



Background Paper The Learning Generation

Priorities and Strategies of US-based Funders Supporting Global Education

Summary Report Based on One-on-One
Interviews With Leading U.S. Funders

This paper was prepared for the International Commission on Financing Global Education Opportunity as a background paper for the report, *The Learning Generation: Investing in education for a changing world*. The views and opinions in this background paper are those of the author(s) and are not endorsed by the Education Commission or its members. For more information about the Commission's report, please visit: report.educationcommission.org.

Priorities and Strategies of US-based Funders Supporting Global Education: Summary report based on one-on-one interviews with leading U.S. funders

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The International Commission on Financing Global Education Opportunity is a major global initiative engaging world leaders, policy makers and researchers to develop a renewed and compelling investment case and financing pathway for achieving equal educational opportunities for children and young people.

The Commission will bring together the best research and policy analysis on the actions necessary to increase investment in concrete, relevant learning outcomes that have a positive impact on economic and social development.

The Commission's work will bring together the highest quality research from all corners of the globe by establishing a set of research hubs and building a network of expert advisors and researchers focusing on various pieces of investigation.

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Executive Summary

Foundation Center was approached by the International Commission on Financing Global Education Opportunity to conduct one-on-one interviews with leading US-based funders that make international grants for education. One goal of this work is to gain a better understanding of the priorities and strategies of US-based funders that currently support global education opportunities.

The following findings are based on one-on-one interviews with six leading US-based funders that make international grants for education. The goal of the interviews was to gain insights into their priorities and strategies for supporting global education opportunity by addressing several broad questions: What are the motivations behind funding global education? What have been some of the biggest challenges? Why isn't education more of a priority globally (relative to other areas such as health)? Where is funding for global education headed? What can be done to engage more grantmakers and attract more funding?

Some of the key findings from the interviews include:

- Alignment with the broader mission of the foundation was one the fundamental motivations behind funding in global education
- Strong local partners that are well connected, particularly to government, makes funding in the region more stable and sustainable
- Funders felt that bilateral or multilateral donor institutions were better equipped to fund broader objectives
- Government engagement, capacity, and lack of access are consistent challenges in global education funding
- Showing the effects of education funding, especially in the long-term can be difficult to do, and this might be something that deters some funders from coming into the space

Interview Participants

Grants data from Foundation Center's FC1000 grants set* were analyzed for the most recent five-year period to identify the top US-based funders of global education during that time period. Of the 15 largest funders, five were selected to be interviewed to begin to address questions around their engagement in global education funding (see appendix for the full survey protocol). Despite not being one of the top funders, the West Foundation was also included because of their specific focus and expertise in funding international education. The funders that were interviewed include:

Carnegie Corporation of New York

Grantmaking is focused on higher education primarily in Africa.

Ford Foundation

Supports all levels of education in multiple countries/regions around the world. Grantmaking for global education is done through their office in New York as well as their 10 regional offices.

John D. and Catherine T. MacArthur Foundation

Grantmaking is focused primarily on girls' secondary education in Nigeria, India, and East Africa. The program will be sun-setting in 2017.

Open Society Foundations

Supports early childhood, general education, and higher education programs in low, lower-middle, and middle-income economies.

Silicon Valley Community Foundation

Much of the international education funding is distributed through donor advised funds. Because decisions are made by individual donors or donor circles there is a wide range of focus.

West Foundation

Funding is focused on women and girls' education in the Global South.

* The set includes grants of \$10,000 or more awarded by the top 1,000 US foundations by total giving.

Reasons for providing global education support

Whether the foundation's mission was to strengthen the role of civil society, promote a more open society, or support the most marginalized populations, alignment with the broader mission of the foundation was one of the fundamental motivations behind funding in global education.

For a foundation like Carnegie that has been funding in Africa since the 1920s "*the mission of the Corporation globally has always been to promote the advancement and the diffusion of knowledge and understanding which lends itself to education and research.*" For other foundations, like West Foundation, a 57-year-old Indiana-based family foundation, the impetus for funding education globally goes back to the founder Harold West who supported missionary work throughout his life and through that work saw a real need to support education for women in the global south. "*There has always been an understanding that women's education is really important because you can't leave half of your population behind if you want to develop sustainably.*"

One funder responded that being able to identify a clear gap in funding and realizing that they could have a competitive advantage where they could add real value was how they got into the space. In this particular case the need was identified through conversations with Brookings Institute which highlighted the absence of education on the international agenda in the development of the Sustainable Development Goals (SDGs). Brookings Institute published the *Global Compact Fund on Learning* which emphasized a real gap in funding in secondary education.

Strategies

There were a number of factors cited by interviewees regarding how decisions were made on where and what to fund. Although not necessarily unique to education funding, most of the funders expressed that having strong local partners that are well connected particularly to government makes funding in the region more stable and sustainable. "*The types of connections your grantees have and the types of connections you might have as an organization makes a difference.*" Foundations like MacArthur, Open Society, and Ford who have regional offices abroad fund in those specific countries and/or regions.

In other cases, the leadership of the organization can have a significant influence on funding priorities. As one funder stated, "*In the old guard foundations, particularly where there's no living donor, it's the president of the foundation that decides. Our current president came in and his background is in higher education, so that's an interest of his and that's partly also why our focus really sharpened on higher education as a sector as opposed to working through universities to do other things, which we had been doing under the previous president.*"

Another factor that influences where funding will be focused is the political climate of a country. Most foundations tend to stay away from funding countries where the government is unstable where they felt their grantmaking would have little or no impact.

"We didn't invest in countries that were unstable, governments of the country matter. At that point [16 years ago] Kenya was not a part of the countries we funded because Moi was still president and the universities were so politicized, there was no point. In working in Kenya as a sector, you could work with people in universities, but you couldn't work on strengthening universities or strengthening higher education systems. The political climate was just wrong. It's not that we couldn't have put money into it; it's just that it wouldn't have mattered. Zimbabwe didn't make it in for the same reason; it was starting to fall apart. We selected countries on the basis of where was there enough space for universities to work and enough autonomy so that they could do something, try out new things."

On funding broader objectives

Although there is a broad spectrum of focus areas and levels of education that the funders engaged in, the perception of funders we spoke with seemed to be that global education funding by U.S. foundations did not really address broader issues. The average annual investment in global education by the funders we interviewed was about \$10-\$15 million annually. For smaller foundations giving would be even less. *"Grantmakers tend to stay away from addressing broader issues in education because the feeling is that it's just a drop in the bucket of how much money is needed to make real change. It's also hard to do if you don't have capacity on the ground which many U.S.-based foundations don't have."* *"You can find something useful in almost any aspect of education that needs doing because it's so big. Part of the reason we don't fund at the basic education-level is because for a funder of our size working abroad, we simply don't have anywhere near the resources. With our Africa budget—the highest it's been is around \$16 million a year—you're not going to change basic education systems with that. You're just not."*

Many funders felt that bilateral or multilateral donor institutions were better equipped to fund broader objectives. Funders might be able to make a difference on a broader scale by providing support toward larger initiatives in teacher trainings or advocacy and engagement around the education goals of the SDGs. Some funders also support research around education policy. *"One of the values of the philanthropic base is that we can support and elevate certain types of work and bring it to the attention of organizations like USAID to try and influence how they're thinking about their work."*

"It's governmental funders that would have a better shot at the basic education system. Something that foundations could do is to provide the research support. [For example] foundations funded the research that led to the development of Head Start in the United States. Research agendas around education [are] something foundations can do better than any other type of funder because of our independence. Like the Head Start example, one can imagine foundations performing a similar research-support function in the Global South, BUT...governments either need to want the research or the funders better have a really strong advocacy plan in place to convince governments to seriously consider the findings."

Challenges

One challenge that seemed to come up for a number of the interviewed funders was government engagement. *"How do you engage government in a way where you can get them on board, where they're interested in the results, where they don't just see it as an opportunity to get funds but more of a partnership, and how do we build that partnership together?"*

Government capacity was another issue that was raised. *“We look at the government’s capacity to maintain whatever initiative we’ve been asked to support and it is a consistent challenge. Whether we’re talking about developing strong teacher training or supporting the government’s capacity to develop a sound education plan and strategy, a lot of our work is also focused on the policy-level and doesn’t even get down to the implementation level.”* Funders felt that there was a need for direct support and government capacity building. Foundations could and want to take a much longer-term perspective, but many shy away because of the difficulty.

The lack of communication between funders and large funding agencies was also a challenge that was highlighted. *“There is a real disconnect between the large funding agencies (e.g. Global Partnership for Education) and how they think of about their work, how we think about our work, and how we think about our work together, because everybody is under pressure and nobody has enough time to do it thoughtfully. They keep coming back to us and saying, ‘How do we get you to engage more around GPE?’ We keep saying the same thing, and yet they don’t engage us at that level.”*

The lack of coordination between funders working in similar spaces was another challenge raised by a number of the funders. *“Working in silos and not enough communication between funders on what projects are being implemented and funded.”* Many funders want to invest in small projects, fund new ideas, and scale them, and alone they may not have sufficient funds for a particular project while another donor may be doing or wanting to do the same thing. Funder collaboratives and organizations like International Education Funders Group have helped to alleviate some of these issues. *“We started to have conversations with others who had an interest in secondary education and decided to form this donor collaborative with about six other donors who were interested in secondary education. Our thinking was that we would really draw more attention to the space. If we could better coordinate, we felt that we would be able to bring more value to funding in that space”*

“It’s hard for a single funder to touch all the bases. That’s why I like the idea of collaboration and not just we’re going to fund the same things, but rather, how do we take on a particular sector. We were able to do a little of that through the Partnership for Higher Education in Africa. For example, MacArthur Foundation and Carnegie were able to do a little bit jointly in Nigeria. We weren’t entirely funding the same thing but were funding in communication with each other to ensure what we were doing had some relevance to what the other was doing.”

For each of the six funders that were interviewed, collaboration—whether with other funders, local government, or smaller grassroots organizations—was essential to success. Foundations that were mentioned in multiple interviews either as partners or doing innovative work in global education were: MasterCard Foundation and ELMA Philanthropies.

“We like nothing more than co-funding, so we have lots of people with skin in the game. Education is tricky; education is sovereign. You’re not going to get very far without engaging local government. But each process is unique. There’s very little we can do alone. I don’t think anyone argues that a couple lonesome grants are going to be transformative, and our goal is to be transformative.”

“Funding needs to be more flexible.” If an opportunistic moment comes up for a grantee, in order to be able to support them to do their work, funders need to be able to be flexible and adaptable. In funding education opportunity in low-income areas funders are working with grantees that may be one drought away from a massive food shortage. Thinking about how foundations respond to those types of situations and being more flexible is something that funders expressed was needed in the field.

Critical opportunities and needs

Many of the funders mentioned the need for more collaboration and partnerships. One funder mentioned a need for a structure that would allow those types of relationships to flourish.

“Foundations need to report back on specific deliverables of their grantmaking as opposed to bilateral organizations where their funding for global education is tied to their general aid packages so they can fund these multi-donor partnerships that have more global-level results which foundations aren’t really able to do. The challenge is creating or having a global structure where foundations can also target their funding. That’s a restriction. More global collaboratives around global-level initiatives would be needed. Part of the challenge would be for example, if five foundations come together and want to fund a specific issue, early childhood or out-of-school youth, the question there is who is the recipient of the funding. We can pool our funding but who is actually going to manage it? Foundations are resistant to taking on that challenge for other foundations because there’s a significant operational and administrative cost and tax for that.”

A better understanding of working with government was also mentioned, in order to instill real and lasting change. Funders also cited realizing their strengths and limitations and an understanding of where they can make the most impact is critical. *“The amount of money that funders can bring to the table is small relative to aid agencies, but the type of work that private funders do—working with grantees and partners at a more one-on-one level and helping them build their own capacities and understand their own needs and being able to articulate those needs to get the resources they need to continue their work...—these are spaces that philanthropic organizations can play a critical role.”*

Why isn’t education more of a priority on a global level?

While education is consistently the top funded subject area domestically (in the U.S.), funding for education outside of the U.S. regularly lags behind other subject areas such as health. We asked funders their thoughts on why education funding is not a higher priority globally.

Something all funders agreed on was that it isn’t easy to show the effects of education funding, especially in the long-term, and this might be something that deters some funders from coming into the space. *“Education is a complex issue, and impact takes a long time to show. It’s different from delivering a polio vaccine where you can easily measure impact and the results are clear. I think a lot of funders are interested in one-to-two year project-based grants and something that’s kind of easy, quick—they’re viable—something that they can get immediate impact. The fact of the matter is education and the solutions to addressing some of the challenges of education particularly educating marginalized people is very complex. It takes a lot of time and effort and commitment in sustainability to be able to invest in making changes where the systems themselves serve marginalized populations better and not sort of tinkering around the edges. A lot of foundations are just not interested in doing that”*

Another funder responded that it may have to do with fulfilling basic needs first, particularly for the most impoverished communities. *“The feeling is that....there is a lot of work still to be done to bring everyone up to the most basic living standards. Once funders are able to do that, then they can focus more on the education piece.”*

What can be done to engage more grantmakers and attract more funding?

Foundations tend to have a very short attention span, and because of the complexities of education, they tend not to want to get involved. One way to begin to change perception is for more foundations who are already engaged to reach out and partner with foundations (that might not necessarily have the same values). *“Educate funders to think about education differently.”*

Being able to better identify and articulate specific outcomes that funders are seeking to achieve could be very powerful.” *If you wanted to attract more donors, you have to show the effectiveness of education.*” Funders need to find a better way to talk about education and the progress that they looking for.

Many funders commented that funding won't have an impact unless there is commitment from the country and the organizations themselves to engage in the programs that foundations are trying to pilot and implement. Therefore identifying (and funding) those countries and organizations that are committed to real change is crucial. The demand must come from within and not from the funders. *“The biggest hallmark was we didn't go in and say here is what we're going to do; we asked what we could do. It's really having them identify what the priorities are and having conversation around their priorities. There was a lot of local ownership. That and good leadership, which was one of our criteria for selecting institutions.”*

Where is global education headed?

The Education Commission is aware of a few large US funders that have moved or are planning to move away from funding international education recently. With this potential trend in mind, the funders were asked if they had a sense of whether global education funding was a growing or declining field.

One of the funders responded that funding for education globally seems down but added that there may be other new funders entering the space. Other funders responded that they thought there was an increase (at least) in interest and awareness.

“There does seem to be more interest in funding global education, particularly with the high profile education-related issues that are in the news (e.g., education of migrants). The challenge is figuring out how to channel or target funds.”

“I think awareness is high. Certainly, the Sustainable Development Goals emphasize education, and the African Union adopted a new continental strategy for education in January. Whether the awareness will translate into funding is the question. Increased funding is more likely to rely on the presentation of viable opportunities to have an impact on education.”

When asked about the international education portfolio over past 5-10 years of their specific foundations and what they expect over the next 5-10 years, interviewees provided a range of responses. One funder responded that it has remained relatively consistent and anticipated an increase in the future while two other funders responded that it had declined.

“Our portfolio has declined. We have exited out of the African Higher Education work into an exploratory area of work where we averaged about \$4 million a year. We are not exiting that space completely and it remains to be seen if we will continue to invest in international education. I expect we will continue to decrease or remain about the same amount for the next several years as we finalize our commitments in the girls' secondary education space.”

“Our annual grants budget increased (from around \$8 million), starting in 2000, then plateaued at around \$16 million until 2015. Now, it's declining and will plateau at \$10 million, almost 40 percent below the previous plateau, most likely for the next several years.[As for the next 5-10 years] It's hard to estimate, but my guess is no increases during the remaining tenure of our current president. It's anyone's guess what the next president, whenever the transition occurs, will want to support.”

Next Steps

Finally, funders were asked what an organization like the Education Commission can do to effectively engage more funders and attract more funding to this space. One funder suggested figuring out *“how to efficiently channel funds (and document outcomes) for organizations that do not have the capacity or infrastructure for global grantmaking in education.”* Another funder added that there is a *“need to be more specific and focus on the details of what [the Education Commission is] doing. Making bold statements without sharing details may actually be detrimental. For example, at the launch of the ECW fund, we were repeatedly told how the Fund will have ‘windows for private sector and windows for foundations’. However, everyone left asking what exactly that meant.”*

Most funders agreed that being able to convey the impact and effectiveness of funding is essential in engaging more funders and more funding from existing foundations.

“I think there needs to be talk of concrete ways that funding makes a difference and in what areas. A sense of what is working in the field and finding ways to better communicating that. How have investments actually made a difference? Where do we see success? What kinds of investments actually create that success? More money or changing the flows of money is only one piece of the problem. The system level issues that create an imbalance in pay, infrastructure, and quality are critical to how increased investments (or better distributed investments) lead to change.”

“Funders need to believe that they can have an impact. To the extent that the Education Commission can make a convincing argument that impact is possible, it might have a chance of attracting more funding. At some point, governments in the Global South must demonstrate their commitment to transforming their education sectors. Otherwise, funders will remain skeptical. Can the Education Commission knock some sense into those governments? Would the Commission be willing to help funders identify the most promising countries for education investments?”

“To the extent that – politically – the Commission can identify success stories in education as well as countries with good track records in education reform, it might be able to convince. Playing a brokering role between funders and governments the Commission considers good candidates for education investments might also help. more funders that investments in education, beyond the individual school project or ICT innovation or teacher development program, can have impact. (The Association for the Development of Education in Africa – ADEA – was set up to do something like this, but I don’t know that ADEA as an organization had the “star power” the Commission has. The Commission also should not shy away from advising funders that they should be, if not working together then, working with the knowledge of what else is being funded in a particular country.”

Conclusion

The responses that we heard repeatedly (that are essential to success) from different funders and emphasized throughout the interviews that were conducted for this analysis were: the importance of having strong motivated partners and government, recognizing where foundations could have the most impact (e.g., piloting programs and providing invaluable research to support specific programs and policies), collaboration, and being able to better identify and show the impact that private funding can have on education. These findings are based on one-on-one interviews with six leading US-based funders that make international grants for education and are not representative of the entire field but they do raise important issues that resonate with many funders working in the space.

An organization such as the Education Commission is in a unique position to influence and bring together government, multi- and bilateral donors, and private funders to have a meaningful conversation on what can be done to increase investment into this space and achieve equal education opportunities globally.

We hope that the perspectives shared by these top funders provide a better understanding of how funders are working in the space and highlight critical needs and opportunities that can be used as next steps to achieving those goals.

Appendix

International Commission on Financing Global Education Opportunity Leading U.S.-based Funder Interview Protocol

1. To begin, please describe your foundation's approach to grantmaking for global education.
 - a. What is the (approximate) share of grants awarded internationally versus domestically and what determines these proportions?
 - b. What criteria guide your work in this area?
 - c. Do you typically fund efforts that are specifically focused on global education, or that are part of a broader support strategy?
 - d. Does your foundation focus on a specific population group or geographic region?
 - e. What are the specific types of projects that you regularly implement (e.g., infrastructure, uniforms, teacher training, scholarships) or are you funding broader objectives? (How are these areas prioritized)
 - f. What levels of education are funded (primary, secondary, higher education)?
2. How did your foundation begin grantmaking in this area?
 - a. Is it tied to your foundation's mission?
 - b. Does your foundation have a historical connection to a particular geographic region?
3. The Education Commission is interested in education funding for low- and lower-middle income economies. Can you share any lessons learned from your experience funding education in these economies? What strategies have been most successful?
4. What types of challenges have you faced in funding education internationally?
5. Have you collaborated with partners when funding for education overseas?, (e.g., Other U.S. foundations, non-U.S.-based funders, local government entities, and/or other nongovernmental organizations active in this area)
6. Are there other funders that you would identify as particularly effective in growing global education opportunity?
7. Thinking about the global education space, what are the critical opportunities and/or needs that funders should consider addressing?
8. While education is consistently the top funded subject area domestically, funding for education outside of the U.S. regularly lags behind other subject areas such as health, human services, and public affairs. Why do you think education funding is not a higher priority globally? What could be done to engage more grantmakers and attract more funding?
9. Where is global education headed? (Education Commission is aware of a few large US foundations that have moved away from funding international education recently.)
 - a. Is there a sense of whether or not global education funding is a growing or declining field (for US Foundations and more broadly)?
 - b. Has your foundation's international education portfolio over past 5-10 years increased/decreased/remained the same?
 - c. Do you expect an increase/decrease over next 5-10 years?
10. What can an organization like Education Commission do to effectively engage more funders and attract more funding to this space?
11. For funders that are already funding in this space, are there any specific recommendations we can provide the Education Commission on how to engage funders to increase investment in education funding internationally?

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