

Trends in Education Philanthropy

A Roundtable with Foundation Leaders

In February 2006, Nellie Mae Education Foundation President and CEO Blenda J. Wilson convened an exclusive CONNECTION roundtable discussion on trends in education philanthropy. Wilson's guests were Ron Ancrum, president of Associated Grant Makers, which serves grantmaking members in Massachusetts and New Hampshire; Nancy P. Roberts, president of the Connecticut Council for Philanthropy; and Wendy L. Ault, executive director of the MELMAC Education Foundation in Maine. Following are excerpts from their conversation.

Wilson: What is the biggest barrier to increasing college graduation in New England?

Ancrum: One issue is that college tuition continues to rise at a faster rate than almost anything else—at least 5 percent annually for public institutions; more for the privates. The real burden falls on the student's family. And though colleges are fundraising, it's for things other than helping families pay tuition. So, many students who want to go to college can't afford it or they go but have a hard time staying because of the cost.

Ault: In Maine, we learned through a statewide focus group process that students had learned the socially acceptable excuse for not going to college or not staying in college is financial. Not to diminish the finance piece, but if you really ask deeper questions, you will find it's more often social barriers that stop students from actually going to college or staying once they are there.

Wilson: What do you mean by social barriers?

Ault: Maine is a state full of first-generation college students. A boyfriend or girlfriend saying, "I'm going to break up with you, if you go to college," makes a difference. We also have pockets in Maine where families worry that if their children go off to college, they are never coming back, and they may not because there are limited job opportunities in the state.

Ancrum: I agree. When you get underneath what students are saying, the first reason is social.

Roberts: The other issue especially in the inner city, is that students are not "ready" for college. Students are using up their scholarships before they even get into real college work. We have a collaborative in Hartford where one goal is to get more kids into four-year colleges. The mayor of Hartford said recently that 70 percent of nine-year-olds in Hartford will never graduate from high school. You don't ever see that figure. Nearly half the students in Hartford are Latino; nearly half are black.

Ancrum: There is a higher percentage of students enrolled in colleges and universities now than there was say 30 years ago, but the preparedness issue is troubling.

Wilson: Yes, a higher percentage are going to college, but it's more segmented because the cost increases have much more impact on low-income families than on middle- or upper-class families. At the same time, the consequences of poor education affect some populations more critically than others. So, it's really a triple-barreled problem based on social-cultural and economic issues as well as the readiness question. Now, what role can foundations play in addressing these problems?

Ancrum: Universities are not necessarily seeking foundation dollars to support any one of these three areas. There are scholarship and pre-college programs funded by foundations, but most of that is paid for by federal programs, which are now being slashed. Universities and colleges don't necessarily approach foundations to fund student support services. They see greater priorities for foundation money to support their research, their libraries and their capital interests.

Roberts: A number of funders in Connecticut give scholarships and two are putting out directories of where to find scholarships. They are more sophisticated about how much they give to students, but not to colleges. I don't see that as a priority for foundation funding.

Wilson: One unhelpful trend in recent years has been colleges putting a lot of money into merit-based scholarships as a means of competing for high-scoring students. That's another drain on financial aid for low-income students. State and federal grants and low-interest loans used to fill the college cost gap for poor students and families, but not anymore.

Ault: MELMAC has targeted \$3.4 million over seven years to 18 Maine colleges to help them improve graduation rates. We convened a group of college administrators to help us shape grantmaking that would have meaning to them. As a result, we identified some best practices out there that were helping similar institutions across the country retain and graduate more of their students in a timely fashion. I believe that's what foundations can do really well—to identify best practices and put some money behind them.

MELMAC has moved from celebrating college enrollment to now celebrating college graduation. We recognize that we need to get more Maine kids to go on to higher ed and actually persist and graduate.

Ancrum: If the foundation community had the level of interest that MELMAC did, universities would definitely respond, but I don't see them initiating it on their end. That's the way colleges have always behaved. They step to the plate when they know that money will be there. But they're not addressing the true barriers that we talked about earlier.

Wilson: Particularly not the cost barrier problem. Much of our grant money—about \$12 million a year—goes to what most people would call college readiness programs. We believe the preparation issue is an even larger barrier than cost.

Roberts: You can find organizations that help students pay for college, but if the students aren't prepared, they're not going to graduate. I don't think we have had as much of a commitment or maybe even knowledge about how to deal with the social and economic issues. I do think we presume that higher ed or the federal government ought to be the source for solving the barrier of cost.

Ault: In Maine, there has been little communication between K-12 and higher ed. It's not that they don't want to talk to each other, but everyone is so busy that they never have that opportunity, unless it's required. That opportunity to talk is another thing MELMAC can provide.

Wilson: I think we all need to do that—to give educators an excuse to step back from the day-to-day concerns and meet with peers and have an honest and authentic conversation about the issues they are trying to deal with. We provide this for our grantee organizations and there is never a time when grantees get together that they don't want more time with one another ... How do you see foundations helping ensure that New England students, especially those who are underserved, are not just ready for college but also achieving at high levels?

Roberts: In Connecticut, we've begun to look at the importance of the immigrant population, whom we depend upon for growth. Everyone is looking at the importance of the demographics, but I don't think states have really begun to address it.

Ancrum: A study on the immigrant population in Massachusetts suggests the key issue is making sure that immigrant workers have the language skills to find jobs that will allow them to provide for their families. Yet most efforts on behalf of immigrants have been focused on human rights, justice and employment issues rather than education.

Wilson: The Nellie Mae Education Foundation supports adult literacy programs that are "intergenerational"—the idea being that when parents or grandparents

go to an adult literacy program to learn to speak English and they have their child or grandchild with them, you are actually impacting an entire family. What other programs are targeted specifically on access for immigrants?

Roberts: Our schools have never done well at educating populations that don't assimilate.

Wilson: This has to be a higher priority, particularly for our urban populations. If people care about their own self-interest, they should make sure these younger populations are, in fact, educated. ... But other than money, where's the leverage? Do we see convening stakeholders as the role for foundations to play in raising these issues and funding programs to demonstrate effective approaches to change?

Roberts: One problem we have in New England is we don't have a lot of big players, so you have to get a lot of smaller foundations together if you want to have any impact. There are some passionate foundations who led that charge for education in Hartford and a few passionate corporations that brought it together in Boston. However, you need to have the leadership coming out of the foundation field.

Ancrum: Projects like the one in Hartford seem to only happen in large enough urban centers, while some small cities that also have very diverse populations, such as Holyoke, Mass., don't attract much philanthropic attention.

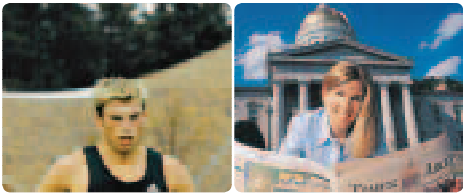
Wilson: Are foundations in New England too disparate in the way they approach education funding to have an impact collectively on education issues?

Ault: I don't think so. I'd use the example of MELMAC working with the Gates Foundation. MELMAC's goals are very simple and straightforward: to help more Maine kids aspire to and actually go to college and to help Maine colleges ensure that the students graduate in a timely fashion. The Gates Foundation's goals are much more broadly about education reform. But the goals of MELMAC fit very well with the goals of the Gates Foundation in Maine.

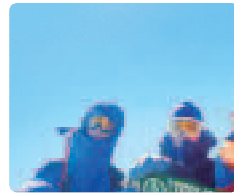
Ancrum: Another geographic distinction is that Massachusetts has very few foundations with a statewide interest, so it's difficult to propose an initiative and get a lot of communities involved. Here in Massachusetts, the focus tends to be around Boston. I think the rest of our state actually suffers as a result of it.

Wilson: Let's make the question harder. What evidence is there that philanthropy has added value in promoting success in our schools? Many education funders would say they are in the college-readiness or access arena—that they are trying to help more students be prepared for the college, get to college, succeed in college. Are you persuaded that on a collective basis we are succeeding in this?

Roberts: We have lots of people funding education in



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Connecticut but they are all funding it at different places.

Wilson: If all that money were going into the same place, would it have a greater impact?

Roberts: Probably, but private philanthropy is very individual, and we have a lot of very individual approaches within Connecticut and across the country.

Wilson: There are success stories out there, but are they really making a difference for our kids?

Roberts: We are making a difference for some kids. There are kids who are getting prepared for college and getting into college who wouldn't have if these projects weren't supported by corporate and foundation dollars.

Ancrum: Some initiatives make small impacts but not systematic change. Many foundations, particularly in the Boston area, have shifted to supporting after-school programs. It's the new big thing, but after-school doesn't always mean academic preparation. Many of the dollars pooled for the after-school population are not going directly to school programs or programs specifically addressing college preparedness.

Wilson: Right. We spend \$2.7 million a year on our out-of-school initiative, which is our version of after school, but regionally not just in Boston, and our emphasis has been to make sure that programs are evaluated in terms of improving students' readiness for college, engagement with learning or school performance. And the objective we're pursuing is greater than making it possible for middle-school kids to get after-school programs. We need to demonstrate enough impact on academic achievement that systems will change. Currently there is state-level interest in Massachusetts and a state appropriation for "extended time," which will enable selected school districts to pilot extending the school day. And it's exciting to think that something that seemed to be unrelated to the regular school program could be used to convince educators to really work differently. There is just no logic anymore behind 180 days of school, six hours a day. So in short, programs created outside schools can nevertheless bring systemic change to education.

Roberts: Everyone is so local. When people ask me about a state organization supporting education, I say, "Well, you've got the banks, and you've got maybe four foundations that are funding statewide and they are funding very specific areas, and then you've got the utility company." Once you get beyond that, there is not much doing statewide.

Wilson: We are creating a regional landscape that no one else can visualize. Our after-school efforts include Boston, but we have created a statewide initiative in New Hampshire called *Out-of-School Time! New Hampshire*, in which we've been the major funder. In Rhode Island we are funding *Community Schools Rhode Island* with the United Way being the major

purveyor. So, after school programming is happening beyond Boston. ... Speaking of states, how can foundations support enlightened government education policies at the state or local school board levels to make sure residents are better educated for work and life?

Roberts: I'm amazed at how much private philanthropy in Connecticut has been able to get in front of legislators and the governor, and it was the nonprofits who really pushed the governor to move the whole early childhood agenda.

Ault: Foundations can lead by example and through grantmaking. We can require data collection, analyze the results for grantees and then very publicly celebrate success. It's amazing to me how energy and enthusiasm just follow success. You profile what's working—you identify best practices.

Wilson: And government policy will be influenced?

Roberts: Just by identifying best practices and putting money behind them, you have tremendous leverage with the policymakers.

Wilson: What is it that higher education ought to do to tap into the potential of philanthropy or to create a better understanding among philanthropic leaders of what is needed to increase college attainment?

Ault: Philanthropy is not very good at engaging colleges and universities in our states to even work with us around the data collection. When I think of philanthropy on campuses in Maine, it's building a science building or a new field house. What MELMAC is trying to do is create a cultural shift so we're broadening the discussion about graduation rates, beyond the president's office and, providing professional development for the people who work on the college campus so that they recognize they're all part of the solution.

Ancrum: And some of our *public* institutions don't think about approaching philanthropy for much, because they are spending most of their time battling with government for increased appropriations.

Ault: If higher education sees foundations only as a checkbook, that's probably not the best approach. And since most local and regional foundations are interested in community, how does higher education begin to help solve those community problems that are playing out in schools, before students even get to the college. If colleges participate in solving those problems, a partnership may develop based on positive solutions, and money could start coming to them as part of that solution.

Wilson: Excellent point, and I think there is more recognition by many colleges that they are citizens of their community and neighborhoods and need to reflect that as much as being part of the higher ed establishment. Effective philanthropy, likewise, means working collaboratively with colleges, communities and other funders. ■