

STRATEGIC GRANTMAKING IN EDUCATION

JUMP-STARTING THE
Charter School
MOVEMENT



A GUIDE FOR DONORS

The
PHILANTHROPY
ROUNDTABLE

Jump-starting the Charter School Movement

A Guide for Donors

*Prepared by Public Impact for
The Philanthropy Roundtable*

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Letter from The Philanthropy Roundtable

The Philanthropy Roundtable is delighted to publish this monograph on how funders can best support the charter school movement, the first in a series of monographs on education reform. Future reports will focus on such issues as philanthropy and school choice, and how donors can improve teacher and principal quality.

The Roundtable is committed to helping donors achieve dramatic breakthroughs in the improvement of K-12 education. We are dedicated to whatever works in raising the academic achievement of all American children. We place a special emphasis on freedom and accountability for schools, competition and parental choice, and high standards and expectations for students of all races and income levels—reinforced by a culture of achievement among teachers, parents, and children.

The Roundtable holds public meetings around the country where donors can exchange ideas, strategies, and best practices in education reform. We also offer customized private seminars, at no charge, for donors who are thinking through how they can make the greatest difference in their K-12 giving. Please contact us at 202.822.8333 or at main@PhilanthropyRoundtable.org if you would like further information.

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I

A Movement Comes to a Crossroads After a Decade of Growth

Many private funders put improving public education at the top of their agenda, but for many years donors have struggled to have a real impact on sub-par schools. Too often, grants to support reform in existing schools have made little difference in students' lives.

Enter charter schools. A new kind of public school—independently operated, typically started from scratch by impassioned education entrepreneurs—charter schools strike many funders as an ideal way to invest in public education. Since they are created anew, with freedom from many laws and regulations that constrict school districts, charter schools have the potential to be dramatically more effective than the typical public school. Since they are schools of choice, they have to satisfy families—or go out of business. Since they are held accountable for results, they can be closed if they don't work. If they are successful, they can serve as models for others starting charter schools or seeking to change existing ones. And if they reach a critical mass, they can induce school districts to improve their conventional schools.

With all of this promise, it's not surprising philanthropists from coast to coast have jumped at the chance to invest in charters since the first one opened a decade ago. Funders have supported school entrepreneurs in their critical start-up years. They have helped successful charter schools replicate themselves. They have backed organizations that exist to help charter schools succeed and to educate state leaders about the need to create charter-supportive policies.

In doing so, donors have been critical to a decade of significant charter growth. Since Minnesota's groundbreaking 1991 law passed, 40 states and the District of Columbia have followed

Philanthropists played a vital role in the early years of the charter movement, and they are even more vital now.

suit, often with bi-partisan backing. The number of charter schools has grown from just one in 1992 to around 2,700 in the fall of 2003. Charter schools now educate about three-quarters of a million students nationwide, most of them disadvantaged. This is about 1.5 percent of the school-age population. And families continue to clamor for more charter schools, lining up on long waiting lists for the chance to enroll their children.

But today, the charter movement is at a crossroads. Though funders are still excited by the possibilities of chartering, the ones we talked with in preparing this report expressed a number of concerns about the state of the movement:

- Though the number of schools continues to grow, donors fear the pace of expansion has leveled off. In some major cities, the supply of qualified charter applicants has slowed to a trickle.
- The quality of charter schools is uneven. It's not uncommon to find charter schools among the very best and the very worst of a city's or state's public schools. Many

The Promise of the Charter Movement

Donors across the country have backed charter schools because of the movement's potential to

- circumvent the barriers to change in existing schools by starting new schools;
 - create opportunities for breakthrough approaches to educating young people;
 - provide diverse schooling options, especially to parents who can't afford private school;
 - bring more entrepreneurial leadership into education;
 - usher in a new era of accountability in which schools must succeed to survive;
 - introduce competitive pressures for improvement into public education;
 - empower parents and community organizations to shape children's education directly;
 - generate models that can be used in schools everywhere.
-

fundes wonder if philanthropists have done enough to insist on high quality in the schools they support.

- Charter schools continue to be underfunded. Almost all states deny charter schools capital funding, forcing them to spend an average of 12 percent (and often much more) of their operating funds on facilities. And in many states, charter schools receive less than 100 percent of the operating funds district schools receive.
- Access to charter schools varies greatly across the country. Ten states lack *any* laws permitting charter schools, and the laws of many other states hinder the growth of high-quality, truly independent charter schools. According to the Center for Education Reform, which publishes a charter school laws “report card” semi-annually, only 20 states earn an “A” or a “B” for the quality of their charter laws.
- Political backlash against charter schools has grown along with the movement. Controversial from the outset because of the threat they pose to established interests, charter schools have come under increasing attack as opponents seek to limit the number of charter schools, restrict their autonomy and funding, and place them under the authority of school districts and collective bargaining agreements.

The charter school movement especially needs an influx of smaller funders. Smart investments, even if modest, can be leveraged to produce big results.

Philanthropists played a vital role in the early years of the charter movement, and they are even more vital now. At this ten-year mark, we can look at outcomes to date, assess the factors that facilitated or hampered success, and take advantage of new opportunities to build on what we’ve learned. The No Child Left Behind Act provides an especially good opportunity to strengthen the charter school movement. With its provisions requiring school districts to expand public schooling options, particularly

to students in low-performing schools, and to increase the accountability of traditional district schools, charter schools are in a good position both to grow in number and to lead the way in creating meaningful systems of accountability.

But for this to happen, a broader spectrum of policy makers, education entrepreneurs, businesses, philanthropic organizations, and private individuals must take some new and different steps to help the charter school movement live up to its potential.

Charter schools continue to be underfunded. Almost all states deny charter schools capital funding, and many deny equal operating funds.

The charter school movement especially needs an influx of smaller funders. Smart investments, even if modest, can be leveraged to produce big results (see “Leveraging Smaller Investments,” p. 50).

Relying solely on the strategies and the players of the past will simply not get the job done. Too much is at stake to allow charter schools to plateau as an option available to fewer than 2 percent of public school students across the country.

Given both the promise of charter schools and the urgent need to prevent the charter school movement from being marginalized, **The Philanthropy Roundtable commissioned this guide in order to provide donors of all shapes and sizes with ways they can support a strong charter school movement in their communities and nationwide.**

We drew on the deep experience of many of the movement’s most active funders. This book reflects their thinking about how donors can move the charter school movement to a new level of success in the next ten years. These funders all have different ideas about the best ways to support chartering. As a result, this guide does not offer a simple recipe for all donors to follow. Instead, it provides a menu of possibilities that readers can choose from and adapt.

But before we consider options for charter support strategies, an important caution to all donors: **The charter school landscape differs vastly from state to state.** New funders, and especially those targeting a specific city or state, must take time up-front to learn about this landscape. A donor must investigate

the state's charter law—if the state has one. A good source of information is the **Center for Education Reform's** website (edreform.com), which analyzes and ranks charter laws. The website uscharterschools.org contains links to many actual charter laws. And the site charterfriends.org/contacts.html includes state-by-state contact information for organizations that are knowledgeable about the terrain.

II

Four Strategic Priorities

When making grants or investments in the charter movement, philanthropists naturally want to be strategic. They want to focus their funding on activities and organizations that can make a long-term difference for the success of chartering.

As a result, we built this guide around a set of strategic priorities. Where can funders target their resources in order to contribute as much as possible to a strong charter movement?

In our conversations with donors, we identified four strategic priorities:

- **Building a Robust Supply of High-quality New Schools.** The first decade of charter schooling thrived on the ready supply of educational entrepreneurs who stepped forward to launch schools. This source of new schools has slowed, and the quality of schools it produced has been highly variable. “Priming the pump” of new supply is a key challenge for the second decade of chartering.
 - **Addressing Critical Operational Challenges.** Severe operational challenges have made it difficult for charter schools to start and thrive. Obtaining adequate “back office” services, financing facilities, and developing healthy boards of trustees are some of the most prominent trouble spots. Tackling these challenges would help more schools start and help existing schools focus on creating great learning programs.
 - **Improving Charter School Quality Controls.** Charter school “authorizers” are the organizations that grant charters and oversee charter schools. In theory, they exert quality control in chartering, screening out unqualified charter applicants and holding schools accountable for results. But too few authorizers are equipped to perform these roles well. And beyond authorizers, there is minimal information available to families and the public about how well charter schools are doing.
-

- **Forging Charter-friendly Public Policies.** Charter school policy establishes the process and conditions under which all of a state’s charter schools must operate. Yet in too many states, bad charter school policies are hindering the potential effectiveness and the scale of the charter movement. In other states, good policies are under attack by charter opponents. Charter advocates are rarely as well-organized or well-funded as those who challenge chartering. *Many funders we interviewed insisted the policy arena will determine if the charter school movement plateaus as a minor player on the public education stage or changes the whole story line of how children are educated.*

The heart of this book discusses these four strategic priorities. For each one, we describe the challenge in more detail and explain how funders are addressing it—or hope to. A concluding section pulls back for a broader view, offering general tips from these donors on how philanthropists can make the most of their charter-related giving and investing. At the back of the book are two appendices. One offers a set of guiding questions for funders who are considering supporting the charter school movement. The second appendix provides sources of background information on charter schools, as well as contact information for funders and grantees highlighted in this guide.

In too many states, bad charter school policies are hindering the effectiveness and the scale of charter schools. In other states, good policies are under attack.

III

Building a Robust Supply of High-quality New Schools

Where will the next generation of charter schools come from? Will there be enough new schools—and high enough quality among them—to fulfill the great demand on the part of parents for options? To contribute to wider changes in public education?

These questions are very much on the minds of active donors to charter schools. In our conversations with funders, we heard the words “scale” and “quality” again and again. For the charter movement to succeed, it needs a steady supply of new schools ready to provide an excellent education.

Foundations Aid Charter-starters

With a strong focus on youth development initiatives within a targeted geographic area, the **Charles Hayden Foundation** supports a number of charter-related organizations, including direct support to charter schools in New York City; Boston and Chelsea, Massachusetts; and Newark. The foundation provides grants, typically \$25,000 to \$100,000, to support operations, educational programs, and facilities improvement. In awarding grants, the foundation looks for a proven track record of improved student achievement, high expectations and active learning, connections with community, and strong parent engagement.

The **Lynde and Harry Bradley Foundation** is devoted to “strengthening American democratic capitalism and the institutions, principles, and values that sustain and nurture it.” As part of this mission, the Milwaukee-based foundation has supported a number of local charter schools and charter school support organizations in areas such as general operations, transportation, and capital expenditures.

The **Walton Family Foundation** has made many contributions to the development of the charter movement, but one of its most wide-reaching and best known strategies is direct

For the first generation of chartering, the supply of new schools emerged from the grassroots. An untapped well of teachers, parents, and community leaders was eager to open the nation's first charter schools. Philanthropists played a vital role, providing grants to aid these entrepreneurs in the planning and start-up of their new schools (see box entitled "Foundations Aid Charter-starters.")

Clearly, grassroots, "independent" charter schools embody the spirit of the entrepreneurial, accessible charter school movement and will remain an important force in providing a variety of educational options for our children. But it's clear the movement cannot rely entirely on this spontaneous process for the next generation of schools. Though the "well" of willing entrepreneurs has not run dry, it is no longer sufficient to meet demand. Funders recognize that just waiting for schools to emerge, one at a time, is unlikely to produce the consistent quality needed to power a vibrant charter movement.

grants to charter schools for planning, start-up, and early implementation. Between September 1997 and August 2003, Walton awarded 301 groups \$2.7 million in planning support; 289 newly chartered schools \$33.8 million in start-up support; and 69 previous Walton grant recipients \$7.1 million in second grants for continuing support. To maximize impact, the foundation targets certain states and cities where charter schools have the potential to achieve significant "market share." To receive initial funding, schools must meet a rigorous set of criteria. Subsequent grants are contingent on achieving ambitious performance goals.

Realizing that local groups often have the detailed knowledge about applicant schools that it lacks, Walton channels some of its funding to "on the ground" partners, such as the **New York Charter School Resource Center**, the **Colorado League of Charter Schools**, and the **Minnesota Association of Charter Schools**. These organizations use the foundation's selection guidelines to nominate recipients; the foundation has final say, based on recommendations from the local organization. One aim of these local funds is to attract other donors, expanding the pool available to support young charter schools.

In addition to their continued support for individual schools, funders have developed numerous other strategies to achieve “scale with quality.” They have made grants to and invested in organizations that fall generally into two categories:

- **Brands:** organizations seeking to start multiple quality new schools with readily identifiable common features;
- **Enablers:** organizations aiming to help multiple quality new schools, not necessarily linked under a common “brand.”

Brands: Tight and Loose Networks of New Schools

Here are some examples of organizations seeking to develop “brands” of similar schools nationally or regionally. In all cases, philanthropic funds are critical to the organizations’ expansion plans.

Aspire Public Schools. Aspire is a “charter management organization” (CMO) that opens and operates elementary and secondary public schools in California, primarily serving low-income students. With eight schools open in 2003, Aspire plans to open many more schools in clusters of five to ten in California cities. Aspire is an example of a “tight” network—it holds the charter for all of its schools.

Big Picture Company. Based on the success of the Metropolitan Regional Career and Technical Center (“The Met”), an alternative secondary school in Rhode Island, the Big Picture Company is now working nationally to open small, “innovative, personalized schools that work in tandem with the real world of their greater community.” There were 19 Big Picture schools in eight cities in 2003.

Core Knowledge. Many charter entrepreneurs use the Core Knowledge sequence as the basis of their curricula. Though the Core Knowledge Foundation is the “keeper” of the sequence, it has not actively sought to build a network of charter schools. The **Challenge Foundation**, however, has deliberately aimed to diffuse Core Knowledge in the charter world by targeting many of its direct school grants to schools adopting this approach.

EdVisions. EdVisions is in the process of scaling up a high school design based on the successful Minnesota New Country

Brands

Most strong industries have one or more compelling “brands.” Consumers come to know a brand and what it signifies—certain characteristics, a given standard of quality. Brands are very useful in the marketplace. Not only do they give buyers valuable information; they also create powerful incentives for their owners to maintain quality in order to keep brands strong. And they can achieve economies of scale that make them more efficient

School. The EdVisions design is innovative pedagogically: Rather than taking traditional courses, students complete ten standards- and performance-based projects each year, counseled by teachers and advisors. It is also unique organizationally: Teachers “own” and manage the school through a cooperative. EdVisions has funding to bring the model to 35 schools nationwide.

Knowledge Is Power Program (KIPP). The KIPP initiative began as a fifth-grade program started by two former **Teach For America** volunteers. It has now “gone national” as a whole-school design in schools that agree to operate according to five common “pillars.” A fundamental component of KIPP is its leadership recruitment, training, and placement program. KIPP seeks out and trains highly capable people in an intense one-year fellowship consisting of graduate level course work, onsite residency, and the participant’s creation and implementation of a school start-up plan. Additionally, KIPP provides its school leaders with support from “trailblazers” who help them to secure buildings, negotiate contracts or charters, and lay other groundwork. With over 30 schools in 2003, KIPP aims to have started more than 100 schools by 2010.

For-profits. Some of the more well-known school brands are owned by for-profit companies. Though they are not eligible to receive charitable contributions, donors have played a role in helping them expand. Under the typical state charter law, a charter school must be operated by a nonprofit corporation, which may in turn contract with a profit-making firm for management services. Within certain limits, these nonprofits can be appropriate recipients of charitable funds.

than stand-alone shops. Many funders have concluded that for these exact reasons, the charter movement needs a significant number of valued brands in order to keep growing and thrive. But what would a brand of schools look like? There are many possibilities.

Donors we interviewed envision a continuum of scale-oriented organizations. At one end are organizations that actually own and operate chains of schools. Such organizations are known as “charter management organizations” (CMOs) or “educational management organizations” (EMOs). While some early examples of this form were for-profit (like **Edison Schools**), more and more nonprofit CMOs are forming (like **Aspire Public Schools**). Whatever their corporate form, these brands are tightly organized: Their schools closely resemble each other; they exert powerful quality control; and they operate many services centrally in order to eke out savings.

At the other end of the continuum are looser networks of schools. They share some elements in common, but tend to be much more independent in their operation. The many charter schools nationwide that subscribe to the principles of “**Core Knowledge**” fall on this end of the range. Though they use a com-

Building Brands

A small number of “intermediary” organizations have emerged to help turn promising educational ideas into “brands.” Here are two examples:

NewSchools Venture Fund Charter Accelerator Fund. NewSchools Venture Fund (NSVF) is a venture philanthropy fund committed to the goal of students in all school systems’ performing at or above “proficient” in twenty-first-century skills. Recognizing charter schools as one vital part of this effort, NewSchools is raising funds from numerous donors and investors to create a \$30 million “Charter Accelerator Fund.” The fund will support a variety of activities, but its central thrust will be to support the creation and expansion of nonprofit charter management organizations such as Aspire Public Schools (see box, “Brands: Tight and Loose Networks of New Schools”). NewSchools applies a rigorous due-diligence process to would-be CMOs, providing early-stage support to several promising candi-

mon curriculum, they are not owned and operated by a parent organization that exists to assure quality and provide services.

In between, there are numerous examples of looser and tighter brands. One that has received support from many funders is the **Knowledge Is Power Program**, or KIPP. KIPP schools subscribe to a set of principles called the “five pillars.” Their leaders come through a common training program. And KIPP “national” provides individual schools with continuing support and monitors whether schools are implementing the five pillars faithfully. But each school remains independently operated.

Branded groups of schools differ in other ways as well. Some are national in their scope (or aspirations). Others are regional or even local. Some subscribe to “traditional” ideas about curriculum and pedagogy; others lean toward the “progressive.” Some limit their brand to an educational program; others have ideas about how schools should be governed and managed as well. See the box entitled “Brands: Tight and Loose Networks of New Schools” for a range of examples.

Clearly, then, many opportunities exist for funders who want to see strong brands of schools proliferate. Donors can contribute to the growing number of existing networks, targeting their sup-

dates. Those that make good progress are eligible for larger and larger grants. As a “venture” funder, NewSchools also plays an active role as a business advisor to the growing organizations, often placing staff on the CMOs’ boards. As CMOs operate more and more schools, public revenues should replace philanthropy. But NewSchools’ initial capital aims to make it possible for CMOs to invest in quality and scale from the outset.

Replications, Inc. Replications, Inc., a project launched at Columbia University, finds high-performing schools and helps them replicate their models in other schools. The focus of Replications, Inc. is to plant the seeds of a successful culture in the new school—primarily through placing and supporting two exemplary staff from the model school at the new school to serve as principal and lead teacher. The program also provides monetary incentives to help new school staff achieve the goals of the model. To date, Replications, Inc. has helped start eight new schools based on four different educational models.

port based on geography, educational approach, or other differentiators. Or they can act to help new scale-oriented organizations get started. Funders we interviewed had been catalysts for new brands by

- providing funds for successful single-site schools to go to scale;
- funding an organization that helps successful schools replicate;
- investing in community-based organizations or networks of community organizations to start numerous schools;
- making grants to organizations with “comprehensive

Leading the Way

Whether a school is part of a network or a stand-alone charter, the school’s leadership is critical to its success. Several initiatives are underway to prepare great leaders for the next generation of charter schools:

New Leaders for New Schools. New Leaders is a national nonprofit organization that “aggressively recruits extremely talented people to become urban school principals.” New Leaders provides rigorous training for its recruits; places them in a year-long, full-time residency with an exemplary district or charter school principal; helps them find leadership positions in urban schools; and offers continuing support and membership in the New Leaders network to “graduates.” Though New Leaders prepares principals for all kinds of urban schools, charter school leadership has always been one important focus of the program. Many philanthropic organizations, including the **Broad Foundation**, have contributed to the launch of New Leaders.

Building Excellent Schools Fellowship. With the support of the **Walton Family Foundation**, the Massachusetts Charter School Resource Center is expanding nationally with its leadership development model, the Building Excellent Schools Fellowship. Piloted in Massachusetts, the fellowship program quickly gained a reputation for producing many of the state’s most promising charter entrepreneurs. The year-long leadership fellowship specifically targets individuals who aim to start a charter school. It provides an intensive two-month institute, assistance in navigating the charter application process, a resi-

school designs” to enable them to start new charter schools that use their models;

- making progressively larger grants to would-be charter management organizations.

See the box entitled “Building Brands” for more information about some of these brand-seeding strategies.

Enablers

Though brand organizations differ in how much control they exert over the schools in their networks, each is interested in creating schools in a certain image. In all the networks discussed

gency at a charter school, and assistance in implementing the charter or receiving placement at an existing charter school.

Colorado New School Fellowship. The Colorado League of Charter Schools, with support from a Walton Family Foundation grant, is piloting a leadership recruitment and training program in which community groups with strong potential for gaining a public school charter are matched with a professional recruiting firm to find leaders for their schools. The new leaders, known as New School Fellows, will receive training and assistance through the league’s New School Development program while completing the charter applications for their schools. Fellows will also participate in two part-time residencies over the course of the program. Once the charter application is approved, Fellows will complete their residency and then go to work full-time for their schools. For the initial group of schools potentially opening in the 2004 school year, the league plans to match five promising groups (without charters) to new leaders. In subsequent years, the league plans to work with ten existing and newly chartered schools, in addition to five groups without a charter, for a total of 15 each year.

As important as these initiatives are, they address only a small part of the total need for charter school leadership. As current funders emphasized, these organizations could use more support, and new organizations must take up the mantle in developing new paths in recruiting and training a large pool of highly effective charter school leaders.

above, member schools resemble each other very strongly. Enablers—a second kind of organization devoted to scale with quality—take a different approach. Enablers provide some service that helps multiple schools open successfully, but these schools may greatly differ from one another, and they operate independently. These organizations contribute to “scale” not by creating multiple schools of their own, but by providing assistance so that multiple individuals or groups can successfully launch new schools.

Here are three kinds of enablers that have received a great deal of philanthropic support:

- **Leadership recruitment and development.** Recognizing the importance of great leadership for a great school, several initiatives have set out to create leadership development programs that specifically aim to recruit and develop the next generation of leaders for new schools (see box entitled “Leading the Way” for examples).
 - **National start-up assistance.** Several national organizations with local affiliates across the country have become involved in helping local people launch successful charter schools. One of the most well-developed is the **National Council of La Raza’s (NCLR)** charter school initiative, for which the group has raised \$19.2 million to date to support a network of charter schools. NCLR, one of the nation’s largest groups representing Hispanic Americans, helps to develop the capacity of local affiliates to create and operate successful schools that are focused on meeting the needs of Latino students. Interested organizations apply directly to NCLR for development, implementation, and follow-up grants. NCLR also provides a range of professional development and other services to these schools. Other national organizations that have played a similar role with their local affiliates include **Youthbuild, YMCA of the USA,** and **Black Alliance for Educational Options (BAEO).**
 - **Localized start-up assistance.** In every state with a charter law, at least one organization has formed to help people in the state start charter schools. While some of these only offer limited support, some have become real “incu-
-

bators” for new schools, becoming deeply involved with school start-up (see the Resources section for a link to a listing of these organizations).

The **Bill and Melinda Gates Foundation** has provided funding for “intermediary organizations” in cities and states across the country, such as Chicago, Indianapolis, and Milwaukee. These organizations help local educators and community leaders start new small high schools, some of which will be charter schools. They are local “enablers” for entrepreneurial school starters. The foundation has paired this strategy with a strategy of supporting the replication of successful model programs, such as Aspire Public Schools, Big Picture Company, and EdVisions (all described in the box “Brands: Tight and Loose Networks of New Schools”), and backing the national school start-up efforts of NCLR and BAEO.

The role of school districts. In too many places, existing school districts have hindered the introduction of charter schools. A new breed of district leadership, however, is beginning to think differently about the potential of chartering as a *district* strategy to improve education. These leaders know that changing existing schools will be difficult, sometimes impossible. They’ve turned to new-school creation as a way to balance their “portfolio” of change-strategies, so that they aren’t betting everything on efforts to fix their existing schools.

Donors are beginning to back some of these districts’ pioneering efforts. New York City, for example, has attracted tens of millions in private support to match the considerable public resources the city has pledged for new schools through such vehicles as the New Century High Schools Initiative, managed by the nonprofit **New Visions for Public Schools**. Donors advise caution when it comes to district-led chartering, because limits on the independence of charter schools can undermine their promise. But in districts where the leadership is committed to chartering truly independent schools, funders have begun to test the waters.

...

By contributing to organizations that are building brands or enabling many schools to open, funders can boost the future supply of high-quality new schools. Yet once these new schools are open, they will face the same challenges that the first 2,700 charter schools have encountered. The next section discusses how donors can address those obstacles to success.

IV

Addressing Critical Operational Challenges

Charter schools have all the operational challenges any school has—finding great teachers, providing them with professional development, selecting curricula, and the like. But in this chapter we will focus on the challenges unique to charter schools:

- finding and financing an affordable facility;
- managing the “back office” administrative tasks of a school;
- handling “special education”;
- and maintaining an effective governing board.

A hallmark of the charter school idea is “autonomy.” Operating with independence from state and district bureaucracies, a charter school is able to forge a coherent mission and to align all of the school’s activities with that purpose. But autonomy comes at a price. The more independently a charter school operates, the more it is cut off from the supports offered by “the system.” For district schools, having a facility is a given. Back office services like financial accounting and human resources are handled by the central office. Governance happens centrally as well, through the district’s board of education.

“The actual demonstrates the possible. Successful, high-poverty charter schools we help fund leave cities with no excuses for failure.”

*– Scott Hamilton,
Pisces Foundation*

Few charter schools would trade their freedom to obtain these supports. The lack of support, however, creates severe operational challenges that hamper the ability of charter schools to function effectively. Consider:

- the average charter school spends some 12 percent of its operating funds on facilities—money that the school could certainly use for instruction;
 - charter school leaders spend an extraordinary amount of time dealing with “back office” issues, from transportation to financial reporting to building maintenance;
-

- special education requirements apply to charter schools as they do to all public schools, pulling charters into the expensive and complex regulatory world related to children with disabilities;
- charter governing boards are the legal entities responsible for the school, yet too many charter boards lack the expertise or training to be effective.

These challenges divert the attention of charter school leaders from their most important work: the instructional leadership that makes or breaks a school. So while these issues appear tangential to a school's educational work, they can have a tremendous impact on teaching and learning.

These barriers also discourage potential charter entrepreneurs from stepping into the arena by making the prospect of operating charter schools less attractive. This disincentive applies to individuals and grassroots groups who want to start stand-alone schools, but it also applies to would-be brands. For many organizations with the potential to scale-up a network of schools, these operational obstacles tip the scales "against."

So by addressing operational challenges, donors can achieve twin purposes: improving the effectiveness of existing schools, and helping to prime the supply pump.

Funders have sought to address the whole range of operational challenges in their states by funding general purpose charter school "resource centers" or member associations (see Resources section for a link to a list of such organizations). These resource centers often provide individualized technical assistance by answering specific questions or connecting a school with resources on a range of issues (e.g., facilities, accounting, legal compliance, professional development, assessment). They also offer generally available newsletters, websites, publications, workshops, and conferences on the same broad array of topics.

In addition, donors have zeroed in on specific challenges, seeking to build an infrastructure of support for charter schools in the areas of facilities, back office services, and special education.

By addressing these operational challenges, donors can (1) improve the effectiveness of existing schools, and (2) help prime the supply pump.

Facilities financing and development

Financing facilities regularly tops the list of tough issues facing charter schools. Real estate is expensive to begin with, especially when you consider the costs of upfitting a building for use by a school. Affordable financing is hard to come by for charter schools: Since they can go out of business or be shut down for poor performance, they are a riskier bet for lenders and investors. Exacerbating the risk is the fact that charter schools are often start-ups, with little experience in real estate. Financiers charge a premium to cover these risks, and charter schools end up paying more than a school district would for financing.

Many argue that the long-term solution to the facilities challenge lies in changing public policy, a subject taken up in a later section. In the short term, what can funders do to help? Three broad strategies have emerged.

Backing up Schools on Bricks and Mortar

Several donors have explored ways to use foundation resources to mitigate the risk of lending to or investing in charter schools. Here are three examples.

Targeted loan guarantee. The \$7 million renovation and expansion of the Brighter Choice Charter School in Albany, New York, was financed with a five-year commercial loan backed by a series of separate loan guarantees by the **Kovner Foundation**, the **Gilder Foundation**, and an anonymous donor, as well as a direct loan from the **Hickory Foundation**. With this foundation backing, the start-up school was able to secure financing while preserving each foundation's capital.

Innovative Schools Development Corporation. Established by the **Rodel Charitable Foundation of Delaware**, the Innovative Schools Development Corporation (ISDC) Loan Guaranty Program allows funders to contribute money (either a donation or a loan) to a fund that the ISDC uses to guarantee loans for charter school facilities. This guarantee is generally equivalent to the amount of equity usually required by a lender. With this guarantee in place, charter schools can finance up to 100 percent of their project costs. Such an

- **Providing grants to support schools' capital projects.** This most direct form of facilities support for charter schools allows schools to purchase, upgrade, or expand real estate and acquire major equipment. For example, the **Hayden Foundation** awarded \$129,200 in the 2001-02 school year to **City on a Hill Charter School** to renovate and expand its current site. The **Gates Family Foundation** (not affiliated with the Bill and Melinda Gates Foundation) focuses on capital projects within all of its funding areas, of which education makes up 45 percent. Gates, part of a five-foundation "Philanthropic Educational Partnership" that funds initiatives aimed at improving low performing schools in Denver, targets its resources to Colorado-based projects, particularly those in the Denver metropolitan area.

arrangement is a "win-win" situation. Charter schools gain needed facilities funding, and funders and financial institutions receive the assurance that their investment is sound because the school has been assessed and assisted by the knowledgeable ISDC organization.

Community development financial institutions. One kind of lender that has shown a willingness to provide financing for charter schools is "community development financial institutions," or CDFIs. CDFIs offer financing for a range of community-development purposes, such as low-income housing and small business formation. Funding charter schools has been a natural extension for several CDFIs nationwide. Though charitable in their purposes, CDFIs need risk capital in order to make loans to ventures such as charter schools, and philanthropists have provided that essential ingredient. The **Walton Family Foundation**, for example, made a combination of grants and program-related investments in **Local Initiatives Support Corporation** (LISC), a national organization with affiliates in numerous cities. The **Pisces Foundation** provided a temporary guarantee of a loan for a KIPP school made by the **Center for Community Self-Help**, enabling that CDFI to lend the money while arranging a permanent guarantee.

- **Using foundation resources to mitigate risk.** To make charter schools a more attractive bet for lenders and investors, some donors have begun to use foundation funds as a “guarantee” backing up one or more charter schools’ debts.

Funders have addressed the whole range of operational challenges by funding general purpose charter school “resource centers.”

By placing funds into a reserve account of some kind, funders can provide lenders with some security—if a school cannot repay its debt, the reserve account is available to make payments. This kind of assistance is known as “credit enhancement” because it boosts schools’ standing in the financial marketplace. Foundations have sometimes used grant funds to set up these guarantees. Another

option is to use a “program-related investment” or PRI. With a PRI, the foundation does not make an outright grant. Instead, it lends or invests a portion of the foundation’s assets. It expects to receive the funds back eventually, perhaps with some financial return. See the box entitled “Backing Up Schools on Bricks and Mortar” for examples.

- **Funding real estate intermediaries.** As helpful as credit enhancement can be, it still leaves schools in the position of finding suitable facilities, seeking out financing, and overseeing often complex construction and renovation projects. So some donors have explored the idea of providing funds to some kind of “real estate intermediary”: a nonprofit organization that acquires facilities and financing, fixes up buildings, and then leases facilities to charter schools. **NewSchools Venture Fund**, for example, has made the establishment of real estate intermediaries one of its priorities. It has already provided funds to one organization, **Civic Builders**, to play this role in New York City.

Back office services

Teaching and learning take center stage in schools. Behind the scenes, “back office” activities are essential to make the teaching and learning operation run smoothly. Financial management is one important area—accounting, payroll, reporting, and the like. Others include information management, food service, and

transportation. Charter schools either have to provide these services themselves, through staff, or find outside vendors. “Doing it yourself” saps valuable time and energy, while the market for vendors is highly fragmented and often spotty, leaving charter school leaders with no easy solution.

The **Thomas B. Fordham Foundation** tackled this challenge in Dayton, Ohio, by funding a new nonprofit organization that offers financial accounting and reporting services to schools in that metropolitan area. The **PACE School Resource Center** has contracts with five schools (with a sixth coming on board) to provide services of a “certified school treasurer”—as mandated by a new state law—and a business consultant who translates financial data into usable, understandable information to help school leaders and board members make decisions. The School Resource Center also offers assistance with instruction and assessment. Currently, the Fordham Foundation’s support allows schools to pay a reduced rate for these services. Ultimately, though, the School Resource Center plans to make the services self-sustaining through the fees paid by schools.

Another vital part of school management is the collection and analysis of student achievement data. The **Charter School Consortium** of San Diego, with support from the **Girard Foundation**, has developed a Data Analysis and Accountability Plan. This program provides technical assistance to charter schools to help them develop all the components of a robust accountability system. The consortium will work with approximately 30 charter schools over a three-year period.

Though back office services are often provided locally, some entrepreneurs have been asking if such services could be provided via the Internet across a state, or even nationally. In the literature on its Charter Accelerator Fund, **NewSchools Venture Fund** states a willingness to convene funders to discuss creating such service providers, or investing in existing providers to help them scale up. For now, local experiments like the ones in Dayton and San Diego are on the frontlines of the back office services challenge.

Some donors have begun to use foundation funds as a “guarantee” backing up one or more charter schools’ debts.

Special education

As public schools, charter schools are open to all, including students with disabilities. Many charter schools explicitly formed to educate students with special needs; others have found that large numbers of children with disabilities seek them out because of dissatisfaction with existing schools. On top of the educational complexities of meeting a variety of students' needs, special education also demands an intense focus on compliance with the maze of requirements on the books in federal and state law. Costs can be high and legal risks great.

One way philanthropy has addressed this challenge is by helping schools form "special education cooperatives" in which they join forces to ensure they are providing an excellent education to students with disabilities and complying with applicable requirements. The **Annie E. Casey Foundation**, for example, provided

early funding for the **District of Columbia Charter School Special Education Cooperative**. Through the cooperative, schools have access to special-education-related professional development and technical assistance, and can share staff and enter into favorable arrangements with special education contractors. They are also in the process of working together to develop a system through which schools can obtain reimbursement through Medicaid for significant costs.

Facilities funding regularly tops the list of tough issues facing charter schools.

Board development

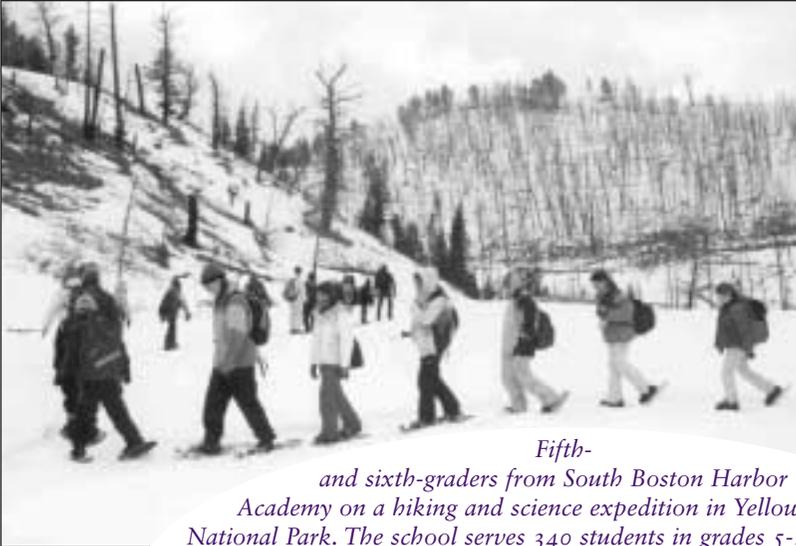
Because charter schools require a broad array of skills to operate successfully, the charter school boards who oversee school operations also require a diverse pool of talent and experience that is often difficult to come by. Often, boards are dominated by one particular group (e.g., educators, business leaders, initial founders) that lacks the comprehensive vision needed to guide schools. Additionally, board members do not always have the needed knowledge of the boundaries and responsibilities of boards. They require assistance and training on how to identify and recruit school leaders, frame a school's approach to accountability, and chart a course without micromanaging. Boards that contract with management organizations also need training on how to ensure

that the school's best interests are served in any management agreement they enter.

One group of funders has addressed these challenges by giving potential board members "hands-on" experience at the **Brighter Choice Charter School** in Albany, New York, in preparation for their service on other charter school boards in Albany. Other philanthropic organizations have provided less direct support to a wider audience in the form of written guides for board members. For example, the **Charter Friends National Network**, with the financial backing of the **Annie E. Casey Foundation**, produced a 2000 publication entitled, *Creating an Effective Charter School Governing Board Guidebook*.

All of these developments in the infrastructure of charter schooling have the potential to help schools meet their operational challenges. But for these services to work, charter schools need to seek them out. Whether they do so or not depends in part on the degree to which the schools' environment demands quality from them. Creating that kind of environment is the third strategic priority for building a strong charter movement.

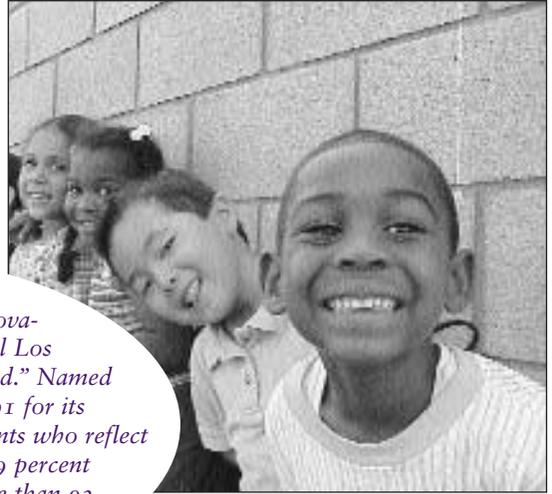
Jump-starting the Charter School Movement



Fifth- and sixth-graders from South Boston Harbor Academy on a hiking and science expedition in Yellowstone National Park. The school serves 340 students in grades 5-12, with nearly 600 students on its waiting list. It has consistently earned some of the city's highest test scores. Every tenth-grader passed the English and math state achievement exams in 2003, though only one-third of their parents were college graduates.



At New Haven's Amistad Academy—where 96 percent of the students are black and Latino, and 87 percent qualify for the federal meals program—students' reading regimen includes two reading classes plus 40 minutes of independent reading every day. On the 2002 Connecticut Mastery Test, one of the country's toughest, 71 percent of Amistad eighth-graders achieved the highest level in reading, whereas only 22 percent of the school's students had done so as sixth-graders.



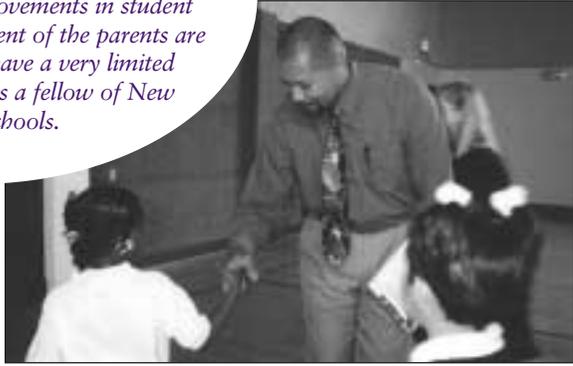
Kindergarteners at The Accelerated School, an innovative K-9 charter school in South Central Los Angeles, "where every child is treated gifted." Named Time's Elementary School of the Year in 2001 for its scholastic progress, the school has 602 students who reflect the local community: 60 percent Latino, 39 percent African American, 1 percent other; more than 92 percent qualify for reduced-price meals.



Bob Howitt of the WKBJ Foundation with students at Newark's North Star Academy. WKBJ invested \$50,000 in a planning grant for this high-poverty, high-performing charter school. "As a small funder," Howitt says, "we focus on building a portfolio of strong charter schools. We fund success, and we fund it where it is." North Star students pass state tests in math and English at double the rates of their peers in nearby schools.

Jump-starting the Charter School Movement

Adrian Kirk is principal of Monarch Academy in Oakland, California, a four-year-old Aspire Public School showing marked improvements in student achievement. Nearly 90 percent of the parents are non-English proficient or have a very limited formal education. Kirk is a fellow of New Leaders for New Schools.



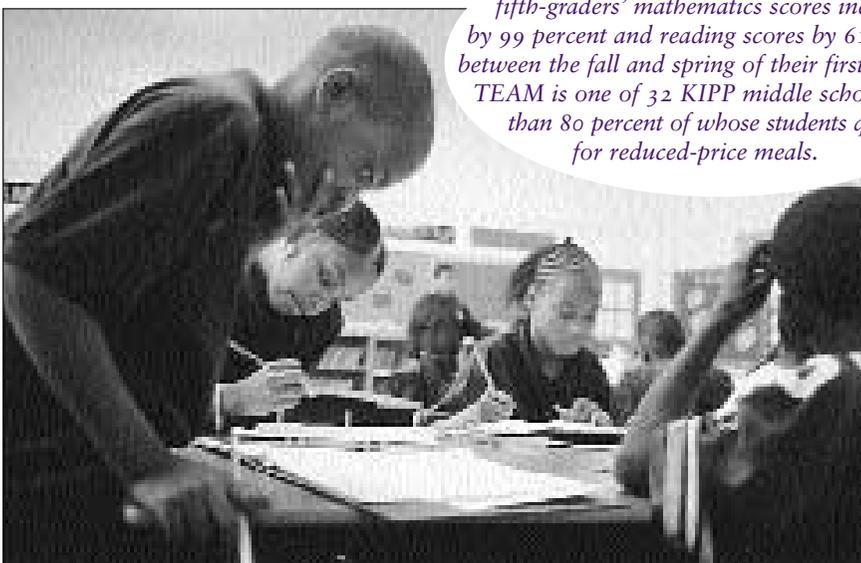
Boston Mayor Thomas Menino (center) and Harold Brown, CEO of the Hamilton Co. (far left) celebrate the opening of the Academy of the Pacific Rim High School in 2001. The school's first-ever graduates earned \$500,000 in scholarships and are matriculating at schools such as Howard, Middlebury, and Boston University. In 2003, upperclassmen earned the highest percentage of advanced or proficient scores of 25 non-selective Boston high schools on the state MCAS exam.

*If you would like more information on these schools,
please contact The Philanthropy Roundtable.*

Jump-starting the Charter School Movement



Launched in 2000, the Gary and Jerrri-Ann Jacobs High Tech High immerses students in a rigorous learning environment that emphasizes math, engineering, and science. The school is supported by former Qualcomm executive Gary Jacobs and his wife Jerrri-Ann; the Bill and Melinda Gates Foundation (now funding an effort to replicate the school nationwide); and over 50 public and private business partners. Left to right: California Attorney General Bill Lockyer; Maria Shriver; Gary Jacobs; Eli Broad, founder of the Broad Foundation; Arnold Schwarzenegger; Principal Larry Rosenstock; Ron Berkle, former owner of Ralph's Supermarkets, and Associate Principal Ben Daley.



At TEAM Academy in Newark, fifth-graders' mathematics scores increased by 99 percent and reading scores by 61 percent between the fall and spring of their first year. TEAM is one of 32 KIPP middle schools, more than 80 percent of whose students qualify for reduced-price meals.

V

Improving Charter School Quality Controls

In theory, charter schools' environment drives them toward quality. Charter school authorizers—the agencies that grant charters and hold schools accountable—screen out poorly prepared applicants, oversee schools, and close down those that do not measure up. Families, through their ability to vote with their feet, also demand excellence from the schools their children attend.

How well have these features of the environment worked in the charter movement's first decade? Many donors we talked with believe the charter environment needs to be focused more intently on quality. Part of this task involves improving the quality of authorizing. In addition, the availability of information about charter schools to families and the public must be improved.

Running the Numbers

Here are some recent examples of philanthropically funded research initiatives on charter schools:

- The **Walton Family Foundation** funded a **Manhattan Institute** study that sought to compare “apples to apples”: charter schools serving a general (rather than “at risk”) population to district schools educating similar students.
 - The **Pisces Foundation** backed the **Progressive Policy Institute's** research on how well California's charter schools are doing.
 - The **Rodel Charitable Foundation of Delaware** has funded **New American Schools** to conduct a multi-year assessment of charter student test data using sophisticated “value-added” techniques.
-

Improved authorizing

Every state's charter law anoints one or more bodies to serve as charter school "authorizers." Depending on state law, authorizers may be local boards of education, state boards of education, university boards of trustees, mayors, city councils, nonprofit organizations, or special purpose entities created specifically to play this role. If authorizers do their jobs well, they contribute to quality in the charter movement on the front end (allowing only qualified applicants to open schools) and the back end (taking action when schools perform badly). If they do their jobs poorly, quality can suffer.

Many donors believe the charter environment needs to be focused more intently on quality, especially improving the quality of charter school authorizers.

The **Thomas B. Fordham Institute** recently conducted a nationwide study of authorizers (*Charter School Authorizing: Are States Making the Grade?*). While the report found that "most major authorizers are doing an adequate job," no state received a grade higher than B+. And the study pointed to numerous shortcomings in how well states support authorizers and how authorizers practice their crafts.

The Fordham study is one example of how donors have attempted to improve authorizing: by shedding light on authorizing policies and practices. Funders have pursued other strategies as well at different levels:

- **National.** Several donors have supported the **National Association of Charter School Authorizers (NACSA)**, an organization whose members oversee about 40 percent of charter schools nationally as of fall 2003. NACSA holds a national conference for authorizers, conducts trainings for them on specific issues, provides in-depth assistance to particular authorizers, disseminates information about authorizing, and speaks for its members in policy circles.
- **State.** The **Walton Family** and **Bill and Melinda Gates Foundations** have jointly backed the creation of the **Ohio Charter School Sponsor Institute**, with additional funding and backing from the state of Ohio and the **Thomas**

B. Fordham Foundation. Ohio expects a growing number of new “sponsors” (authorizers) because of a revised state law that allows certain nonprofits to authorize schools, and the institute will recruit promising authorizers and help them learn their craft through a rigorous training program. (The institute is a project of the **Thomas B. Fordham Institute** and the Ohio Foundation for School Choice, which is administered by the **Ohio Charter Schools Association** with support from the National Association of Charter School Authorizers or “NASCA.”) In California, the **Pisces Foundation** has provided funds to NACSA to help that state’s authorizers—primarily city and county boards of education—improve the processes they use to vet applications.

- **Local.** In Indianapolis, the **Annie E. Casey Foundation** has provided multi-year support to help the **Office of Mayor Bart Peterson** develop a top-notch authorizing system. The grants are enabling the Mayor’s office to invest up-front in the design of a rigorous application process, a thorough results-based accountability system, and a web-based source of information to families about all public schools in Indianapolis.

Information about schools

Even as donors have supported the improvement of authorizing, many have asked: Who holds the authorizers accountable? What if authorizers are approving shoddy applications, or falling short in their accountability duties? Realizing that some authorizers may not provide the needed focus on quality, some funders have also supported “third party” information providers who provide data on school performance but are not tied to an authorizer or any schools. Some of these providers, such as **GreatSchools.net** and **Just for the Kids** (both with numerous funders), include information on many schools, not just charters. Others, like **Foundations, Inc.’s Profiles of Philadelphia Charter Schools** (initially funded by the **Annie E. Casey Foundation**), focus on charter schools only. Donors can contribute to national efforts, or fund local or state initiatives to provide information.

In our discussions with funders, some suggested that more should be done to gather and disseminate information about

charter schools—perhaps a new national clearinghouse that would accumulate data about charter schools and make it available over the Internet to families, policymakers, researchers, and the public. One example of such an effort is the **Broad Foundation’s** recent partnership with the U.S. Department of Education, **Standard & Poor’s**, and **Just for the Kids** to analyze and make publicly available student achievement data and progress across all 50 states for a period of two years. This private-public partnership, which combines \$4.7 million in federal money and \$50.9 million in private funding, is intended to, in the foundation’s words, “mitigate any additional unnecessary budget demands for states facing severe fiscal crisis,” with the aim to “fast track the building of a common national platform for parents to view and understand achievement data” for all public schools, including charters.

Because some authorizers are inadequate, funders have helped “third party” information providers gather data on school performance.

An additional urgent task identified by funders is the development of a research base on charter schools and the charter movement. For the first decade, it was commonplace to hear “chartering is simply too new to draw any conclusions about its success.” With more experience, it is now possible to begin examining data in more depth. See the box entitled “Running the Numbers” for examples of recent donor-funded research initiatives on charter schools.

VI

Forging Charter-friendly Public Policies

The charter school opposition is well-organized, well-established, and vocal. All of the types of funding discussed in the previous chapters can only succeed if states adopt public policies that support chartering. If state laws do not allow chartering at all, or tightly restrict the number of charter schools or authorizers, or impose undue regulation or inadequate funding on the schools, then funders will fail to build “scale with quality.” And without a critical mass of high-performing charter schools, the charter school movement’s influence on public education will be minimal.

Recognizing the critical importance of charter school laws, many donors have sought ways to educate policymakers and the public about the kinds of policies necessary for the charter movement to thrive. Although there are legal restrictions on a foundation’s support of advocacy work, there are still many ways in which funders can help make the case for charter schools to both policymakers and the general public. (For detailed information about philanthropic involvement in advocacy, consult an experienced attorney.)

Opposition to charter schools comes from savvy, well-funded organizations with years of experience and strong connections to local officials.

A central goal of philanthropy in this area has been to build organizations with the capacity to conduct effective advocacy. Opposition to charter schools tends to emanate from savvy, well-funded organizations with years of experience, grassroots support, and strong connections to elected officials. These organizations not only seek measures that restrict the freedom and innovativeness of charter schools—such as mandatory union participation for teachers and requirements of a certain number of minutes of seat time for students in each subject—but they also attack the very existence of charter schools by claiming charters are unconstitutional or fighting to “freeze” the number of charters well below the already-established cap. Unless a compelling message

opposes these restrictions, anti-charter forces will be the only voice reaching the ears of legislators.

There are two broad ways philanthropists can rise to this challenge. First, funders can support 501(c)(3) nonprofits that do advocacy work. Several examples are included below. Second, individual donors (as opposed to foundations) are free to support charter school advocacy through contributions to candidates, political action committees, direct lobbying, and so forth. Examples of this sort of contribution are harder to come by. A good bet for an individual interested in making such donations would be to contact other funders and the state charter school organization to learn about opportunities for this kind of giving.

Families, especially in poor communities, are often the most vigorous advocates of chartering and expanded school choice.

Crafting and disseminating the message

Effective education of policymakers and the public starts with a clear message about what is needed and why chartering is vital. For several years, the **Annie E. Casey Foundation** has provided funding for the Minnesota-based **Center for Policy Studies** to do this kind of work, which it now carries out through its **Education/Evolving** initiative. The initiative's most recent work focuses on sharpening the rationale for chartering and articulating the components of an effective chartering system. Casey funds allow the project to disseminate publications on these topics and take the message on the road to key gatherings of education and policy officials.

Of course, the charter school message also must reach private individuals, who will decide whether to send their children to a charter school or to vote for legislators who favor the charter school option. Consequently, "getting the word" out on TV, on the Internet, in print, and on the radio is important to sustaining the charter school movement. Potent use of the media is a key tactic in all of the advocacy strategies listed below.

Building grassroots support

Families—especially families in poor communities—are often the most vigorous advocates of expanded school choice and charter-

ing. Funders have seen the need to organize this grassroots support effectively, and they have provided funds to organizations seeking to do so. For example:

- The **Black Alliance for Educational Options** is a national organization with local affiliates in many cities and states. BAEO and its local offices exist to empower black families by providing them with information about their schooling options and to advocate for expansion of choices. Using cutting-edge media as well as old-fashioned organizing, BAEO is attempting to tap into and build community-based support for school choice policies.
- The recently launched **Hispanic Council for Reform and Educational Options** (Hispanic CREO) is seeking to fill the same role for the Hispanic community. As part of its efforts to educate its constituents about schooling options, the CREO web site maintains a list of relevant studies on school choice and its effects on participants.

Building state-level organizations that can advocate for strong charter policies

Since most charter policies are set by state legislatures, every state with a charter law (and many of those without one) has at least one state-wide organization dedicated to educating policymakers and the public about the need for stronger charter policies. Some of these organizations are membership-based, known as charter school “associations” or “leagues.” Others are independent nonprofits governed by business and community leaders, parents, and others. Over the years, these organizations have successfully led efforts to

- lift or eliminate caps on the number of charter schools allowed in a state;
 - expand the range of bodies that can authorize schools in a state;
 - increase funding for charter schools, or open up access to facilities financing;
 - eliminate restrictions on charter school autonomy;
 - repel efforts by charter opponents to roll back chartering in state law.
-

(See Appendix B: Where To Go for More Information for a link to a listing of such state organizations.)

As noted, private philanthropic organizations have limitations on their involvement in advocacy work. In particular, they themselves cannot lobby or earmark grant money for lobbying without being liable for a taxable expenditure, though they can fund some organizations and projects that include lobbying as part of their work. Philanthropic organizations can also sponsor educational sessions for policymakers on the potential role and benefits of charter schools. For example, the **Gates Family Foundation** of Colorado (not affiliated with the Bill and Melinda Gates Foundation) invested \$10,000 in a one-day conference which brought in key players involved in the establishment of the Minnesota and California charter laws. According to one person from the foundation, that conference “lit a fire under several Colorado policymakers and educators.” Within six months, the new charter school bill became law. The foundation went on to provide vital seed funding for the **Colorado League of Charter Schools**, which became a very influential advocate of chartering in the state. Over the years, the league has helped win legislative victories that have expanded facilities financing for charter schools and accomplished other vital goals.

Additionally, philanthropies may also fund legal defense funds against anti-charter efforts. For example, the **Thomas B. Fordham Foundation** has helped amass about a million dollars from both funders and relevant charter schools to pay for attorney fees and a related media campaign to combat a lawsuit in Ohio that seeks to deem charter schools unconstitutional. (As we go to press, the claims of unconstitutionality have been found groundless, but the plaintiffs bringing the lawsuit are appealing the decision.)

When political work is needed that falls outside the boundaries of allowed foundation contributions, individual donors often step in. Many philanthropists, for example, have personally supported **EdVoice**, a California-based advocacy organization that lobbies for legislation and backs voter initiatives on a range of issues, including charter schools. Many of the same donors have contributed to specific candidates for office, either directly or via political action committees. In most states with strong charter laws, this kind of direct political funding has been invaluable in creating the kind of environment in which chartering can flourish.

Supporting nationwide information and advocacy work

Though state-level work is central in advocacy efforts, there are critical roles for national organizations. Many issues are common from state to state, and national organizations are in a position to gather and disseminate information about them to state-based advocates. And though the federal role in charter policy is small, there are significant legislative and administrative issues in Washington that affect charter schools. How do charters fit into the federal No Child Left Behind Act? To federal special education law? Are charter schools eligible for the many funding streams issuing from Washington? How should the Department of Education deploy funds under its Public Charter School Program, which now receives some \$200 million annually? In response to all of these questions and more, there is a need for a national presence on behalf of chartering.

Funders have helped numerous national organizations do this kind of work. For example, the Washington-based **Center for Education Reform** (supported by many donors) advocates on multiple levels (national, state, local) for school choice and helps support grassroots activism through the provision of weekly e-news updates, communications training, connections to resources, and other services. Among other publications, CER also compiles and distributes an annual directory of charter schools across the nation and rates state charter laws. The **Progressive Policy Institute**, also D.C.-based, received funding from the **Annie E. Casey Foundation** to hold a national meeting in summer 2003 on the future of the charter movement across the country. During the conference, participants listened to panel discussions of charter school practitioners and advocates, and participated in breakout sessions to discuss and develop plans around issues such as building infrastructure, quality, and scale; responding to external opposition and creating the charter school message; and developing leadership for the movement.

As they have at the state level, individual donors have also gone beyond these foundation-backed national activities to make personal contributions to political organizations. **All Children Matter**, for example, is a “national political organization working to elect public officials who support school choice and education reform.” Though the organization is better known for its support of private school choice, the candidates it backs tend to support chartering as well.

To date, no single organization has emerged as the “voice” of the charter school movement. There is vigorous debate, among funders and practitioners, about whether such a voice is needed and about what form it should take. Perhaps it is not surprising that the charter movement, founded by a far-flung, improvisational collection of independent-minded people, has not been quick to coalesce as a national force. But whether or not a single voice is desirable or possible, the growing number of national issues, and the strength of the movement’s national opponents, all suggest that more effective national advocacy is a must.

Philanthropic organizations may sponsor educational sessions for policymakers on the benefits of charter schools and fund legal defense funds against anti-charter efforts.

VII

Making Grants and Investments Count *Advice from Leading Funders*

As we talked with funders about how they were supporting the charter movement, we focused mostly on what kinds of activities they support. From their answers we developed the four strategic priorities of the previous sections.

We also asked donors what advice they would give to peers embarking on an effort to support chartering. Some of this advice is charter-specific; other tips are more generic, perhaps old-hat to some readers. Here are some highlights from the advice they provided.

Putting It All Together in One Place

Several foundations have pursued all four strategic priorities at once in a single state or city. For example:

The Thomas B. Fordham Foundation—Dayton, Ohio

- **Supply:** direct grants to prospective and existing charter schools in Dayton that meet the foundation’s high standards; support for the Dayton Chamber of Commerce’s Educational Resource Center, which has served as an “incubator” for new schools there.
 - **Operational challenges:** seed funds for the creation of a nonprofit provider of “back office” services for charter schools in Dayton; statewide, support for technical assistance activities of organizations such as the Ohio Charter Schools Association—financially and through involvement in governance.
 - **Quality controls:** catalytic role in the formation of the **Ohio Charter School Sponsor Institute**, which will train would-be authorizers in the Buckeye State; financial backing for studies examining the “value-added” by Dayton charter schools to student performance; and the organization of surveys of Dayton citizens’ views on numerous education issues.
-

Know yourself, know your grantees, know the environment

- Develop a “theory of change” that lays out the outcomes for which you are striving as well as how the activities you support will help bring about those outcomes. Look for alignment between your theory of change and that of the groups you may fund.
- Know a lot about the potential grantee before the group submits a proposal; the proposal should come toward the end of the process. Given the time-consuming nature of both proposal writing and proposal review, it saves everyone time if the two “sides” know each other enough to be sure there is sufficient common ground to make writing and reading a proposal worthwhile.
- **Public policy:** as noted above, support for statewide charter advocacy organizations in Ohio in their work on major revisions to the Ohio charter law in 2002; organization of a fund to combat a lawsuit threatening to derail the Ohio charter school movement.

The Hyde Family Foundations—Memphis, Tennessee

- **Supply:** direct grants and hands-on assistance to prospective charter schools in Memphis that show promise.
- **Operational challenges:** initiative to convene the city’s banking and finance leaders to create facilities solutions for charter schools; statewide, support for technical assistance activities of the **Charter School Resource Center of Tennessee**.
- **Quality-focused environment:** funding large-scale university research project that will examine the effectiveness of charter schools in Memphis; support for Memphis’s sole authorizer, the school district, to receive training and support from NACSA on the development of its authorizing systems.
- **Public policy:** support for statewide charter advocacy organizations in Tennessee in their work on the initial passage of the charter law and subsequent state issues.

- If you are funding schools directly, recognize that not all charter schools are the same. They differ vastly in their educational approaches, target populations, and management approaches. Have a clear sense of what you want to fund.
- Do your homework. Visit the sites receiving funding. Pay attention to the group’s capacity in terms of its board and management, its business expertise, and its educational expertise.
- Consider carefully the people involved in the project. A good proposal written by a paid consultant may hide the limited capacity of the actual project staff. And vice versa, a mediocre proposal may not reflect the true strength of the organization.
- Talk with current funders about strategies they use in funding charter school-related organizations. Appendix B: Where To Go for More Information (p. 56) has contact information for the funders featured in this publication.
- Realize before you enter that the charter school movement is controversial; your organization might be put at odds with other groups.
- Find ways to leverage your money, such as working with other funders to develop larger pools of resources and making “program-related investments” (PRIs) as an alternative to grants in some cases.
- Be willing to say “no” to groups that don’t meet high standards. There are enough worthwhile charter-related groups to fund without having to lower expectations of quality.

Interact regularly with the grantee

- Communicate with grantees about what is expected of them.
 - If you fund schools directly, be willing to “stick with it” during the early stages when results will be limited.
-

- Be realistic about what impact your contribution and the project / program itself will have.

Focus on results

- Make sure the benchmarks of the project to be funded are clear. Measure the indicators prior to intervention in order to establish a baseline.

- Give money only to grantees who are serious about accountability.

Recognize that not all charter schools are the same. Be willing to say “no” to groups that don’t meet high standards.

- Know what you want to achieve. For example, the Annie E. Casey Foundation measures the results of all investments in terms of their “influence, impact, and leverage.”

VIII

The Next Phase of Philanthropic Support

Veteran funders stress the importance of the present moment: The charter movement, just over a decade old, is at a critical juncture in its development. Just as philanthropy played a vital role in the movement's genesis and early success, funders today are poised to guide and support the next phase.

Almost universally, the funders we spoke with in compiling this report emphasize the importance of drawing additional funders into the charter movement. No one can quantify precisely what it would cost to build the movement from its current size to its potential scale, but the price tag would surely reach into the hundreds of millions.

Current donors see this need at all levels of the movement—from national organizations needing support for scaled-up efforts to individual schools just starting out. Though the numbers are daunting, the donors we interviewed believe it can be done. They emphasize that even funders with limited resources could make a difference by focusing their funds on strategic priorities like the ones described above, or by pooling their resources with other funders to have a larger impact.

Leveraging smaller investments

Most foundations do not have tens or hundreds of millions of dollars to invest in any single issue. Having a more modest sum to direct, however, does not mean that a philanthropist cannot have an important impact on the quality of the charter school movement. Generally, there are two main strategies for using sub-million-dollar sums and still wielding influence. One is to combine grant money with that of other funders to create a larger pool of resources. A funder can do this independently, simply by talking with other potential donors and developing a fund, the uses of which are left to the investors' joint discretion. Or a funder can contribute money to already-established funds, such as those managed by community foundations or those initiated by other

funders for the express purpose of drawing multiple funders in supporting charter schools (see the box on p. 18 for an example).

The second main strategy for using smaller funds wisely is to target local charter-related initiatives—those whose existence is significantly affected by your \$50,000 investment. All of the multi-million-dollar examples given throughout this monograph have their smaller-dollar counterpart at the local level. The following list offers just a few examples:

Building a Robust Supply of High-quality New Schools

- Provide funds to a “brand-name” organization so they can open one or more charter schools in your community
- Provide start-up funds to one or more local charter founding groups with real potential for success
- Pay for a prospective leader of a local charter school to be trained in a national leadership development program

Addressing Critical Operational Challenges

- Join forces with other funders to create a loan guarantee pool for area charter schools seeking facilities
- Develop a board leadership training program for the charter schools in your area

Improving Charter School Quality Controls

- Help a group of local charter schools purchase (and be trained to use) a software program that collects and analyzes data on their results
- Support a local study comparing the value-added of charter schools and similar district schools in the community

Forging Charter-friendly Public Policies

- Fund a community organization hoping to provide accurate information about charter schools to its constituents
 - Develop a report to be disseminated to local leaders outlining the benefits of charter schools
-

The following foundations provide three concrete examples of the ways modest grants can make a difference for charter schools.

The **Achelis Foundation** made a \$50,000 grant to **Civic Builders** to help solve the real estate challenge confronting charter schools in New York City. Civic Builders is a nonprofit that helps community leaders identify, secure, and finance facilities for new charter schools. The organization helps the schools to lower construction costs, gain credit enhancement, obtain commercial debt at optimal rates, and avoid defaulting to landlords. By providing expertise in real estate development that charter school visionaries often lack, Civic Builders saves school founders much time, energy, and money. The Achelis Foundation has been involved in the charter school movement for a number of years, supporting new charter schools, professional associations, resource centers, policy research, parent groups, and an independent, outside evaluation of New York state charter schools.

The **Kimsey Foundation** gave \$50,000 to **New Leaders for New Schools** to support their efforts to recruit, select, and train “extremely talented people” to become school principals in Washington, D.C. New Leaders provides rigorous training for its recruits; places them in a year-long, full-time residency with an exemplary principal; helps them find leadership positions in urban schools; and offers continuing professional development and support. Ten “fellows” were selected from a pool of 291 applicants for the D.C. program, and four of them are slated to head charter schools. The cost to sponsor a “new leader” is \$40,000; however, charter school placements typically require additional private funding. New Leaders has programs in Chicago, New York, and the Bay Area, but the D.C. program is the first to successfully negotiate more autonomy for its principals in exchange for high performance. The Kimsey Foundation, established in 1996 by James V. Kimsey, founding chairman of America Online, focuses on educational and cultural initiatives in Washington, D.C.

The **Challenge Foundation** uses a highly effective strategy to help launch new charter schools. It makes seed grants to school founders, generally in the range of \$75,000 to \$100,000, to help with heavy start-up costs not covered by public funds. Afterwards, the foundation may make a second- or even a third-year grant on a dollar-for-dollar matching basis. The key to the foundation’s strategy is (1) highly selective screening of applicants

and (2) funding only in states that are charter-friendly. “We look for leadership schools in leadership states,” explains executive director B.J. Steinbrook. For example, in 2001 they gave seed money to launch Gaston College Preparatory in North Carolina. The majority of the school’s original students scored below grade level, and 85 percent received reduced-priced lunches. Two years later, nearly every student scores at grade level or better, and the school is the state’s sixth highest performer.

Appendix A

Asking Good Questions

Based primarily on the advice suggested by funders we interviewed, the following questions will help guide funders in preparing for and working with charter-related grantees.

Prior to involvement with potential grantees

- What is our theory of change? What outcomes do we seek and how do we believe the inputs we contribute will lead to these outcomes?
 - Have we researched the charter school movement? What are the environmental factors (e.g., politics, economics, public support, etc.) that will affect our support of charter schools?
 - Have we talked with other philanthropic organizations involved in the charter school movement to gain their insight and advice?
 - What type of projects / organizations do we hope to fund? Who is our target audience? Do we have a particular educational and / or management philosophy we want grantees to share?
 - Have we developed a rubric for assessing potential grantees that includes at least the following broad categories: alignment with our theory of change; need for project; capacity of grantee to bring about outcomes; quality of services provided by project; grantee commitment to performing evaluation; and grantee financial soundness?
 - Are we willing to retain our high expectations for grantees even if we do not initially find potential grantees that meet these expectations?
 - Have we explored many options for leveraging our available grant funds?
-

During the grant application stage

- What is the potential grantee's theory of change? How well does this match with our own theory of change?
- Do we know as much as we want to about the potential grantee's goals, board, staff, program / project to be funded, capacity to achieve its goals, relation to the community, available resources, and commitment to accountability? Have we learned most of what we want to know before the grantee puts together a proposal?
- What value can we bring to the particular project / organization to be funded?
- Have we visited the site of the project / organization? How well do our impressions from the site visit match our impressions from the written proposal?
- What indicators do we think will measure our desired outcomes? What benchmarks do we believe are challenging but possible?
- Have we communicated to potential grantees what will be expected of them should they win the grant?

During the grant period

- Have we established "baseline" results prior to the initiation of support so we are able to gauge project progress?
 - Do we maintain communication with the grantee?
 - Will we work with the grantee organization to support it if it initially struggles?
 - Have we balanced the need for accountability from the grantee with the desire to avoid unnecessarily time-consuming reporting requirements for the grantee?
-

Appendix B

Where To Go for More Information

The **Philanthropy Roundtable** aims to further the charter school movement and facilitate funders' support for charter schools through conferences and publications. To learn more about our work, please visit www.PhilanthropyRoundtable.org or call 202.822.8333.

For more information on charter schools generally, see the federal charter school web site at www.uscharterschools.org

For contact information on organizations providing technical assistance to charter schools and charter school advocacy in particular states, see www.charterfriends.org/contacts.html. This website also includes links to Charter Friends National Network's publications.

The following lists provide contact information for the projects and funders referenced in the text.

Projects referenced in this report

All Children Matter

201 Monroe Road NW
Suite 300
Grand Rapids, MI 49503
616.776.5440
www.allchildrenmatter.org

Aspire Public Schools

3 Twin Dolphin Drive
Suite 200
Redwood City, CA 94065
650.637.2060
www.aspirepublicschools.org

Big Picture Company

275 Westminster Street
Suite 500
Providence, RI 02903
401.456.0600
www.bigpicture.org

Black Alliance for Educational Options

1710 Rhode Island Avenue NW

Suite 1200

Washington, DC 20036

202.544.9870

www.baeo.org

Brighter Choice Charter Schools

250 Central Avenue

Albany, NY 12206

518.694.4100

www.brighterchoice.org

Building Excellent Schools

262 Washington Street

7th Floor

Boston, MA 02108

617.227.4545

www.buildingexcellentschools.org

The Center for Education Reform

1001 Connecticut Avenue NW

Suite 204

Washington, DC 20036

202.822.9000

www.edreform.com

Center for Community Self-Help

PO Box 3619

Durham, NC 27702

919.956.4400

www.selfhelp.org

Charter School Consortium

The Business Roundtable for Education

402 West Broadway

Suite 1000

San Diego, CA 92101

619.544.1392

www.thechamberfoundation.org/CharterSchools/Index.htm

Charter School Resource Center of Tennessee

511 Union Street
Suite 740
Nashville, TN 37219
615.248.6401
www.tncharters.org

City on a Hill Public Charter School

320 Huntington Ave.
Boston, MA 02115
617.262.9838
www.cityonahill.org

Civic Builders

475 Riverside Drive
Suite 1852
New York, NY 10115
212.870.3146
www.civicbuilders.org

Colorado League of Charter Schools

1601 Vine Street
Denver, CO 80206
303.989.5356
www.coloradoleague.org

Core Knowledge Schools

801 East High Street
Charlottesville, VA 22902
434.977.7550 or 800.238.3233
www.coreknowledge.org

District of Columbia Charter School**Special Education Cooperative**

1301 V Street, NW
Washington, DC 20009
202.903.6883
www.dcchartercoop.org

Edison Schools

521 Fifth Avenue
Eleventh Floor
New York, NY 10175
212.419.1600
www.edisonschools.com

Education / Evolving

(Joint venture of Minnesota's Center for Policy Studies and
Hamline University)
www.educationevolving.org

EdVisions

PO Box 518
Henderson, MN 56044
507.248.3738
www.edvisions.com

EdVoice

3 Twin Dolphin Drive
Suite 200
Redwood City, CA 94065
650.595.5023
www.edvoice.org

Foundations, Inc.

Moorestown West Corporate Center
2 Executive Drive
Suite 1
Moorestown, NJ 08057-4245
856.533.1600
www.foundationsinc.org

GreatSchools.Net

965 Mission Street
Suite 500
San Francisco, CA 94103
www.greatschools.net

Hispanic Council for Reform and Educational Options

2600 Virginia Avenue NW

Suite 408

Washington, DC 20037

202.625.6766

www.hispaniccreo.org**Just for the Kids**

4030-2 West Braker Lane

Austin, TX 78759

800.762.4645

www.just4kids.org**KIPP School Leadership Program**

354 Spear Street

Suite 510

San Francisco, CA 94105

866.345.KIPP

www.kipp.org**Local Initiatives Support Corporation (LISC)**

733 3rd Avenue

8th Floor

New York, NY 10017

212.455.9800

www.liscnet.org**Manhattan Institute**

52 Vanderbilt Avenue

2nd Floor

New York, NY 10017

212.599.7000

www.manhattan-institute.org“Apples to Apples: An Evaluation of Charter Schools Serving
General Student Populations”www.manhattan-institute.org/html/ewp_01.htm

Minnesota Association of Charter Schools

1295 Bandana Boulevard North

Suite 165

Saint Paul, MN 55108

651.644.0432

www.mncharterschools.org**National Charter School Alliance**

1295 Bandana Boulevard

Suite 165

St. Paul, MN 55108

651.644.6115

www.charterfriends.org**National Association of Charter School Authorizers**

1125 Duke Street

Alexandria, VA 22314

703.683.9701

www.charterauthorizers.org**National Council of La Raza**

1111 19th Street NW

Suite 1000

Washington, DC 20036

202.785.1670

www.nclr.org**New American Schools**

675 North Washington Street

Suite 220

Alexandria, VA 22314

703.647.1600

www.newamericanschools.org**New Leaders for New Schools**

18 West 27th Street

Suite 7C

New York, NY 10001

646.424.0900

www.nlms.org

New Visions for Public Schools

96 Morton Street
New York, NY 10014
212.645.5110
www.newvisions.org

New York Charter School Resource Center

1 Penn Plaza 36th Floor
250 34th Street
New York, NY 10119
888.343.6907
www.nycsrc.org

Office of Mayor Bart Peterson

2501 City County Building
200 East Washington Street
Indianapolis, IN 46201
317.327.3618
www.indygov.org/mayor/charter

Ohio Charter School Sponsor Institute

50 West Broad Street
Suite 3050
Columbus, OH 43215
614.221.3940

PACE School Resource Center

211 South Main Street
Suite 670
Dayton, OH 45402
937.227.3368

Progressive Policy Institute

600 Pennsylvania Avenue SE
Suite 400
Washington, DC 20003
202.547.0001
www.ppionline.org
“Catching the Wave: Lessons from California’s Charter Schools”
www.ppionline.org/documents/CA_Charters_0703.pdf

Replications, Inc.

Education Leadership Institute
Center for Educational Outreach and Innovation
Teachers College, Columbia University
525 West 120th Street
Box 138
New York, NY 10027
212.678.3248

Standard & Poor's School Evaluation Services

55 Water Street
33rd Floor
New York, NY 10041
877.776.6512
www.ses.standardandpoors.com

Teach For America

315 West 36th Street
New York, NY 10018
800-832-1230 or 212-279-2080
www.teachforamerica.org

Thomas B. Fordham Institute

1627 K Street, NW
Suite 600
Washington, DC 20006
202.223.5452
www.edexcellence.net/institute/global

YMCA of the USA

101 North Wacker Drive
Chicago, IL 60606
312.977.0031
www.ymca.net

YouthBuild USA

58 Day Street
PO Box 440322
Somerville, MA 02144
617.623.9900
www.youthbuild.org

Funders referenced in this report**Achelis Foundation**

767 Third Avenue
Fourth Floor
New York, NY 10017
212.644.0322
www.fdncenter.org/grantmaker/achelis-bodman

Annie E. Casey Foundation

701 St. Paul Street
Baltimore, MD 21202
410.547.6600
www.aecf.org

Bill and Melinda Gates Foundation

PO Box 23350
Seattle, WA 98102
206.709.3140
www.gatesfoundation.org

Broad Foundation

10900 Wilshire Boulevard
Suite 1200
Los Angeles, CA 90024
310.954.5050
www.broadfoundation.org

Challenge Foundation

PMB 302
1900 Preston Road No. 267
Plano, TX 75093
972.567.3573
www.challengefoundation.org

Charles Hayden Foundation

140 Broadway

51st Floor

New York, NY 10005

212.785.3677

www.fdncenter.org/grantmaker/hayden/compon_home.html**The Clark Foundation**

One Rockefeller Plaza, 31st Floor

New York, New York 10020

212.977.6900

Foundation for Education Reform and Accountability

PO Box 1108

Clifton Park, NY 12065

518.383.2598

www.nyfera.org**Gates Family Foundation**

3575 Cherry Creek North Drive

Suite 100

Denver, CO 80209

303.722.1881

www.gatesfamilyfoundation.org**Gilder Foundation**

1775 Broadway

26th Floor

New York, NY 10019

212.765.2500

Girard Foundation

2223 Avenida de la Playa

Suite 203

La Jolla, CA 92037

858.551.0881

www.girardfoundation.org**Hickory Foundation**

P.O. Box 281

Lambertville, NJ 08530

Hyde Family Foundations

17 West Pontotoc
Memphis, TN 38103
901.685.3400

Jaquelin Hume Foundation

600 Montgomery Street
Suite 2800
San Francisco, CA 94111
415.705.5115

Kimsey Foundation

1700 Pennsylvania Avenue, NW
Suite 850
Washington, DC 20006
202.785.0400
www.kimseyfoundation.org

Kovner Foundation

731 Alexander Road
Princeton Plaza
Princeton, NJ 08540

Lynde and Harry Bradley Foundation

PO Box 510860
Milwaukee, WI 53203
www.bradleyfdn.org/welcome.html

NewSchools Venture Fund

49 Stevenson Street
Suite 1275
San Francisco, CA 94105
415.615.6860
www.newschools.org

Pisces Foundation

345 Spear Street
Suite 510
San Francisco, CA 94105-1657
415.433.7475

Rodel Charitable Foundation of Delaware

100 West 10th Street
Suite 704
Wilmington, DE 19801
302.504.5249

Thomas B. Fordham Foundation

1627 K Street NW
Suite 600
Washington, DC 20006
202.223.5452
www.fordhamfoundation.org

Walton Family Foundation

1650 Thirty-eighth Street
Suite 101W
Boulder, CO 80301
303.442.3434 ext. 2
www.wffhome.com

Report prepared by**Public Impact**

504 Dogwood Drive
Chapel Hill, NC 27516
919.967.5102
www.publicimpact.com

Notes

Notes

The Philanthropy Roundtable

The Philanthropy Roundtable is a national association of individual donors, foundation trustees and staff, and corporate giving officers. Its mission is to foster excellence in philanthropy and to assist donors in advancing freedom, opportunity, and personal responsibility.

The Roundtable is guided by the principle that voluntary private action offers the best means of addressing many of society's challenges, and that a vibrant private sector is critical to generating the independent wealth that makes philanthropy possible. The Roundtable is strongly committed to donor intent and to helping philanthropists ensure that their intentions will be adhered to in the long-term administration of their trusts.

The Roundtable attracts independent-minded grantmakers who understand that philanthropy is difficult to do well, and who realize they can benefit from being part of an organization that is dedicated to helping them achieve their charitable objectives. To these ends, the Roundtable offers its Associates three principal services:

- ★ ***Meetingplace:*** The Roundtable offers a solicitation-free environment where donors share ideas, strategies, and best practices.
- ★ ***Resource Center:*** The Roundtable publishes state-of-the-art information on excellence in philanthropy and connects donors with the best minds in their field.
- ★ ***Leverage:*** The Roundtable helps donors leverage their resources by enlisting new philanthropists committed to freedom, opportunity, and personal responsibility.

Programs & Services

The Roundtable's programs and services for grantmakers include

- ★ An annual national meeting, held each fall, that focuses on a theme of central importance to philanthropy. Donors gather from around the country for this three-day conference.
- ★ Regional meetings, held in different cities throughout the year, that bring grantmakers together to discuss issues of common concern and to develop effective strategies to address them.
- ★ *Philanthropy*, a bimonthly magazine that explores the issues of greatest concern to grantmakers and welcomes articles by donors and others about new ideas and developments in philanthropy.
- ★ Monographs addressing both practical and philosophical matters pertaining to charitable giving.
- ★ A website (www.PhilanthropyRoundtable.org) with current information of interest to donors.
- ★ Consulting and referral services on starting, restructuring, and administering giving programs, designed especially for individual donors and small foundations that have limited staff and resources.
- ★ Affinity groups for donors with a specialized interest in K-12 education, environmental giving, defense and national security, and other subjects.

The Roundtable's programs and services are available to donors only. The solicitation-free environment we seek to maintain precludes paid fundraisers from participating.

Jump-starting the Charter School Movement

The Roundtable welcomes individual donors, corporations, foundations, and trust and estate officers as Associates. All Roundtable Associates are eligible to receive:

- ★ A subscription to *Philanthropy*
- ★ Invitations to annual and regional meetings and affinity groups
- ★ Complimentary copy of each monograph
- ★ Program and management consultation

Suggested Annual Contribution Levels

	Individual Donors	Foundation and Corporate Donors
BASIC	\$250	\$500
SUSTAINING	\$500	\$1,000
LEADERSHIP	\$1,000	\$2,500
SPONSOR	\$2,500 and up	\$5,000 and up

The Roundtable also accepts grants for projects and operating support

Enclosed is my tax-deductible contribution of \$_____ to become a Roundtable Associate

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ZIP _____

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FAX _____

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Jump-starting the Charter School Movement

A Guide for Donors

Many donors put improving public education at the top of their agenda, yet too often private contributions to school reform have made little difference in students' lives. Charter schools—independently operated, typically started by impassioned education entrepreneurs—strike many funders as an ideal way to invest in public education, and the charter school movement has had many successes in its decade of life. But today, the movement is at a crossroads, and private donors are even more vital than in the early years of the movement.

The charter school movement especially needs an influx of smaller funders. Smart investments, even if modest, can be leveraged to produce big results. The Philanthropy Roundtable commissioned this guide in order to provide donors of all shapes and sizes with strategic ways to support a strong charter school movement in their communities and across the nation. This book draws on the experience of many of the movement's most active funders. It does not offer a simple recipe for all donors to follow but instead provides a menu of possibilities that readers can choose from and adapt, with concrete examples of each approach to school reform.

The Philanthropy Roundtable is committed to helping donors achieve dramatic breakthroughs in the improvement of K-12 education by whatever works to raise the academic achievement of all American children. This publication is the first in a series of monographs on school reform that will focus on such issues as philanthropy and school choice and how donors can improve teacher and principal quality.

Cover: Students from the KIPP New York charter school in the South Bronx.

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