

Case Study No. 11

PRINCIPLES FOR EFFECTIVE EDUCATION GRANTMAKING

Leveraging for Big Results: The Leeds Family's Entrepreneurial Approach to Increasing High School Graduation Rates

by KATHLEEN CARROLL

OCTOBER 2015

grantmakers^{for} education

Grantmakers for Education's mission is to strengthen philanthropy's capacity to improve educational outcomes for all learners. We achieve this mission by:

1. Sharing successful strategies, effective practices and lessons that exemplify responsive and responsible grantmaking in education.
2. Creating venues for funders to build and share knowledge, debate strategies, develop leadership, collaborate and advocate for change.
3. Gathering and interpreting data to illustrate trends, highlight innovative or proven educational approaches and support informed grantmaking.

Grantmakers for Education developed its series of case studies on effective education grantmaking as reflection and discussion tools. Cases are not intended to serve as endorsements, sources of primary data, or illustrations of successful or unsuccessful grantmaking. In addition, to help make the case a more effective learning tool, it is deliberately written from one foundation's point of view, even though other foundations may have been involved in similar activities or supported the same grantees.

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TABLE OF CONTENTS

INTRODUCTION	5
AN ENTREPRENEURIAL SPIRIT	6
ENTERING PHILANTHROPY	7
THE SCHOTT FOUNDATION FOR PUBLIC EDUCATION	8
The Campaign for Fiscal Equity	8
A New Leader	9
EDUCATION VOTERS	10
GOING NATIONAL AT SCHOTT AND EDUCATION VOTERS	11
Schott’s “Opportunity to Learn”	12
Expanding Education Voters	13
Stalled Progress for the Campaign for Fiscal Equity	14
THE INSTITUTE FOR STUDENT ACHIEVEMENT	15
Expanding ISA	16
New Leadership, New Direction	17
The National Academy for Excellent Teaching	18
A Financial Crisis for ISA	19
New Affiliation	20
THE ALLIANCE FOR EXCELLENT EDUCATION	21
A New Leader for AEE	22
Facing Challenges, and Growing Stronger	23
An “Opportunity Fund”	25
EDUCATION FUNDERS STRATEGY GROUP	25
Sharing Ideas, and Trips Abroad	26
LOOKING AHEAD	27
Lessons Learned	28
ATTACHMENT A	29
ATTACHMENT B	30
ATTACHMENT C	31
ATTACHMENT D	32
SELF-STUDY QUESTIONS	33

INTRODUCTION

It was a blustery, chilly January morning in 2009. Washington, D.C. was teeming with visitors, who had gathered in throngs on the Mall the day before to celebrate the inauguration of Barack Obama as the 44th president of the United States. Amid the galas, parades and meetings, a brunch in Georgetown had become an unexpectedly hot ticket.

Dan Leeds, of the philanthropic Leeds family, had invited two dozen high-ranking officers from foundations across the country to his and his wife Sunita's home. Guests would share a meal, meet top political leaders and trade ideas on how to work with the incoming administration to advance educational opportunity in the United States.

The brunch occurred at a critical moment for non-profits everywhere. The stock market crash of 2008 was driving the country into the Great Recession, low interest rates were eroding endowments' impact and charitable contributions, and philanthropic giving would be hard hit for years to come. Yet those hardships were nearly matched by new opportunities. The incoming administration was poised to take a very different approach to education policy and spending than the prior Republican administration. And in coming weeks, Congress and the new president would enact the American Recovery and Stimulus Act of 2009 (ARRA), unleashing \$787 billion in public funds to shore up the economy and make needed investment in education, infrastructure, health and energy. There was also talk—overly optimistic, it turned out—of Congress finally reauthorizing the No Child Left Behind Act.

It was a critical moment for the family as well. Members of the Leeds family, including the Jobin-Leeds, had founded and were supporting four major organizations dedicated to advancing educational opportunity for all: the Institute for Student Achievement, the Schott Foundation for Public Education, the Alliance for Excellent Education and the National Public Education Support Fund. Each one was facing its own challenges and decision points that winter. And some of the family's endowments had taken a major hit in recent months as global stock markets plummeted, and then again, when disgraced money manager Bernard L. Madoff's global ponzi scheme unraveled, shrinking the fortunes of hundreds of investors, including the Leeds, by an estimated \$50 billion overnight.

It was a time of great hope, recession and risk. It was clear that education would be an important focus of the Obama administration and that the administration wanted to engage with philanthropy. And over the course of an inauguration-themed brunch, it was clear that foundation leaders wanted to talk with one another and share their efforts, to engage with the new administration and best influence what was to come next in America's schools.

So it was a daunting moment, perhaps, to start something new. But in the absence of an existing organization dedicated to the role, and amid considerable change and uncertainty, Dan and Sunita, together with consultant Terri Shuck, founded a new organization. The Education Funder Strategy Group was born.

AN ENTREPRENEURIAL SPIRIT

It is not especially surprising that a family member was about to add another program to their roster. The Leeds family—parents Gerry and Lilo, and children Michael, Dan, Richard, Jennifer and Greg Jobin-Leeds—were entrepreneurs by nature. After settling on Long Island in the 1950s, they founded a series of businesses in hopes of capitalizing on the period’s massive advances in electronics.

“We started six businesses, one after the other,” Lilo recalled. “They were like sine curves—one would be up, the next one would be down, and then the next one would be a success. It’s just lucky we ended on the upside.”

That upside was CMP Media, Inc., a technology-focused publishing company founded in 1971. Gerry, an electrical engineer, and Lilo, a mathematician, started the company in their home in Great Neck. There, they produced the first issues of its first publication, *Electronic Buyers’ News*, aimed at purchasing agents of electronic components.¹ CMP Media grew rapidly and soon became a highly profitable publisher of dozens of magazines and information services for audiences who produced, sold or used technology.

The opportunity for all to succeed, economically, socially and politically, was a key family value, and guided the company from its earliest days. CMP’s principles explicitly noted that corporate growth must be for the good of everyone, including employees. They created a management structure that shared authority widely throughout the company, with editors and publishers entrusted with wide latitude in how they ran their titles.

In addition, inspired by Lilo’s advocacy for women in the workplace, the family founded a licensed, on-site, daycare center for employees’ children in 1989—Long Island’s first.² By supporting caregiving, they reasoned, women could more easily occupy executive roles, an explicit goal. CMP was named one of the best companies to work for in America in the 1990s a half-dozen times, by both *Fortune and Working Mother*.³

In 1988, Gerry and Lilo handed over daily oversight of the company to their sons Michael and Dan, who expanded global operations and increased profitability further. CMP went public in 1997, which resulted in net proceeds to the company of approximately \$84.7 million.⁴ It was then sold to United Business Media plc in 1999, and renamed CMP Technology. Up until the sale, the family retained a 70 percent controlling interest, and gave CMP employees \$50 million from the proceeds.⁵

¹ <http://www.fundinguniverse.com/company-histories/cmp-media-inc-history/>

² Grace, Pat. “Babes in Corporate Land.” *Manhasset Press*. May 5, 2006. Retrieved at <http://www.antonnews.com/manhassetpress/2006/05/05/news/cmp.html>

³ References retrieved from Google Books and http://archive.fortune.com/magazines/fortune/fortune_archive/1998/01/12/236444/index.htm

⁴ <http://www.fundinguniverse.com/company-histories/cmp-media-inc-history/>

⁵ <http://www.nytimes.com/1999/06/06/business/business-diary-50-million-farewell-for-employees.html>

ENTERING PHILANTHROPY

The late 1980s and 1990s were a fruitful time for the elder Leeds. They had long supported local organizations aimed at improving children's lives, and Lilo had become particularly interested in early childhood education after volunteering at a neighborhood Head Start daycare center.

They were both motivated by the strong belief that all students, particularly low-income students of color, should graduate high school prepared to lead successful adult lives, but established separate organizations in order to support their different approaches to that mission.

Lilo was passionate about giving students a strong start, and founded the Caroline and Sigmund Schott Foundation with a focus on the connection between high-quality early education and equity. Gerry was passionate about capitalizing on students' last chance for a high-quality education, and founded the Margaret and Richard Lipmanson Foundation with a focus on improving secondary school education. Their son Greg, a former high school teacher, was their partner in setting up their education organizations.

"It never occurred to us to have one umbrella organization," Lilo said. "If you have an umbrella organization, it's just a lot of extra overhead of people. It may be more efficient, because you can have one treasurer and things like that. But I think smaller organizations are more agile. Even in publishing, we tried to give our publishers all of the autonomy, instead of having them be hampered by a lot of second guessing and rules and regulations."

Their interest in education, particularly as a civil-rights issue, was born of harrowing beginnings. Gerry and Lilo both came from Jewish families who fled Nazi Germany in the 1930s, immigrating to the United States. They brought nothing with them, Lilo said, but "the rudiments of a good education." The values that guided their work in education inspired support for other initiatives as well, including pay equity for women and integrated schools in Israel.

Gerry Leeds died in 2014, at age 92. The organizations he and Lilo founded still exist today, joined by several other programs and foundations started and led by their children.

"The Leeds family is committed to tackling the education problem in the United States in many ways. They created ISA and the Schott Foundation to tackle key education problems. However, when they realized that there were problems with federal education policy, they launched the Alliance for Excellent Education. Similarly, when they recognized that state policy and advocacy needed to be built they started Education Voters. In summary, the Leeds have a deep commitment to educational equity and they have stayed focused on pursuing this goal for decades."

Fred Frelow, senior program officer, Ford Foundation

THE SCHOTT FOUNDATION FOR PUBLIC EDUCATION

When she founded the Caroline and Sigmund Schott Foundation, Lilo was interested in meeting the needs of poor students of color, and girls. Her interests also included full participation of women. Initially, she focused on supporting organizations doing strong work to that end.

“In the beginning, it was checkbook philanthropy,” recalled Greg Jobin-Leeds, who co-founded Schott with his mother and co-chairs its board today. Much of the early learning on the issue came from hands-on experiences, both from Lilo’s work with a local Head Start center and Greg and his wife Maria’s work as teachers.

“My mother would call me up and ask me for ideas,” he said. “It was without much of a strategy. But around the late 1980s, there was this backdrop of education funding cuts, so we started thinking more about policy.”

In the early 1990s, Schott, which is headquartered near Greg’s home in Boston, focused on education funding equity as a key issue—again inspired by hands-on experience. Greg had returned to Massachusetts after several years teaching English in Colombia, South America, to train English as a Second Language (ESL) instructors and teach adult literacy at Roxbury Community College. The instructors were sorely needed, he said, because waiting lists for ESL classes among newly arriving Central American immigrants were long. Yet his students couldn’t get jobs as teachers, because the funding for those classes was insufficient.

“I’m training teachers who are ready to teach and they can’t get jobs,” he said. “Some teachers were getting laid off. At the same time, there were a lot of immigrants on waiting lists to get into ESL classes. And in this network that I was training teachers through, there were several places where stories overlapped—Central American refugees fleeing U.S.-funded war, coming to the U.S., trying to get ESL classes but can’t get them because of the funding cuts.”

He and Lilo were also moved by philanthropy’s relative limitations. While education foundations contribute as much as \$5 billion to the nation’s efforts annually, public funding for preK-12 education is upwards of \$650 billion. Programs like the early childhood programs Lilo had long supported financially were important, but they only served some students. Ensuring every poor student of color in the country had equitable access to an excellent public education meant influencing the big dollars, and ensuring that public policy supported equitable funding for all.

“No matter how much money our family poured in, we knew it just wouldn’t be enough,” Greg said. “We needed to leverage our money, or we wouldn’t reach the numbers of people we wanted to reach.”

The Campaign for Fiscal Equity

They settled on a strategy to support a stalled effort to bring funding equity to schools in New York. Initially, they wrote out six checks to various organizations working on funding reform, for \$50,000 each—the biggest contributions Schott had made at the time. They then opted to focus on just one—the Campaign for Fiscal

Equity (CFE), a school-funding lawsuit filed in 1993, headed by advocate, public school parent and latter-day New York City council member Robert Jackson, attorney Michael Rebell and co-counsel Robert Hughes.

By 1998, Schott had opened an office in New York City and started to transition most of its operations to a new public charity, named the Schott Foundation for Public Education, with a public board of non-family experts who represented the diverse communities the organization aimed to serve.

While the private foundation could serve as an effective vehicle for funding support, a public charity would enable the organization to work in different ways to support its goal, including lobbying. Such diverse efforts were critical, they believed, because it was clear that politics would be a critical to a fair, and fairly implemented, funding formula. As they had seen in neighboring New Jersey, winning a funding lawsuit meant little if the state legislature lacked the political will—or pressure—to pay for it.⁶

“If you want to improve all of the schools, you have to have all stakeholders involved, and you have to change public will,” said Lilo. “You are not going to change education or improve it without people demanding it.”

As such, Schott developed a four-point approach, aimed at engaging various groups of stakeholders:

- Use the media to shape public awareness
- Mobilize a statewide social movement with technical assistance to grassroots groups
- Influence the courts and legislature to win policy victories
- Organize additional funds to support these efforts

Schott also pursued a guiding value: in supporting existing grassroots efforts, it would support existing leaders in local campaigns and back them, their organizations and strategies.

A New Leader

As this approach crystallized, Greg stepped aside as Schott’s president after 7 years, and hired Rosa A. Smith, a former Columbus, MO, superintendent, to take his place. The move further expanded Schott’s work, which included many pace-setting initiatives. Smith began publishing influential reports on the dire status of African American boys in U.S. schools.⁷ And in Massachusetts, Schott initiated the Early Education for All (EEA) campaign in 2000, which built a broad coalition of advocates to promote publicly funded preschool for all children in the state.⁸

As the finance case wound its way through the courts, Schott also began to support the Alliance for Quality Education (AQE), a coalition of organizations that was founded in 2000. AQE was preparing to lobby the

⁶ For more, see <http://www.edlawcenter.org/cases/abbott-v-burke/abbott-history.html>

⁷ The organization continues to publish such data annually. For more, see <http://blackboysreport.org>

⁸ For more, see Ludtke, Melissa. (2004) Early Education for All. Foundation for Child Development. Retrieved at <http://fcd-us.org/sites/default/files/Early%20Education%20for%20All%20A%20Strategic%20Political%20Campaign.pdf>

state legislature to adequately fund the formula, following a ruling on the case. It was another example of working at the intersection of policy campaigns and grassroots organizing—a niche that helped larger funders to invest in CFE in New York.

The Rockefeller Foundation, for example, invested between \$8 million and \$9 million into the campaign's efforts from 2000 to 2005, said Fred Frelow, who joined Rockefeller in 2000 and served as the foundation's associate director in its working communities division at the time.

“We wouldn't have made those investments if Schott hadn't exercised leadership in building a campaign to tackle school finance reform in New York,” said Frelow, now a senior program officer at the Ford Foundation. “We were looking for educational reform efforts that were already underway. Schott played a leadership role in the development of a powerful strategy that included an emphasis on litigation, advocacy and community organizing. We at Rockefeller were able to join this movement, which resulted in improving educational opportunities for millions of New York's children.”

In 2006, 13 years after the case was originally filed, the ruling came: the New York State Court of Appeals ruled that the state was failing to provide students with the necessary resources to receive a “sound basic education” and “meaningful high school education” guaranteed by the state constitution. It was a stunning victory.

EDUCATION VOTERS

The court ruling officially brought the funding fight into the political arena—of particular interest to Greg's brother, Dan Leeds. So in 2005, Dan and strategic consultant Elizabeth Sullivan founded a network of organizations aimed at mobilizing voters: the Education Voters Institute (a public charity, with Greg on the board), Education Voters of America (a 501 (c) (4) with a 527 account) and NY EdPAC, a political action committee. The goal: put political pressure on members of the state legislature, who had the power to fund or ignore the court ruling.

“The family had spent a small fortune at trying to change the education landscape, but they were running into obstacle after obstacle,” said Sullivan. “Our analysis was that there was a lack of political will.”

There was a political status quo, and both parties were complicit in funding New York State's schools in a manner both inadequate and overtly inequitable, Dan said. The deadlocked political strategy was simple: The Democratic-controlled assembly would support funding to comply with the court ruling, but the Republican-controlled senate would not. So the idea was to identify vulnerable state senators, flood their districts with ads targeting whatever issue was their weakest, and flip those seats to the other party.

Within a few years, Education Voters spent \$240,000 on political pressure ads in districts where representatives had cold feet about supporting CFE. And NY EdPAC spent \$800,000 on an effective series of political ads that helped flip important seats in the state senate from Republicans who opposed funding the formula to Democrats who supported it.

Along the way, there were events that helped draw attention and gather support to the cause. At one such event—at the Manhattan apartment of Democratic National Committee fundraisers Maureen White and Steven Rattner—then U.S. Senator Hillary Clinton (D-NY) declared, “When people tell you money doesn’t matter, they’re not talking about their kids,” Dan recalled.

In 2006, then-Governor George Pataki, a Republican, signed legislation authorizing an unprecedented \$13.1 billion in school construction and building repairs in New York City, with the state providing half of the costs.⁹ Then, in 2007, the state legislature and then-Governor Eliot Spitzer, a Democrat, enacted a statewide resolution to implement CFE. They adopted a single funding formula based on student need and school district wealth, and committed to add \$5.5 billion in operating aid to schools—with three quarters of that earmarked for low-income communities—over the following four years. In subsequent years, Education Voters used c4 funds to mount “Keep the Promise” campaign, which pressured lawmakers to continue funding the equitable formula.¹⁰

GOING NATIONAL AT SCHOTT AND EDUCATION VOTERS

The Campaign for Fiscal Equity was a big win—and it inspired Greg and Lilo at Schott, and Dan at Education Voters, to try and scale their efforts across the country.

In 2007, Schott hired John H. Jackson, an Education Voters board member who had been national policy director at the National Association for the Advancement of Colored People (NAACP) and served on the Obama-Biden education transition team. His charge: help the Schott Foundation for Public Education reframe its state-level work on the national stage, attract other donors to support its work and establish an expectation that excellent public education is the federal right of every student in America.

“I was attracted to the way the foundation has gone about funding systemic change,” Jackson recalled. “They worked on policy and movement-building using the race and gender lens, which I thought was unique in the space.”

In addition, Schott’s attention to African-American males was important and unique—that focus did not attract “as much energy in the foundation community” at the time, Jackson noted. Overall, Jackson said, “the focus on systemic change, going beyond just funding programs to building movements capable of changing policy, was unique.”

⁹ <http://www1.nyc.gov/office-of-the-mayor/news/126-06/mayor-bloomberg-governor-pataki-state-funding-school-construction-new-york-city>

¹⁰ <http://www.nydailynews.com/news/schools-budget-gov-win-cheers-fund-formula-article-1.207785>

Schott's "Opportunity to Learn"

Jackson developed a new way for Schott to talk about its work and aspirations, in order to attract additional funders to work on equity issues nationally: the Opportunity to Learn campaign.¹¹ The name was intended to be inclusive and frame aspirations for student success from various stakeholders: parents, educators, community leaders, politicians, clergy and other advocates. And the campaign itself raises and awards funds and technical support to grassroots organizations seeking to advance public policy and educational practice to promote common goals.

Importantly, it also decoupled the Schott name from the work it was doing—an important innovation to attract support from fellow funders.

"It was a common brand," said Jackson. "It spoke to the work the foundation had been doing since its inception. But there were other foundations that also provided students with opportunities that wanted to fund this opportunity, but not Schott."

The family's financial support for Schott has declined as a decision was made to slow endowment spending from 8-10 percent annually to 5 percent. The organization also has attracted additional funders. Its \$5 million endowment was a family gift, and the Leeds and Jobin-Leeds continue to contribute \$1 million annually, about 20 percent of the organization's overall budget.

Greg currently co-chairs the Schott board. Along with Lilo, his wife Maria is a board member. They remain committed to the Schott mission, and also to ensuring the organization has diverse leadership and staff who understand and represent the communities where Schott works.

"One of the central problems with education and in the larger society is the golden rule: he who has the gold, rules," said Greg. "So you end up having systems designed by the super wealthy, and they are also the ones who fund political campaigns. Yet at the same time, we know that most of the solutions that work come from the ground up, from the most impacted communities."

"We have to be really careful as we are doing this," he said. "That is a central challenge to philanthropy generally. It doesn't mean don't start a new organization, just be really aware and clear about your privilege as you do. And if you want to do this work, you should spend a bunch of time grounding yourself in that community."

Letting go wasn't always easy, said Jackson. "There is always a natural pull that families and any individual making investments will have, between wanting to open things up to allow for a larger movement, and ensuring that the movement stays on track. . . Greg and I have learned to be as direct as possible, and we joke a lot. Our term is that we're on the bus—it's bigger than you and me, it's bigger than us."

¹¹For more, see <http://www.schottfoundation.org/funds/otl>

Reflecting on the family as philanthropists, Jackson said, “The Leeds are strategic in their approach. They not only want to focus on the issues across the breadth and depth, but they are also focused on constituent groups—grassroots organizations, funders, and legislators. They are tactical.”

Expanding Education Voters

As Schott was reframing its vision and transitioning to a larger movement, Dan Leeds, with Elizabeth Sullivan, was pursuing a major expansion of the successful Education Voters efforts in New York. In 2008, he decided to expand Education Voters to four other states with battleground education issues: Pennsylvania, Ohio, Massachusetts and Delaware. The organization also opened a national office. That same year, Dan founded the National Public Education Support Fund, together with Terri Shuck, Lilo and Gerry, and Sunita, to help fund the work of Education Voters, among other organizations.

Expecting other funders to join in, the Education Voters expansion plan was aggressive, at one time intended to reach as many as 15-20 states by 2012. However, while Education Voters’ efforts in other states were effective—the organization gathered hundreds of thousands of members and convened well-regarded public meetings on education—it only attracted support from fellow donors in Pennsylvania and Delaware. As a result, Dan opted to wind down the national office and expansion effort, though Education Voters Delaware continued for some time (it has since ceased operations) and Education Voters Pennsylvania remains active.

“The difference between success and failure is having investors with shared vision and willingness to spend money to support that vision,” said Sullivan. “And, at a lower level of importance, you need very competitive legislative districts where there is a real likelihood that candidates can win or lose. It’s even more important that it’s in a state where control of the legislature is very close to switching parties.”

Today, Education Voters of Pennsylvania continues as a part of the Schott Foundation.¹² The organization focuses on funding fairness and protecting equitable access to public schools, and organizes voter turnout, telephone campaigns and other strategies to put pressure on state lawmakers to enact an equitable school funding formula. In addition, Dan, together with his wife Sunita, daughter Michelle and Lilo, retains the National Public Education Action Fund, a 501(c)(4) and 527 account.

“In Pennsylvania, they had some very competitive districts, and control of the legislature was sometimes very close,” said Sullivan. “In addition, there was a major foundation there that really helped, and they had a significant grant for 4 or 5 years, which gave them time to build capacity and develop the infrastructure they needed to sustain themselves.”

The key to success, said Dan, is to be knowledgeable, committed and grounded in the communities you are trying to affect—conditions that were not in place for Education Voters to expand nationally.

¹²<http://www.educationvoterspa.org/>

“We started Education Voters for a specific objective: winning CFE, which it accomplished,” Dan said. “But it expanded too quickly beyond that. The advocacy need was there, but the funding base wasn’t.”

The missing link was likely pre-expansion groundwork, said Terri Shuck, executive director of the National Public Education Support Fund. “It needed to have more partners invested in the beginning. It was spread too thin, too fast and it didn’t have enough of a precise policy agenda. Funders were trying to figure out what Ed Voters was, which was a challenge to getting people involved.”

In addition, funding equity was not a high-focus issue in the funding community at the time. Instead, the view that money didn’t necessarily drive improvement was in vogue, with funder attention focused on school choice and other innovations.

Stalled Progress for the Campaign for Fiscal Equity

As Education Voters groups were closing shop, the Campaign for Fiscal Equity saw its victory in New York stall. After devastating stock market losses in 2008, the state legislature, together with Governor Cuomo, froze school aid in 2009. It then made deep cuts in the next two budget years, slashing \$2.7 billion in school aid across the state, “in effect, reversing CFE” according to the campaign.¹³

While those cuts have begun to be minimally restored in the years since, funding remains unconstitutional, nowhere near the levels called for by the court.¹⁴ Current Governor, Andrew Cuomo, has focused on reforming teacher evaluations, tenure and other management practices, with a very small increase in overall funding from the reduced levels.

It may have been a case where victory was declared too soon.

“The school finance movement was very successful, but what we missed at the time was building broad understanding that education is a public good,” said Frelow. “Building a public school system is not only fundamental to a working democracy, it advances the common good of the community and the nation, which persists through time and continues without end. Today, people see education as a private commodity that they want for their children and family.”

The Alliance for Quality Education continues to mount protests over the funding shortfalls, but the grassroots potential to effect change has not yet been realized, said Greg.

“One of the errors, or imbalance, of focusing so clearly on CFE is that it removed us from the grassroots,” he said. “You go into the policy world, and even though it is very important, you have to do it in such a way that you don’t lose that energy. Otherwise you spend all of your money paying for lawyers and political

¹³ <http://www.aqeny.org/campaigns/campaign-for-fiscal-equity/>

¹⁴ <http://www.aqeny.org/wp-content/uploads/2014/08/REPORT-NY-Billions-Behind.pdf>

consultants, and you end up reproducing the problem. Even the concept of a campaign for fiscal equity—just as words, it has a fatal flaw in it, which is that it’s being defined in a legalese language as opposed to solutions. It’s not saying, end suspensions or save our schools. It’s not a motivator in the communities that need to be driving the solutions.”

THE INSTITUTE FOR STUDENT ACHIEVEMENT

While Schott was initially focused on supporting existing efforts and then evolved to support policy, research and advocacy, Gerry’s Lipmanson Foundation quickly took a different path: funding new direct services for students.

In 1990, Gerry and Lilo co-founded the Institute for Student Achievement. Its goal was to provide intensive wrap-around services for teenagers deemed at high risk for dropping out of local high schools on Long Island, with Lipmanson providing the funds. And its mission, said Lilo, was to improve “the quality of education for children and youth at risk so they can succeed in our society.”

The program’s chief innovation was its holistic approach. Gerry and Lilo had seen the challenges low-income students face firsthand, by visiting classrooms in rural Maine and Colombia, South America, where Greg worked as a teacher. They also were self-directed scholars, and often sat in on his graduate classes at Teachers College in the mid-80s. These early experiences inspired ISA’s unique model.

ISA sought to positively influence the trajectory of adolescent students’ lives, by providing a web of supports that addressed academic weaknesses and provided social and emotional counseling. Students who appeared bound for unemployment or prison would instead become contributing members of society, helped by sharper academic and reasoning skills and a hardy sense of perseverance, self-determination and resilience—early precursors of “growth mindset” and “grit.”¹⁵

In 1991, the first ISA program started with 25 students in Roosevelt, New York, a hardscrabble community on Long Island. It grew rapidly during its first decade, reaching 2,267 middle and high school students by 2001. ISA was implemented in districts on Long Island, New York City and the region, as well as in Virginia, San Francisco and Boston—communities home to some of the Leeds’ adult children, who over the years made significant contributions to the organization.

At each school, ISA and educators would identify a small group of about two dozen high-risk incoming ninth graders each year whose academic performance put them in the bottom quarter of their class. Students who accepted an invitation to take part would receive tutoring and counseling throughout all their years of high school. It amounted to two additional hours of adult attention every day, and at least one meal, along with attention from a full-time director and counselor on site. It cost about \$75,000 per group annually, or \$3,000 per student.

¹⁵ For more, see <http://mindsetonline.com/index.html> or <http://www.ascd.org/publications/educational-leadership/sept13/vol71/num01/The-Significance-of-Grit@-A-Conversation-with-Angela-Lee-Duckworth.aspx>

Gerry's argument for ISA was grounded in values, but expressed in practicalities: By spending \$3,000 to \$5,000 per student annually during high school—an estimated \$20,000 over 4 or 6 years—he believed they would be far more likely to graduate high school and finish college. With a college degree, he projected, they would earn \$30,000 to \$40,000 per year. “They’ll average paying \$10,000 a year in taxes,” he said in 1998. “When they graduate from college, in two years they’ll have paid society back in taxes.”¹⁶

Some of the very lowest-performing students—those typically in the bottom eighth of their class—opted not to join the program, Lilo said. Those who did were more likely to graduate on time, and three-quarters of graduates enrolled in college, she said.

Expanding ISA

Throughout the 1990s, ISA was headquartered on Long Island, with Gerry and Lilo heading the board of directors and Greg Jobin-Leeds and Michael Leeds serving as board members. Lavinia T. Dickerson and Patrick Halpin co-directed the program.

During those years, it proved an effective model, but not necessarily a sustainable one. The programs were funded by the Institute, which was funded by the family. The foundation covered all operational costs, and awarded grants to schools to cover the annual per-student costs.

There was no clear way to grow the programs, and cash-strapped school districts were unlikely to pay for a program that affected a small segment of their population. It was clear that continuing along the established model would slowly drain resources.

So, with an eye on expansion, the Leeds embarked on three major initiatives for the next phase of their efforts to improve secondary school education:

- Have ISA evaluated externally, to see if the program was reaching its goals
- Hire a new president and CEO, charged with expanding ISA beyond its small footprint
- Explore founding a new organization to conduct research and advocacy for secondary school reform at the national level

In 1998, the Yale Child Development Center began its 3-year study of ISA's effectiveness.¹⁷ Researchers found that “the ISA effect is clearly observable on a variety of different scales. Even with its enthusiastic, unplanned growth, ISA is a model for certain program elements without which students at risk cannot be expected to succeed in school, and therefore, in their later lives. At its best, when implemented most faithfully, ISA has fulfilled its mission.”

¹⁶ Ben-Avie, Michael; Steinfeld, Trudy Raschkind. (2001) *The Impact of a School-Based Academic and Counseling Intervention on the Lifepaths of Youth: An Independent Evaluation of the Institute for Student Achievement*. Yale Child Development Center. Presented at the annual meeting of the American Educational Research Association.

¹⁷ Ben-Avie, Michael; Steinfeld, Trudy Raschkind. (2001) *The Impact of a School-Based Academic and Counseling Intervention on the Lifepaths of Youth: An Independent Evaluation of the Institute for Student Achievement*. Yale Child Development Center. Presented at the annual meeting of the American Educational Research Association.

However, that same study noted that the program was at a breaking point: “The Institute for Student Achievement began as a drop-out prevention program at one high school. During the first decade of its growth, ISA expanded from New York to sites in California, Virginia and Massachusetts. ISA has completed its pilot, early replication, and initial expansion stages, and is now poised to emerge as a national presence—or to collapse under its own weight.”

That did not come as a surprise. The family had already been searching for candidates to take over leadership duties at ISA, with an explicit goal of revising the program to allow it to scale. Greg was working to recruit an especially interesting prospect from Memphis with the help of Arthur Levine, then-president of Teachers College: the 1999 national Superintendent of the Year, Gerry House.

“After five years, more or less, any program will need some finagling,” said Lilo. “You’ve got to change it because the environment has changed. So you let a new person change it. They come with fresh ideas and different ways.”

New Leadership, New Direction

In 2000, ISA hired House, who was attracted to the organization by its college-focused mission. In her work in Memphis, she actively sought to partner with expert organizations to transform struggling schools, and there were few, if any, such organizations designed for high schools. Not only could ISA potentially help meet that need, but its goal—not merely to help underperforming students do a little bit better, but to create high-performing schools that prepared all students for success after graduation—was inspired.”

As president and CEO, House spent her first six months on the job talking with ISA’s district partners and crafting a new strategy for the programs. She worked closely with the board’s Strategic Planning and Oversight Committee, which was chaired by Greg.

“I convened superintendents whose schools were involved, and found that they were very complimentary and appreciative of the investment that the family had made,” said House. “But they also said there was no way they could allocate this amount of money for a small group of students. The initiative was working for identified cohorts of students, but it wasn’t touching all of the students in the school.”

To do that, she recommended to the board, ISA should transition to a whole-school model. It hallmarks would remain: a blended focus on students’ academic and social and emotional skills over all the years they are in high school. But ISA should tweak its tactics, based on what research at the National Center for Restructuring Education, Schools and Teaching (NCREST), found were the attributes of high-performing high schools, where students of color and from low-income families were graduating and persisting through college.

The board, which included family and several non-family members, was receptive to the recommendations. A strong family presence was evident, House said, “as we were gathering information and making sense of it to realize the goal and the mission that the family wanted to achieve.”

However, she said, “they were a part of the larger board, and they never separated themselves from the board. I never felt like I was working for two separate entities.”

During this transition period, Lilo and Gerry also ended their hands-on role, and in 2001 opted to move their offices out of ISA space in New Hyde Park and relocate to Great Neck.

“I decided it would be better if we weren’t there on a daily basis,” Lilo said. “You don’t want to tell people what do to. You want to hire good leaders, and you’ve got to give them independence to run it as they see fit. You have to let people have authority. If you hire wonderful people, they want to do their job, their way. And they can do that very well. . . Our way is not necessarily the best way.”

However, the Leeds committed to supporting most of ISA’s annual operating expenses. The organization’s annual budget fluctuated between \$12 million and \$15 million, with Gerry and Lilo contributing \$3 million each year. House and her staff raised about \$3 million annually, in addition to major support from the Bill & Melinda Gates Foundation, with the remainder coming from philanthropic giving by corporations and individuals. ISA also had an endowment of about \$20 million, from family funds.

ISA emerged on solid ground and became a national organization throughout the 2000s. It reliably raised enough funds to work with 50-60 struggling schools in New York, as well as Atlanta, Houston, Minneapolis, Detroit and New Jersey. A major strand of its work was helping to replace struggling larger, comprehensive high schools with smaller schools of several hundred students.¹⁸

The National Academy for Excellent Teaching

Gerry, Lilo and Greg, along with Gerry House, also supported ISA’s mission by helping found the National Academy for Excellent Teaching in 2003. NAFET, a professional development program for teachers working in high-need public schools, was housed at and run by Columbia University’s Teachers College, under Levine.

NAFET focused on the connection between high-quality instruction and student achievement, and developed a professional development curriculum for educators aimed at addressing the unique challenges they faced at high-poverty schools in New York City.¹⁹ Its major goals were:

- Strengthening principals’ instructional leadership skills
- Teaching literacies within and across the secondary content areas
- Strengthening the pedagogical content knowledge of teachers
- Building teachers’ understanding of urban and diverse contexts of learning
- Supporting a sustainable professional development culture and learning community
- Re-visioning and facilitating the university/practitioner relationship with respect to teacher education

¹⁸ For more, see Ancess, J. and Gandolfo, D. (2007) *Redesigning High Schools*. National Center for Restructuring Education, Schools, and Teaching. Teachers College, Columbia University. Retrieved at <http://www.tc.columbia.edu/ncrest/PUBS/%20ISA%202%20Book%20FINALsmaller.pdf>

¹⁹ <http://www.tc.columbia.edu/centers/nafet/about.html>

NAfET grew quickly and reached more than 400 teachers and 6,000 students by 2008-09, said Douglas Wood, the program's former executive director, who had been a board member of Education Voters. It convened trainings for teachers, and shared guidance throughout the year. At schools where educators took part in its training, graduation rates increased; for example, the 2007-08 graduation rate at NAfET schools was 83 percent, compared to 66 percent at all New York City schools.

Though the program was effective, it ended in 2009, in part because it did not attract sufficient funding. Its design and implementation required a stronger marketing and fundraising component, and new leadership at Teachers College focused fundraising efforts elsewhere, said Greg. However, NAfET published a guide to its development programs, which is currently in use in more than 700 schools nationwide, through the National School Leadership Network, said Wood.

A Financial Crisis for ISA

NAfET ended at a challenging time. The family had learned about Bernard Madoff's fund in their capacity as members of the board of another charity, and invested with him. Then came December 11, 2008. Madoff's securities fraud was exposed, which cut sharply into the family's investments.²⁰ ISA's endowment was cut in half, and the family's annual contribution dropped to \$300,000, House said. In addition, the Gates Foundation had shifted its focus away from small schools, and no longer had grant opportunities for ISA.

"The question before the board was, where do we go from here?" House said. "We lost a major donor for funding, and our endowment is now cut in half. We were already raising about \$3 million to \$3.5 million. And without their \$3 million, we were charged as a small organization to raise \$6 million, \$7 million, \$8 million. We couldn't do it."

"So do we spend down the rest of the endowment and sunset the organization, or do we—this was a really difficult and strategic issue for the board to grapple with—look at other alternatives?"

ISA had significant strengths. Its whole-school model, backed by Teachers College research, was supporting successful outcomes for students. Independent evaluations by the Academy for Educational Development and IMPAQ, Inc. showed that students in ISA schools were more likely to finish high school and persist through college than their peers in similar, non-ISA schools.²¹

"Nobody really wanted to say, let's end what's going on with ISA," House said.

The board instead opted to pursue a merger that would allow ISA to keep its name and programming, while effectively dissolving the organization. Over the following year, board members scrutinized the field to identify potential suitors—a sometimes painful process.

²⁰ <http://www.nytimes.com/2008/12/20/business/20madoff.html>

²¹ Such as http://www.studentachievement.org/wp-content/uploads/AED_06242010_6-yr-final.pdf and other papers, many of which are available at the NCREST website: http://www.tc.columbia.edu/ncrest/projects_isa.htm

“It was tough at that point for the family,” House said. “It was tough for all of us. We made commitments that we weren’t giving up; we weren’t just folding our tent and letting another organization do our work. We wanted to be part of another organization, so they could take on a lot of responsibilities—we couldn’t keep operating a finance department and an IT department, for example—but we wanted to still be able to maintain ISA’s mission, image and work.”

New Affiliation

In 2013, after a legal process that took 18 months, ISA became a division of Educational Testing Service (ETS). The ETS president at the time, Kurt Landgraf, was also a member of ISA’s board.²²

ETS was attracted to the documented success of the ISA model, as well as the organization’s hands-on work in improving student outcomes. While ETS had a strong reputation for research and assessment, it was not working directly with districts and wanted to expand to that sector. Meanwhile, ISA was attracted to ETS because it would alleviate financial pressures, support the mission of the organization and enable its work to continue.

Under the agreement, ETS absorbed the remainder of ISA’s endowment (about \$4 million), took on operational responsibilities and freed House and her staff from their ongoing obligation to raise funds. Instead, ISA is transitioning to a fee-for-service model, with its parent organization’s help. Instead of fundraising, ISA now has employees dedicated to marketing and sales as the organization seeks to expand its client base. House is the president of ISA, and she and her staff are ETS employees. ISA retains an advisory board, which includes Michael Leeds.

The organization is working with about 60 schools, approximately the same amount it served before the funding crisis and ETS agreement. In addition to its whole-school programs (both developing new schools and helping large, struggling high schools, ISA also offers targeted or adjacent services from its model, such as its literacy and counseling services.

In 2015, the whole-school ISA model was approved by the United States Department of Education to be used with federal school improvement grants (SIG)—the only secondary school model in the country with that status. The recognition, which came after ISA met the What Works Clearinghouse standards,²³ will allow schools looking to contract with ISA for services to use federal grant money to do so.²⁴

“Given the roadblocks we hit, very few non-profit organizations would have been able to sustain through these kinds of changes, and still get to this year being recognized by the U.S. Department of Education,” said House. “It’s just an affirmation that the whole-school approach we developed, that had its nucleus from the family foundation, works.”

²² <http://www.prweb.com/releases/2011/6/prweb8586807.htm>

²³ <http://ies.ed.gov/ncee/wwc/>

²⁴ For more, see <http://all4ed.org/webinar-event/july-23-2015/>

Several studies have also shown the program's effectiveness at advancing its core mission: Helping largely African-American and Latino students to graduate high school and persist in college. Some 80 percent of participants graduate from high school, compared to average rates of 60 percent for African-American students and 58 percent for Latino students. Once in college, 90 percent of ISA students persist to their third semester, compared to 77 percent of all students nationwide. And 81 percent of ISA students either graduate or are still enrolled in college after 4 years.

"ISA's mission has always been to reinvent low-performing high schools, so that students in those schools can graduate prepared for success in college," she said. "Our greatest accomplishment is those student results."

THE ALLIANCE FOR EXCELLENT EDUCATION

After a decade providing direct services to high school students through ISA and working to influence policy and politics through Schott, Gerry and Lilo Leeds founded a new organization in 2001 to further scale their efforts to ensure all students had a good secondary school education. The Alliance for Excellent Education, headquartered in Washington, D.C., and founded with help from Greg Jobin-Leeds and Dan Leeds, focuses on significantly improving national high school standards and graduation rates by affecting national and state policy. At the time of its founding, the average graduation rate nationwide was 71 percent; by 2011-12, it had increased to 81 percent.²⁵

"From ISA, we learned that nearly all children can be educated. The country just lacks the will," said Dan, who now chairs the AEE board. "We also figured out that since there are 50 million public school children in the United States, no private organization or group of private organizations can scale to fill the need."

Again looking to the federal government's outsized pockets and spending priorities, Gerry imagined a "Marshall Plan for education in the United States," said Greg.

"He had this idea: it would cost about \$20 billion to turn around all of public education, which in a federal budget is not that large," he said. The money would fund the key elements to success they were discovering through ISA: academic support, strong surrounding programs, parent outreach, career and college counseling and a clear line between homework today and a bright future tomorrow.

"It was to be a renaissance of American public education," said Greg.

The family paired that lofty vision with an analysis of need for their proposed organization, hiring a consultant to review existing organizations focused on secondary school reform and compile best practices among organizations considered high-impact inside the beltway. That review found that while several organizations acknowledged the need for an organization to focus on improving high school education and raising high school graduation rates, no single organization had that particular focus. It recommended AEE articulate that singular mission, and develop concrete goals related to it.

²⁵ http://nces.ed.gov/programs/coe/indicator_coi.asp

AEE became operational shortly after, led by Susan Frost and with four family members on the board: Gerry, Lilo, Greg and Dan. In 2003, Dan took over as board chair with an eye on raising the organization's profile and impact on the federal government. He worked to attract new, non-family members to join the board, including Fred Frelow, and after Frost resigned, began a nationwide search for a new president.

A New Leader for AEE

In 2005, former West Virginia Governor Bob Wise became president of the organization a few weeks after he left the governorship. Wise, who also spent 18 years in the U.S. House of Representatives, remains at AEE today.

“We offered an opportunity to change the lives of millions of kids,” said Dan. “And that’s what he wanted to do—luckily for us and America’s high school students.”

At the time of Wise’s hiring, the organization was almost entirely supported financially by the Leeds family. The newly expanded board had completed a strategic plan for expansion, which included making the organization financially independent and governed independently. The family would continue to largely underwrite AEE for 3 years, with support declining each year.

“That told me that they were in it for the long haul, but they also wanted to build a sustaining organization,” said Wise. “I knew what the goals were. Then they gave me wide discretion on how to reach them.”

Ten years later, of AEE’s annual \$9 million budget, 97 percent is from foundations, including Bill and Melinda Gates Foundation, Carnegie Corporation of New York, Dan Leeds’ National Public Education Support Fund and the William and Flora Hewlett Foundation, as well as corporate donors like State Farm. Board members are key leaders in the field, including ISA’s Gerry House; Dan is its chair.

The organization has become “the premiere policy shop in D.C.” on secondary school reform, said Barbara Chow, education program director at the William and Flora Hewlett Foundation, which supports AEE as part of its focus on higher-order skills.

Hewlett became a supporter, she said, because AEE is broad and bi-partisan, and Wise is a thoughtful and energetic leader.

“The William and Flora Hewlett Foundation has a multifaceted strategy to achieve higher-order skills for students. Skills like critical thinking and problem solving, and the non-cognitive skills students need like understanding how to learn and having a love of learning,” she said. “We started looking for grantees to inform and drive policy to that end – and they rose to the top.”

One major success: AEE, with Dan’s help, was crucial in raising the profile of the Programme for International Student Assessment (PISA) exam and inspiring thought and debate about the U.S. education system in a global context. Now, a representative sample of U.S. students participates every 3 years. Initial results showed

the country's low levels of academic achievement relative to other developed countries, a powerful driver in the national education conversation.

Facing Challenges, and Growing Stronger

Over the years, as AEE grew, it faced two major challenges. In 2007, after several new members had joined a then 10-member board and staff grew to 15-20, there were frequent gaps in communication between the board and staff regarding its precise policy positions and priorities, said Wise. The organization convened a facilitated session in Great Neck involving all board members and staff, to fully articulate the organization's policy positions and build trusting relationships. At that time, Hill-watchers expected Congress to reauthorize the No Child Left Behind Act, so AEE needed to have ready, well-considered positions on testing and accountability to share publicly.

“Some board members didn't like getting a newsletter and seeing an Alliance position that they didn't know anything about,” Wise said. “And the staff felt like, when you are talking to Congress and members of the administration, you can't be looking over your shoulder. There were issues we had to work through, like what we thought was the proper role for states and accountability.”

“We emerged with clearer lines of communications and an understanding of the expertise among staff and members of the board,” he said—a knowledge-sharing opportunity that would prove important as AEE faced its next challenge, when the stock market crash, very low interest rates and Madoff fraud ate into its finances.

In late 2008, AEE had to cut its budget by 25 percent—close to \$1 million at that time—virtually overnight, when the organization's support and endowment were hard-hit by the stock market crash and Madoff fraud, Wise said. He had to quickly reduce staff and dial back planned activities, while maintaining a strong presence during the transition to a new administration and virtually unprecedented federal spending on education through ARRA.

“Dan was very helpful, because he arranged for me to talk with law firms and financial advisors about the best way to proceed,” said Wise. “They provided access to very necessary advice and consultation, but left me the management prerogative to make the changes that needed to be made, and the organization rebounded in 1.5 to 2 years. We're bigger now and more effective than we were then. But it was a tough time.”

Today, Wise's calendar includes a standing weekly phone call with Dan, which lasts anywhere from 15 minutes to 1 hour, he said, as well as frequent visits to Dan's home in Georgetown.

“I've lost count how many times I've been there; easily once a month,” he said. “It's always worthwhile. Sometimes I'm there for a meeting, and an elected official or Andreas Schleicher (of the Organisation for Economic Co-operation and Development, or OECD) may stop in for a cup of coffee. They don't hesitate to open their home to us, if it advances the organizations and, even more importantly, the cause.”

An “Opportunity Fund”

The family continues to directly support AEE, with an annual, unrestricted \$250,000 grant, Wise said. That funding, though relatively small at about 3 percent, provides the organization with what Wise called an “opportunity fund,” to explore possible future interests or engage in direct lobbying as needed.

“It is vitally important to us, to complete our mission in terms of advocacy and also look around the corner to see where we ought to be next,” said Wise. “If I have a foundation grant that advances literacy in middle and high schools, which is critically important, that foundation doesn’t want me to use those funds to explore the role of digital technology. If we hadn’t had the Leeds funding, we never could have moved into what is now one-third of our operation—looking at how technology, alongside quality teaching, influences individual student outcomes.”

In addition, while the organization is legally permitted to spend up to 7.5 percent of its resources on lobbying, most funders require AEE to sign a contract that precludes them from using foundation money for lobbying.

“If I can’t go to congress or a state legislature and talk to them, I can’t leverage what our grants are about,” said Wise. “Our work is about taking research and practice and asking, if something is working for 500 students, how do we make it work for 6 million? That means pushing for policies that enable those practices to be replicated across the country.”

Through these and other efforts, including research, organizing like-minded advocates and testifying on Capitol Hill, AEE has raised the profile of several important issues affecting secondary education.

For example, as of 2010-11, the federal Department of Education now requires states to report high school graduation rates along a uniform standard; previously, they used various formulas that were neither comparable nor accurate. And last year, the Federal Communications Commission increased funding for the E-Rate program by \$1.5 billion—the first such increase in 18 years. The funding is projected to bring broadband access to 99 percent of students in their schools and libraries within 5 years.

AEE was also instrumental in developing what would eventually become the Common Core State Standards, along with the National Governors’ Association, Council of Chief State School Officers, Achieve and James B. Hunt Institute.

“What is masked by much of the current uproar over more rigorous assessments and higher standards is that within the past 5 years, every state now requires much more academic preparation for all students,” said Wise. “Even states choosing not to adopt the Common Core have adopted much higher college-and-career ready standards. This, in turn, is resulting in implementing transformational pedagogy and practice.”

EDUCATION FUNDERS STRATEGY GROUP

Dan had launched the National Public Education Support Fund in 2008, to help fund the work of the Alliance for Excellent Education and Education Voters Institute. So he had a means of support in place during that fateful January morning in 2009, when his post-inaugural brunch opportunistically incubated a new initiative: the Education Funder Strategy Group (EFSG).

Obama's inaugural was a "big change moment" in Washington, said EFSG Executive Director Terri Shuck. "At that point, it was becoming pretty clear that the new administration under (U.S. Department of Education Secretary) Arne Duncan would be working with philanthropy, that a lot of the stimulus would be going into education, and that there would be a more important role to play in federal investment and policy."

Dan and his wife Sunita are politically involved in Washington—Sunita is on the executive committee of the Democratic National Committee, for example—and they frequently host events in their home. The "Inaugural Celebration of Education" brunch was an outgrowth of those roles. Guests included representatives from the Bill & Melinda Gates Foundation, Carnegie Corporation of New York, Ford Foundation, William and Flora Hewlett Foundation and Grantmakers for Education, along with then-DNC chair Governor Howard Dean (D-VT), Congressman Jared Polis (D-CO) and incoming Senator Al Franken (D-MN).

These guests were all in the same room at a unique moment for federal education policy. While direct federal involvement in education had ramped up under President George W. Bush through the No Child Left Behind Act, there had been few openings for philanthropists to collaborate with the administration. That was in stark contrast to the incoming Obama administration, which was hiring former members of the foundation community and openly interested in what foundations were learning about education. And a tidal wave of federal aid dollars was about to flow into the nation's public schools under ARRA.

"Foundations realized that they wanted to work together more, and that they needed to engage at the national level if they wanted to have a real impact on public policy," said Dan.

So after the brunch, he and Shuck arranged additional meetings and conference calls for the attendees, and given their D.C. presence, were asked to take the lead in establishing a formal group. A dozen organizations signed on as co-founding members, and committed to annual contributions of \$25,000 or more to support facilitation of the group.

"I was enthusiastic about it because I had moved to California when this was all starting, and there was a particular urgency because things were moving quickly in D.C.," said Barbara Chow of the William and Flora Hewlett Foundation. "I had spent my entire career in Washington, immediately after graduate school, working on the Hill and in the White House. I knew that every day I spent away from that world I would be less in touch and would not have the kind of insights I needed. So I wanted that D.C. presence, especially since so much was going on—money, change, executive action and some legislative action."

Sharing Ideas, and Trips Abroad

EFSG convened quarterly meetings and monthly conference calls on various issues. “Our theory of action is that private foundations are a source of intellectual capacity in seeding proof points, evaluating or leveraging the system,” said Shuck. “But ultimately the goal of all of that is to inform the public resources, the public system.” So the intention was to share knowledge, ask questions, and seek solutions and opportunities to collaborate.

One strategy has been to look outside the United States for best practices around the world, inspired by Dan’s global perspective. At CMP Media, he had expanded the company’s global operations and lived in Paris for several years. Looking to see how other countries tackled challenges faced at home was second nature.

EFSG looked closely at individual countries’ results on the PISA exams, as well as research from around the world, to identify potential best practices to inform efforts in the United States. Then, with support from NPESF, it organized a series of diverse delegations and coordinated site visits to countries with high-performing education systems including Singapore, Shanghai, Finland, Switzerland, Germany and Ontario, Canada.

In Ontario, for example, a visiting delegation learned about system-level reform; the Canadian province has overhauled its public system in recent years to improve students’ reading and math skills, including setting higher performance standards for students, increasing capacity among educators and administrators and using data to inform practice.

And in Shanghai, in addition to its famed regard and training for teachers, visitors learned about its unique school turnaround strategy. High-performing schools are paired with and responsible for turning around low-performing schools, so leaders and teachers who know how to make a school work for students can share successful strategies with less effective schools to improve student learning.

“Sometimes you have to look outside the United States to find out what’s going on here,” said Dan. When he asked education leaders in Singapore and Finland where they got their research, ideas and model schools, he said, they looked at him strangely and said, “From the U.S.”

“The tours are useful for a number of reasons,” said Chow. “We are actually visiting places and talking to real people. We are learning a lot which is very exciting, but it’s the conversation on the bus when people are debriefing that is both enriching ideas and creating connections between them that they would not have otherwise had. . . . Dan has an intense interest in funder collaboration as a mechanism for social change.”

The group also provides a consistent platform where funders can explore ideas and establish working groups on issues of particular interest. Some of the core values governing those discussions include deeper learning, future-looking concepts of skillfulness in a 21st century global community and applying new research on the science of learning into school environments. Today, 30 organizations are members, including the Schott Foundation.

LOOKING AHEAD

Over the course of several hot late-summer afternoons in 2015, the Leeds and Jobin-Leeds reflected on the next phase for the family. As the organizations have become more self-sustaining, individual family members are following their interests in different ways: Greg has written a book,²⁶ and Dan is a board member of the PBS Foundation and a commissioner with the National Commission on Teaching & America's Future.

“I think education is a basic issue of right and wrong, and I think the opportunity for the country is huge, when you think about changing the lives of millions of kids and making the country better,” said Dan. “What we know about how people learn is growing at just an incredible rate. I think that really, this is probably the most exciting time, the next 10 or 20 years.”

In addition, Greg said, “the social movements of today, from #BlackLivesMatter to the rising student and parent teacher movement pushing back against high-stakes testing and privatization is part of the excitement.”

Dan's major focus in the years to come will be the emerging science of how we learn, he said, based in part on the work of the National Science Foundation's ongoing “Science of Learning” initiative, which includes research sites in Boston, Pittsburgh and the Pacific Northwest.²⁷

“Overseas, they get their research here and apply it systemically in their countries,” he said. “So my focus is, how do you make the system nationwide embrace everything we know about how people learn? I think, given the increasing base of knowledge, education should be more about that, because it's really hard to predict what the jobs are going to be.”

The legacy the family hopes to establish is already in development: organizations that are exciting, effective, self-sustaining, operate independent of the family's finances and management and support a key set of governing values. Each organization has its own vision for the future and reaches a different audience, though they complement one another. And they have been prepared to continue their work on that vision long after the Leeds and Jobin-Leeds wind down their active roles, through the strong leaders and independent boards family members have put in place.

“We build these things to operate, at some point, without us,” said Dan. “They fill a social need, and we provided to some extent venture capital, guidance, vision and a set of values. But in the end, they are pretty independent, and they get their money independently.”

²⁶ *When We Fight, We Win: Twenty-first Century Social Movements and the Activists that are Transforming Our World*, to be published by The New Press in 2016

²⁷ https://www.nsf.gov/funding/pgm_summ.jsp?pims_id=5567&org=NSF

Lessons Learned

The story of the Leeds family includes several lessons for other foundations:

- You get out of it what you put into it. The more time, energy and thought funders can invest in their organizations—in addition to financial support—the better.
- To cultivate strong leadership and the ability of organizations to self-sustain, ensure management and structure respect the integrity of those who work there.
- Look to hire leaders who represent the communities served.
- Identify core principles, and stick to them.
- Start slow and grow. It takes a while to affect change and influence policy and practice. Investing minimally at first, then growing financial support as your knowledge increases, is wise.
- Don't go it alone. Collaborating with other philanthropies and philanthropic leaders is an important strategy to amplify impact.
- Understand that many forces are at play when you look at student outcomes – not just academic quality, but challenges related to poverty and political decisions at all levels.
- Have clear goals, but be flexible on strategies to advance them. For example, at AEE's founding, international benchmarking through the PISA did not exist—yet it quickly became a major focus of the organization, because that's what conditions required.

Also important:

Conditions have changed dramatically since the family began their philanthropic work 25 years ago—there are many more organizations, much more money being invested and a new rising group of social entrepreneurs, Dan said.

Yet, “if I found a need for another organization, I guess I could launch one—though I shudder at the thought,” he said. “Right now, we have an organization, Education Funders, with a great relationship with other funders. AEE has broad policy reach. PBS reaches the public and NCTAF reaches teachers.”

“So,” he concluded, “I would hope not to do another one. And my parents have 13 wonderful grandchildren. Something new will be up to the next generation.”

ATTACHMENT A

Timeline of Organizations Focused on Prek-12 Equity Founded by the Leeds and Jobin-Leeds Family²⁸

1988 – The Caroline and Sigmund Schott Foundation

1988 – The Margaret and Richard Lipmanson Foundation

1990 – Institute for Student Achievement

2001 – Alliance for Excellent Education

2003 – National Academy for Excellent Teaching

2005 – Education Voters

2008 – National Public Education Support Fund, National Public Education Action Fund

2009 – Education Funders Strategy Group

²⁸ NB: Members of the Leeds and Jobin-Leeds family have also founded and supported many other organizations, including the Leeds School of Business at the University of Colorado – Boulder. For more information, please see Attachment C.

ATTACHMENT B

Summary of Current Leeds and Jobin-Leeds Education Initiatives

Alliance for Excellent Education (*Governor Bob Wise, President*)

The Alliance concentrates on significantly improving national high school standards and graduation rates by affecting national policy. It has been a catalyst in terms of helping to aggregate and communicate the key issues facing high schools nationally, including: targeting federal funding to turn around low-performing middle and high schools; adopting and implementing the Common Core State Standards; a lack of highly effective teachers in schools serving low-income and minority students; inadequate literacy skills among older students; and highlighting international practices that could benefit U.S. education policy. The Alliance has also become a national leader in advocating for the effective use of technology to improve student outcomes.

www.all4ed.org

Institute for Student Achievement (*Gerry House, President*)

ISA uses a proven, research-based framework to help transform failing public high schools into academically rigorous and supportive learning environments, so that students who are traditionally underserved graduate prepared for success in college. ISA partner schools are located in areas where 4-year graduation rates have been as low as 35% and where nearly two-thirds of the student body enter 9th grade performing well under grade-level in reading and in math, yet ISA partner schools have an average 4-year graduation rate of nearly 80%. As of 2015, ISA has impacted over 70,000 students and 4,000 teachers, counselors, and school leaders.

www.studentachievement.org

National Public Education Support Fund (*Terri Shuck, Executive Director*)

NPESF supports the Alliance for Excellent Education and allied organizations. In 2009, NPESF launched the Education Funder Strategy Group, a learning community of 30 leading foundations focused on education policy across the continuum from early learning to K-12 to higher education. NPESF has organized and led U.S. delegations on educational site visits to Alberta and Ontario, Canada; Singapore; Shanghai, China; Finland; Switzerland; and Germany.

www.npesf.org

Schott Foundation for Public Education (*John H. Jackson, President & CEO*)

Schott seeks to improve public education, especially for underserved children, through strategic philanthropy aimed at achieving educational resource, racial and gender equity in public education. Schott promotes grant-making, convenings, strategic planning and donor collaborations to develop and strengthen a broad representative movement towards high quality pre-kindergarten through grade 12 public education. Schott's report, "The Urgency of Now," encourages advocates of public education reform to address the "pushout" and "lockout" crisis facing so many students of color and low-income communities.

www.schottfoundation.org

ATTACHMENT C

Additional Philanthropic Activity by Leeds Family Members

The Leeds family philanthropy is not limited to Prek-12 public education. For example, family members joined together in 2001 to make a \$35 million gift to endow the business school at the University of Colorado-Boulder, now known as the Leeds School of Business. Below, Michael, Jennifer and Richard Leeds share details from their philanthropic work:

Michael Leeds

Focus: Education, healthcare (especially mental health), Israel and Jewish causes

Education:

- **ISA** – board and executive committee member, vice chair and co-chair, advisory board member under ETS
- **Leeds School of Business** – former chair of the board, co-creator and instructor of an upper-level class, “Leadership Challenges: Exercises in Moral Courage”

Healthcare:

- Spouse Andrea is the executive vice president of North Shore Child and Family Guidance Center
- Michael – board member of North Shore LIJ Health (*originally was on the board of Long Island Jewish Hospital*)

My goal has been to build independent organizations that can fulfill their missions as successfully as possible. To me, this means developing leadership other than the Leeds over time. At CU-Boulder, I wanted to be able to spread the lessons we had learned at CMP and develop future generations of socially conscious business leaders.

Jennifer Leeds

Focus: Helping underserved populations – whether animals, environment or humans.

Founded: The Giant Steps Foundation, to create a kinder, gentler and healthier world for all living creatures. Supports organizations that protect animals and preserve the environment and also focuses on human health, fitness and empowerment. GSF has offered grants to support environment- and animal-friendly aspects of other family projects.

Helping those less privileged or those without a voice comes from my parents, who considered themselves incredibly lucky to have found refuge in the U.S. and created amazing lives. We were shown by example at an early age that caring and generosity toward others is the right thing to do as well as giving our lives purpose and fulfillment..

Richard Leeds

With my wife Anne Kroeker, I have done a lot of “cross-over” work between education and the environment, science and art, specifically by supporting:

- **Sustainable business:** Pinchot Institute (was Bainbridge Graduate institute), Leeds School of Business
- **Experiential environmental education:** Islandwood (Tiny Neighbors); Earthcorp; Yolo Basin Foundation; Seattle Aquarium
- **Youth math and science:** The Museum of Flight; Pacific Science Center; Zeno MathFest
- **Art:** Museum of Glass
- **Politics:** Progressive Majority
- **Youth out of the public school system:** Overlake Hospital; Hilltop Artists
- **Local schools:** Bellevue Schools Foundation (Leveled Libraries...); Early learning

ATTACHMENT D

Education Funder Strategy Group, Participating Foundations (Fall 2015)

Atlantic Philanthropies
S. D. Bechtel, Jr. Foundation
Carnegie Corporation of New York
Annie E. Casey Foundation
Einhorn Family Charitable Trust
Ford Foundation
Bill and Melinda Gates Foundation
Grable Foundation
W.T. Grant Foundation
Grantmakers for Education
Leona M. and Harry B. Helmsley Charitable Trust
William and Flora Hewlett Foundation
W.K. Kellogg Foundation
Lumina Foundation
Robert R. McCormick Foundation
National Public Education Foundation
National Education Association (NEA) Foundation
Nellie Mae Education Foundation
Open Society Foundations
David and Lucile Packard Foundation
Raikes Foundation
Z. Smith Reynolds Foundation
Rodel Foundation of Delaware
Schott Foundation for Public Education
Charles and Lynn Schusterman Family Foundation
Albert Shanker Institute
Spencer Foundation
W. Clement & Jessie V. Stone Foundation
Stuart Foundation
Wallace Foundation

Self-Study Questions

Questions to consider while reading this case about effective education grantmaking:

1. What aspects of grantmaking done by the Leeds family caught your attention, and why?
2. What were the commonalities in how the Leeds' approached funding and support across their portfolio of investments? How did they make decisions about what to do and what not to do?
3. How did scalability play into the Leeds' efforts and what were some of the challenges they faced in trying to scale efforts or organizations?
4. What role does collaboration play in the Leeds grantmaking? As outlined in the case study, how have they effectively utilized partnerships to achieve their goals? What did you see as the importance of timing and mission alignment in their ability to foster and build on collaboration?
5. How have the Leeds leveraged public policy in their philanthropy? In what ways have they impacted it? What role has public policy played in their strategy?
6. The Leeds' approach to affect change includes funding a broad set of 501(c)(3) organizations. What other plausible ways are there for philanthropy to attain similar results?
7. What advice would you give to the Leeds as they chart a course forward? What would you recommend the Leeds do in their efforts to increase high school graduation rates?
8. What specific lessons and insights did you gain from this case and how might they apply to your grantmaking work in education?

PRINCIPLES FOR

Effective Education Grantmaking

- principle
no. **1** **Discipline and Focus**
In education, where public dollars dwarf private investments, a funder has greater impact when grantmaking is carefully planned and targeted.
- principle
no. **2** **Knowledge**
Information, ideas and advice from diverse sources, as well as openness to criticism and feedback, can help a funder make wise choices.
- principle
no. **3** **Resources Linked to Results**
A logic-driven “theory of change” helps a grantmaker think clearly about how specific actions will lead to desired outcomes, thus linking resources with results.
- principle
no. **4** **Effective Grantees**
A grantmaker is effective only when its grantees are effective. Especially in education, schools and systems lack capacity and grantees (both inside and outside the system) may require deeper support.
- principle
no. **5** **Engaged Partners**
A funder succeeds by actively engaging its partners – the individuals, institutions and communities connected with an issue – to ensure “ownership” of education problems and their solutions.
- principle
no. **6** **Leverage, Influence and Collaboration**
The depth and range of problems in education make it difficult to achieve meaningful change in isolation or by funding programs without changing public policies or opinions. A grantmaker is more effective when working with others to mobilize and deploy as many resources as possible in order to advance solutions.
- principle
no. **7** **Persistence**
The most important problems in education are often the most complex and intractable, and will take time to solve.
- principle
no. **8** **Innovation and Constant Learning**
Even while acting on the best available information – as in Principle #2 – a grantmaker can create new knowledge about ways to promote educational success. Tracking outcomes, understanding costs and identifying what works—and what doesn’t—are essential to helping grantmakers and their partners achieve results.

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

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