed a relatively more consistent level of engagement in their support for charter schools and charter school networks. Just over one-in-five respondents (21 percent) reported providing funding for this purpose. Nonetheless, only one respondent identified charter schools as being a factor or trend they think has the greatest potential for a positive impact on education more systemically over the next five years.

FEDERAL EMPHASIS ON SCHOOL CHOICE RAISES CONCERNS

Concerns over a focus on school choice and what some respondents referred to as the “privatization of education” were cited by several respondents asked to identify factors or trends most likely to have a negative impact on education over the next five years. One funder observed, “Given that choice operates as a zero-sum game, you still have to fix the system as a whole. Otherwise, you will still only serve a small percentage of learners in high quality seats.” Of particular concern for some respondents is how school choice could undermine efforts to ensure equity in educational opportunities. “Federal leadership is moving us away from equitable approaches [based on] their belief that the for-profit model serves students,” noted one respondent.

FUNDER INVESTMENT IN DATA AND ASSESSMENTS CONTINUES TO DECLINE

Data systems and standards and assessments engage relatively few education funders, according to the 2018 benchmarking survey, and these shares were far lower than those recorded in recent years. Overall, 15 percent of respondents to the latest survey reported providing support for data systems, compared to the nearly 30 percent that reported investments in the 2015 survey. The change was even more dramatic for standards

and assessments, which dropped from 35 percent of respondents in 2015 to just 4 percent in 2018. Of course, changes in the sample make direct comparisons of these shares imprecise. Nonetheless, the scale of these reductions suggest that more funders have moved away from investing in these priorities. In addition, only about one-quarter (26 percent) of funders investing in data systems expect to increase their giving for this priority over the next two years, while no funders of standards and assessments expect to increase their giving and 12 percent expect to reduce their support.

This finding was predicted in the 2015-16 benchmarking study. The report’s authors explicitly stated that, “Only a portion of the funding community has been engaged in actively funding work relating to standards and assessments—and the data suggest that funders may be pulling back in the coming year.” They added, “It could be 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.”

This does not mean that education funders consider data and assessments to be irrelevant to improving educational outcomes. In fact, several respondents to the 2018 survey included the use of evidence-based data to guide approaches and scale what works, support continuous improvement and identify barriers to learner access and success among the factors or trends that have the greatest potential for a positive impact on education over the next five years.

Respondents also identified several assessment strategies they considered to have great potential for positively impacting education. For example, an alternative strategy would be to move from standardized testing to portfolio assessments that address multiple ways of learning. “This is definitely a work in progress,” stated one respondent. “But it will encourage schools to look beyond test scores to define their students.”

Postsecondary Education and Workforce/Career Readiness



OUTLOOK

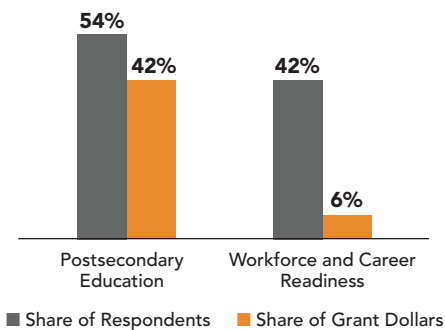
Postsecondary education and workforce and career readiness have benefited from a growing focus by education funders on the learning stages before and after K-12 education. Looking ahead, workforce and career readiness will benefit from continued growth in funding. Postsecondary education will also receive greater overall funder support.

A MAJORITY OF FUNDERS INVEST IN POSTSECONDARY EDUCATION

Addressing the continuum of educational needs continues to be a priority for funders, from early childhood to integrating secondary and postsecondary learning to supporting multiple educational pathways to ensuring that learners are prepared for ever-evolving workforce demands. Since the benchmarking studies began in 2008, postsecondary access and success has been an important priority for respondents. In 2018 well over half of respondents (56 percent) indicated that they fund postsecondary education—surpassing the share recorded in the 2015-16 benchmarking study.⁵ Moreover, 42 percent of grant dollars awarded by respondents focused on postsecondary education, far exceeding any other priority tracked in the 2018 survey.

Why does postsecondary education appear to be growing as a priority for funders? Respondents cited as a primary driver a belief in the critical importance of postsecondary education in preparing learners for a rapidly changing labor market. As the 2015-16 benchmarking study also noted, “the best jobs of today require new kinds of skills and the jobs of tomorrow do not yet exist.”

2018 Funding

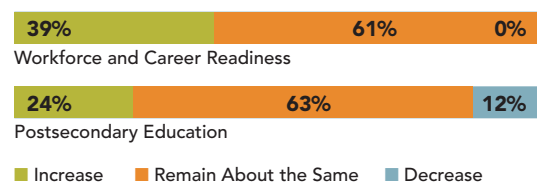


Consistent with this observation, more than two out of five respondents (42 percent) provide funding for workforce and career readiness, an increase over the share recorded in the 2015-16 benchmarking study. Workforce and career readiness also ranked third among the factors or trends that respondents believe have the greatest potential for a positive impact on education over the next five years. According to respondents, among the ways this will take place include having “more learners graduating with certificates and associates degrees and moving directly into high earning jobs in the STEM fields,” the integration of education with the business sector to “link learning and economic opportunity” and “ensure graduates have the skills needed in today’s workforce,” and “increasing focus on the future of the workforce” to “help to align education with the degrees and careers of tomorrow.”

COST OF POSTSECONDARY EDUCATION RANKS AS A TOP CONCERN

Reflecting the ongoing escalation in costs, respondents to the 2018 benchmarking survey ranked a lack of postsecondary education financing high among factors they think have the greatest potential for a negative impact on education over the next five years. “There is a growing perception that a college education is no longer needed or worth the cost,” remarked one respondent. Another concurred that there is “growing skepticism related to the ‘value’ of higher education.” Among factors respondents cited as contributing to the continued rise in the cost of postsecondary education included reductions in state funding, a rolling back of regulations on students loans, as well as a more general “public disinvestment in higher education,” in part driven by “one’s political persuasion.” The consequences they anticipate include “shutting out more and more low-income students from obtaining the degree of their choice” and limiting the ability of graduates to engage in the prerogatives of adulthood, such as setting up their own homes and having children.

Anticipated Change in Funding Over Next Two Years



4

Looking Ahead: Critical Questions Shaping the Future of Education

The survey findings presented in *Trends in Education Philanthropy: Benchmarking 2018-19* offer clear evidence of the critical role of our members and other education funders in promoting innovative, responsive and equitable public education. Whether they support efforts to embed social and emotional learning in school curricula, strengthen and diversify the teacher workforce or support local policy efforts to enable systemic change, education funders share a commitment to ensuring the best potential outcomes for our nation's learners.

At the same time, the 2018-2019 benchmarking report raises some clear questions in its findings – about the commitment of funders to K-12 education, whether this new focus on early childhood and postsecondary education will be sustained, and whether and how equity can be embedded into these efforts.

The observations and insights shared by survey respondents suggest clear reason for optimism, while also pointing toward implications that allow us to engage in critical reflection together. Among the complicated questions the survey data raise, Grantmakers for Education has chosen to highlight six.

1

Grantmakers see great promise in fields like early childhood education and social and emotional learning. While they project funding increases in the coming years, both issue areas are starting with very limited dollars relative to other issue areas in education. Will funders substantially reallocate resources to match their optimism with the funding needed to help early childhood education and social and emotional learning reach their potential?

2

It is clear the pendulum has swung from a focus on core academics to a focus on the whole learner. This shift reflects important learning in our field about the limits of prioritizing the cognitive, without recognizing other dimensions of a learner's life. It is a necessary course correction. Yet, should we be worried that the pendulum will continue to swing away from academics?

3

The vast majority of funders do their grantmaking with an eye toward improving equity in our education system. Approaches to addressing equity are varied and occur along a number of different dimensions: from restorative justice practices in schools, to diversifying the teacher pipeline, to intentionally encouraging greater diversity in the philanthropic and nonprofit sectors. Can we, as a collective of members, more clearly articulate our strategies to advance equity such that we can reflect on our collective progress over time?

Continued on next page.

4

High levels of interest were reported in both postsecondary education and early childhood education. Is it correct to infer a corresponding waning of interest in K-12 education reform? Is the lack of enthusiasm for many recently-prominent K-12 issues related to the growing lack of faith in governments to adequately fund education? Do funders believe that their dollars cannot be the tipping point to bigger change if the system is financially starved at its base? What are the implications for this segment of the system, which serves the largest portion of learners?

5

Commitment to engaging families and communities in shaping the education agenda is a growing priority among funders and is a positive trend. However, adding more voices inevitably adds more complexity in decision-making. How will we navigate the challenge of sharing power with those who have historically had little, especially on occasions when their ideas differ from our own? How do we ensure that widening participation and input productively informs our work while maintaining clarity on differing accountability and responsibility for decisions?

6

The systemic and structural challenges faced by today's education sectors exceed the capacity of any single foundation to address independently. While many survey respondents reported engagement in some type of collaborative learning and/or grantmaking efforts, there is far greater potential for funders working together. And without greater commitment to aligning with others for shared aims, it is unlikely that the full potential for progress will be realized. Do we have the collaborative relationships in place with one another and partners in other sectors to have a meaningful impact on the priorities we have identified? How can we strengthen collaboration?

The field of education philanthropy is at an inflection point. We have gleaned many lessons about what students need to succeed since the first administration of this survey, a decade ago. With that knowledge, we are approaching systems change in education from a new vantage point

and with new funding priorities. It is a moment that is both tumultuous and exciting for its potential. And given the divisive political climate, it is a moment where our collective leadership has never been more necessary.

Endnotes

- ¹ Funding may be counted toward more than one elementary and secondary education funding priority. Therefore, this figure undoubtedly overestimates the total share of giving focused on elementary education.
- ² See “Total State K-12 Funding Below 2008 Levels in Most States,” prepared by the Center on Budget and Policy Priorities and accessed at <https://www.cbpp.org/total-state-k-12-funding-below-2008-levels-in-most-states-0>.
- ³ See *Leading with Intent: 2017 National Index of Nonprofit Board Practices*, BoardSource, 2017.
- ⁴ See National Center for Education Statistics, *Preschool and Kindergarten Enrollment*, April 2018 update, at https://nces.ed.gov/programs/coe/indicator_cfa.asp.
- ⁵ *Benchmarking 2015: Trends in Education Philanthropy* reported that 41 percent of respondents funded Postsecondary Success and 37 percent funded Postsecondary Access.

Appendix A: Methodology

Trends in Education Philanthropy: Benchmarking 2018-19 presents up-to-date analysis and insights on the current and future priorities of U.S. education funders based on the survey responses of 91 funders, including 65 members of Grantmakers for Education. The online-only survey was conducted from July through September 2018 and distributed to 259 GFE members (25 percent response rate) and 406 other education funders identified by Grantmakers for Education and through Foundation Center data (6 percent response rate).

Because respondents to the 2018 benchmarking survey account for only a small fraction of the thousands of U.S. foundation, corporate and other private funders of education and do not constitute a representative sample, findings should be interpreted as suggestive of funder priorities and trends but not conclusive. In addition, comparisons of findings for 2018 with those presented in earlier benchmarking studies are generally limited to

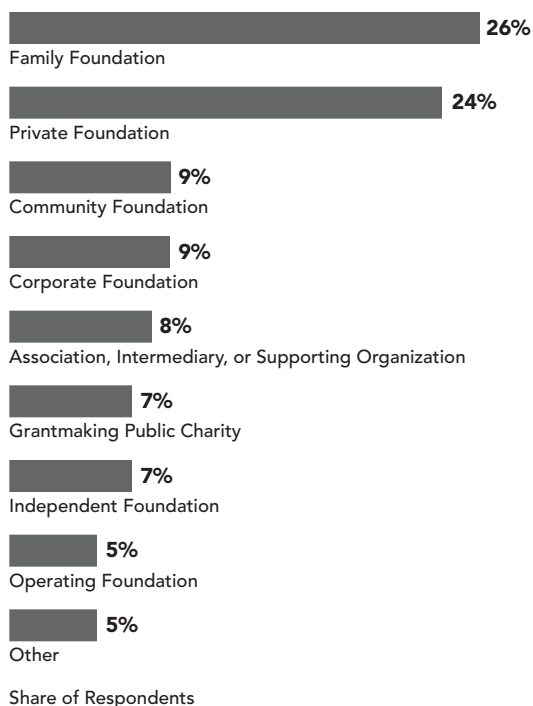
broad trends and not changes in shares of funder or grant dollars. As the size and composition of survey samples has changed with each study, distributions presented in each benchmarking study are not directly comparable.

RESPONDENT CHARACTERISTICS

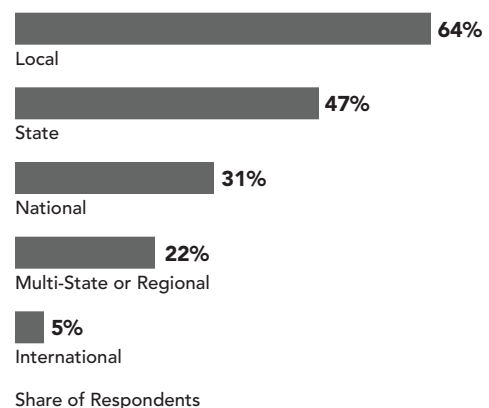
The majority of 2018 benchmarking survey respondents (57 percent) self-identify as family, private, or independent foundations. Roughly two-thirds (64 percent) fund at the local level, close to half (47 percent) at the state level, and nearly one-third (31 percent) at the national level. About half of respondents (49 percent) explicitly focus funding on large urban areas, while more than one-third of respondents (37 percent) maintain an explicit focus on funding rural areas. By recipient focus, the largest share of respondents funds elementary/secondary educational institutions, followed by postsecondary educational institutions and early learning organizations.

The 89 respondents who included information on their grants budgets provided education funding totaling \$794 million in their latest fiscal year. More than half of respondents (56 percent) gave at least half of their total funding for education-related priorities. The median amount awarded for education by members of Grantmakers for Education was \$2.55 million, compared to \$2.3 million for non-member respondents.

Type of Education Funder



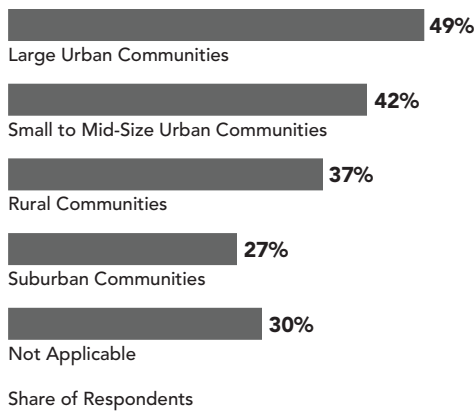
Geographic Focus of Education Funding



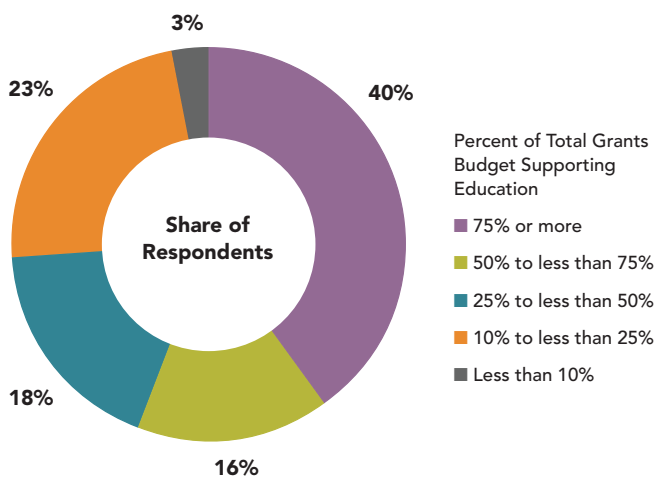
ISSUE AREAS TRACKED

The 2018 benchmarking survey tracked education funding across 29 specific issue areas. Grantmakers for Education made the decision to consolidate or drop several categories of funding included in the previous 2015 survey, reflecting the evolving priorities of education funders. Grantmakers for Education also added several issue areas to the 2018 survey to capture new directions in the field, including Child Welfare Systems, Curriculum and Pedagogy, Digital Literacy, Disciplinary Policy/Restorative Justice, Juvenile Justice Systems, Public School Finance and Special Needs Education.

Community Focus of Education Funding



Share of Total Grants Budget Supporting Education



Appendix B: Education Funders' Field-Building Strategies

Education funders overwhelmingly emphasize the importance of building up the capabilities of institutions, key constituencies and the relationships among and across them. More than eight out of ten respondents to the 2018 benchmarking survey provide support for organizational capacity building and scaling-up existing organizations or models. As one respondent remarked, “We believe a focus on the collective capacity building of stakeholders is key to the success of educational outcomes.” Seven out

of ten respondents support professional development and training for education professionals in the field, including teachers, school leaders and professionals working in organizations focused on education. A nearly equal share supported convening and peer learning. The closely related priority of network building and collaboration also receives support from well over half of the funders surveyed.

Strategy Focus of Education Funding



Contributors

TCC Group Report Authors

Steven Lawrence

Senior Philanthropy Research Affiliate

Melinda Fine, Ed.D.

Director of Philanthropy & Strategic Partnerships

Grantmakers for Education Contributors

Celine Coggins

Executive Director

Ana Tilton

Executive Director (Former)

Rebecca Smith

Communications Manager

About Grantmakers for Education

Grantmakers for Education is the nation's largest and most diverse network of education grantmakers dedicated to improving educational outcomes and increasing opportunities for all learners. For more information, visit www.edfunders.org.

grantmakers^{for}education 