

HIGH LEVERAGE STRATEGIES TO ADDRESS AMERICA'S DROPOUT CRISIS A GUIDE FOR FUNDERS



The Youth Transition Funders Group is a network of grantmakers whose mission is to help all youth make a successful transition to adulthood by age 25.

HIGH LEVERAGE STRATEGIES TO ADDRESS AMERICA'S DROPOUT CRISIS

We are beginning a fundamental shift in our national education policy.

For the first time in our country's history, there is a demand for addressing the appallingly low graduation rates, which currently show that nearly a quarter of our young people do not get a diploma by the end of four years of high school. Fortunately, we are beginning a fundamental shift in our national education policy. For the first time, starting with Race to the Top, our federal education policy is categorizing young people unlikely to graduate or those who have left school without a diploma as high priority students. Across the country, districts are going to have to learn how to keep students on track and respond to the needs of the young people who have fallen off the path to a diploma. Given the tremendous amount of work to be done, it is critically important that foundations use their resources to maximize impact, influence and leverage.

This guide is designed to help foundations identify investment opportunities that will have the greatest value in advancing efforts to increase graduation rates. There are many different approaches to increase the graduation rate, ranging from early learning opportunities to youth employment programs. Although members of YTFG make investments all along this continuum, our collaborative work has been to stem the tide of young people flowing out of our high schools without a diploma. The recommendations in this guide are based on our collective experiences as we work to increase the graduation rates of struggling students and those who fall off track to graduation.

For more background on this work, please visit www.ytfg.org/mpgresources.

TURNING THE TIDE: THE EXAMPLE OF PHILADELPHIA

Our nation is in the midst of a dramatic shift in which we raise expectations and direct resources to fully educate the 30% of our young people who in the past would have left school without a diploma. The approach outlined in this guide has helped Philadelphia, one of our nation's urban centers long beset by a graduation rate that hovers around 50%, to leverage over \$100 million. The district and its community partners are establishing a more responsive system for students who are struggling to succeed, including doubling the number of opportunities for young people to re-enroll in school.

Philadelphia is turning the tide: the graduation rates are increasing for the first time. The four-year rate has increased from 52% for the Class of 2005 to 56% for the Class of 2009, and the extended rate increased from 57% for the Class of 2005 to 61% for the Class of 2007. Philadelphia is making it clear to its educators and young people that President Obama was serious when he said, "Dropping out is no longer an option."

FOUR-PART STRATEGIC FRAMEWORK TO INCREASE GRADUATION RATES

In 2002, a group of funders concerned about the dismal outcomes of young people who leave high school without a diploma began to work together to maximize the impact of our investments. The members of the Multiple Pathways to Graduation Work Group represented national and regional foundations, including Carnegie Corporation of New York, Bill and Melinda Gates Foundation, Eugene and Agnes E. Meyer Foundation, Charles Stewart Mott Foundation and the William Penn Foundation. The funders designed a strategy that would bring about results while enabling communities to draw on their own assets, leadership and creativity. The four-pronged strategy outlined below has been successfully replicated within state and federal policies.

- > **Data:** Improving the capacity to gather, examine and use information, including existing resources and levers for keeping students on track; providing options for those students who fall off track to graduation; and recovering those students who disconnect from school. This process starts with a segmentation analysis to build knowledge of which students do not graduate, when they leave school, and the number of credits and skills needed to graduate.
- > **Supply:** Increasing the supply of quality educational options for students off track to graduation, both in and out of school. This strategy must be implemented with the understanding that historically resources have been limited for students who are not on a direct pathway to graduation.
- > **Stakeholders:** Building relationships between and mobilizing support of key partners and stakeholders to ensure well-designed strategies, effective implementation and sustainability, as well as public support to move policy.
- > **Policy:** Addressing the policy and funding environment at the local and state levels to identify policy barriers that impede systemic and equitable school reform for students off track to graduation.

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STEPS TO HIGH LEVERAGE GRANTMAKING TO INCREASE GRADUATION RATES

Every grant can be a high leverage opportunity, no matter how small. The key is to make sure to clarify how each investment is driving towards greater impact, great influence and greater leverage of policy and resources. Before you make a grant, it is important to envision how you or other donors will be able to build on it so that it is not just a one-off project. The following steps will help you clarify your strategy and make sure you are building on expertise from across the country.

- > **Step 1: Getting Up to Speed**
- > **Step 2: Identifying Your Starting Point – Frames and Fixes**
- > **Step 3: Creating Leverage from Good Grantmaking**
- > **Step 4: Designing for High Leverage**

STEP I: GETTING UP TO SPEED

If eliminating the dropout crisis were easy, we would have done it by now. That's why getting smart about what other communities are learning is your first step. Below are links to a series of helpful reports that highlight the dynamics underlying the graduation crisis, as well as the different approaches used by leading organizations.

Reports from Cities on the Dropout Crisis

Philadelphia's Project U-Turn is designed to guide a city-wide effort to increase graduation rates. Be sure to read *Unfulfilled Promise: The Dimensions and Characteristics of Philadelphia's Drop-out Crisis, 2000-2005* at <http://www.projectuturn.net/reports.html>

The Donnell-Kay Foundation is providing leadership on increasing the quality of recuperative options in Denver. See *A Call to Action: Getting Denver Public Schools Students Back on Track to Graduation* at www.dkfoundation.org.

Jacksonville Community Foundation invested in segmentation analysis to better understand the dynamics of the dropout crisis in their community. See the three *Learning to Finish* briefing papers at www.jaxcf.org.

The Parthenon Group prepared a *Graduation Pathways* summary containing the major findings from its work with districts. You can find the analyses for New York City and Boston at www.parthenon.com/Industries/PublicSectorNonProfit.

Resources to Help You Think Through Strategic Options

Jobs for the Future's toolkit, *Bringing Off-Track Youth Into the Center of High School Reform: Lessons and Tools from Leading Communities*, can guide your discussions. www.jff.org

A Superintendent's Guide for Planning Multiple Pathways to Graduation was prepared by Youth Transition Funders Group to disseminate the approaches used by leading districts. www.ytfg.org/mpgresources

Already a leader in providing an educational safety net, Portland Public Schools worked with Bridgespan to further refine their strategies. The Portland Public Schools case study is available to those interested in their success. www.Bridgespan.org

New York City Department of Education has strategically expanded its options to help students who are off track find the right pathway to a diploma. <http://schools.nyc.gov/ChoicesEnrollment/AlternativesHS/default.htm>

American Youth Policy Forum's report, *Whatever It Takes: How Twelve Communities Are Reconnecting Out-Of-School Youth*, documents what committed educators, policymakers and community leaders across the country are doing to reconnect out-of-school youth to the social and economic mainstream. www.aypf.org

National League of Cities offers resources for municipal leadership on high school reform and re-engaging youth, including *Setting the Stage for New High Schools: Municipal Leadership in Supporting High School Alternatives*. www.nlc.org

HIGH LEVERAGE TIP

We are rapidly gaining knowledge on how to address the dropout crisis. Make sure you and your grantees are part of networks or are receiving updates from organizations that can help you stay on top of cutting edge knowledge. A few key organizations include Alliance for Excellent Education, Jobs for the Future, National Youth Employment Coalition, Everyone Graduates Center and the American Youth Policy Forum.

STEP 2: IDENTIFYING YOUR STARTING POINT – FRAMES AND FIXES

The initial choices we use in designing a strategy include our frame, the problem we identify and the type of analysis we use, as well as our preferred fix, the approach or solutions we think will produce results. The frames and fixes that are incorporated into the early design of a strategy will influence our choices down the road.

In shaping investment priorities and plans, foundations rarely work from a blank page. Design factors are likely to include the foundation's legacy (e.g., values, positioning, previous investment strategies), pressing issues in the community and media, documented approaches developed elsewhere, pre-existing assets, interests of leadership and previous expertise of program officers. Thus, a foundation that has been investing in after-school programs is often more comfortable extending out-of-school time programming as part of the solution to the dropout crisis. A foundation with a strong race analysis may identify the school-to-prison pipeline as the critical problem and focus on helping districts re-shape their discipline policy to help create vibrant cultures of learning in the school that promote respect and safety.

In addition, the dropout crisis is highly related to a number of other problems. Thus, foundations that are focusing on other issues, such as youth violence or early childhood development, may find themselves confronting the education system's graduation crisis without actually selecting it within their frame.

EXAMPLES OF FRAMES AND FIXES

FRAMES	FIXES
High school reform	Early warning indicators
Youth violence	Wraparound services
Youth development	Community schools
Low performing schools	Extended learning
Alternative schools	Small schools
Improved instruction	Online learning
College readiness	Competency-based
Civil rights	Adolescent literacy
Economic development	Career and college supports

With the rapidly rising attention to our young people who are not graduating, other foundations with open application processes may find themselves bewildered by the different analyses and different mix of solutions proposed by organizations wanting to apply their services to the problem.

No matter how you enter into making investments to address the dropout crisis, it is critical to take a step back to clarify your frames and fixes. Doing research and learning from your peers are both critical steps for clarifying your own position and understanding the opportunities you can take advantage of in your community.

HIGH LEVERAGE TIP

There is no silver bullet for increasing graduation rates, so it is important that you understand how your analysis and preferred solutions fit into an overall strategy. To the highest degree possible, make sure your effort is data-driven so that you can have an impact on leading indicators or make course corrections, as needed. It is often easier to collaborate with funders with similar strategies. Yet the Youth Transition Funders Group has found that districts can be supported in a more comprehensive approach by collaborating across diverse strategies. Seek out other funders with different frames and fixes that will invest in other parts of the strategy collaborating around the overall goals. This means learning to manage complementary partnerships rather than co-funding the same projects.

STEP 3: CREATING LEVERAGE FROM GOOD GRANTMAKING

Even if you have a limited budget, you can make just one or two grants that can be very powerful in moving a community forward to address the dropout crisis. Here are a couple of examples of limited efforts that can have powerful impact or influence:

High-Quality Alternative Schools: Like any schools, there are great, good, bad and horrifyingly bad alternative schools. The sad truth is, it is likely that no one has been paying them much attention. The Donnell-Kay Foundation is working to expand the mix of quality alternative schools by lifting up the demand and directing attention to national best practice models. Highlighting quality alternative education

in your community can go a long way in demonstrating that young people who have dropped out can succeed given the right learning community. Evaluations of alternative schools, especially in the context of the overall district performance, are greatly needed in order to ensure that multiple pathways are built on effective practices.

Constituency Engagement: The William Penn Foundation knows that building public will is one of the best ways to get traction and the necessary sustainability for addressing the dropout crisis. It has provided funding for the Philadelphia Youth Network to support a broad-based constituency engagement process. Building a broad set of stakeholders creates the level of influence needed to get the dropout crisis on the district and city public agenda. Hopefully, your district

GETTING THE RIGHT MIX OF SCHOOL OPTIONS

The segmentation analysis from the leading districts found that in most cases, we can think about the needs of students off track to graduation in two ways: age and credits. First, they may be “old,” closing in on that point where they age out of the K-12 system, or “young,” with three or more years to take advantage of K-12 funding. Second, they may be “far” away from graduation with few or no credits, or “close” with 50 percent of their credits in hand.

Using this analysis, districts can plan for building their recuperative capacity. Although schools can serve a broad mix of students, it is important to ensure that your district is offering the right mix. Some students need more flexibility, such as evening schools or online courses, while others need more structure and services, as is the case at South Brooklyn Community High School (www.goodshepherds.org). Students who are older cannot overcome the barrier of seat-time requirements and will need competency-based models such as Diploma Plus or Performance Learning Centers. Most likely, you will need to expand services for those who are young and far, dropping out in 9th grade with only a few credits they will need to graduate.

EXAMPLES OF ALTERNATIVE SCHOOLS AND PROGRAMS		
	YOUNG	OLD
Close	Diploma Plus www.diplomaplus.org	Performance Learning Centers www.cisga.org
Far	South Brooklyn Community High School	YouthBuild www.youthbuild.org

To better understand the different types of alternative schools, contact the Association for High School Innovation at www.ahsi.org.

leadership will participate, but if they won't, then make sure the constituency engagement strategy is designed to build the public will necessary to force the attention of the school board and superintendent.

There are three things to do if your school board or superintendent simply refuses to focus on the dropout crisis. First, use data as described below to highlight the problem. Second, invest in field trips to other districts so that your district leadership has a chance to talk with peers. Third, strategically raise the voices of young people who have turned their lives around with the help of high-quality alternative schools.

Highlighting the Problem: The Boston Private Industry Council and its partners brought the dropout crisis to the attention of the educational leaders through a paper that highlighted the scope of the problem and the implications for the city. Take a page from their playbooks. See www.bostonpic.org for *Too Big To Be Seen: The Invisible Dropout Crisis in Boston and America*. Also, check out similar work by the Alliance for Excellent Education, which provides resources on the social and financial consequences of the dropout crisis in communities at [http://www.all4ed.org/publication_material/Grad Dropout_Rates](http://www.all4ed.org/publication_material/Grad_Dropout_Rates).

Data-Driven Segmentation Analysis: In order to do something about the dropout crisis, we need to understand the patterns of when, how and why young people leave school without a diploma. The Bill and Melinda Gates Foundation made critical investments by using the business practice of segmenting the market. Districts can identify the early warning indicators that are most powerful in the district. They can also begin to plan for the recuperative capacity needed to make sure that the right mix of school options are available to help students who are falling away from school.

Building on the initial learning on how to segment the student market, regional foundations such as Mobile Area Education Foundation and Jacksonville Community Foundation are supporting their communities by designing interventions that reflect their unique challenges.

Public will is the only way to get traction and the necessary sustainability for addressing the dropout crisis.

Planning and Evaluation for Transition-to-High School Programs: Beware of throwing programs at the dropout crisis. Without an evidence-based approach to ensuring that the right services and supports are reaching the students showing signs of disengaging from school, it is difficult to make a difference. For example, with the support of funders, Chicago and Portland (OR) designed strategies to improve the on-track rate at the end of 9th grade by increasing responsiveness to students during the transition to high school, and then monitoring them carefully. With no surprise, they found that some schools implemented the programming more effectively than others.

BOOKMARK THESE SITES

The Everyone Graduates Center at Johns Hopkins University offers a number of tools to help you think through your options. These are available at www.every1graduates.org.

National Youth Employment Coalition (www.nyec.org) offers papers on financing alternative education, as well as Ed Net for program characteristics of quality alternative schools.

Alliance for Excellent Education provides a number of resources, including reports on the cost of dropouts to the country. You can visit them at www.all4ed.org.

STEP 4: DESIGNING FOR HIGH LEVERAGE

Once you and your partners feel that you have enough knowledge to assess the different emerging opportunities, it is time to think about how to drive the strategy for greater results. The five ideas mentioned below are only a few of the techniques used by YTFG's members.

Data-Driven Efforts: Based on research, the districts in Chicago and New York City integrated the on-track indicator into their performance systems. By helping your districts enhance their management operations with critical leading indicators, responsiveness of the system immediately begins to increase.

Enabling Key Organizations to Coordinate: The Mott Foundation knows that collaboration and coordination is key for catalyzing systemic change. Its support to intermediary organizations that help bring together key players has been critical in several leading cities.

Inside/Outside Strategy: William Penn Foundation constantly manages an inside and outside strategy that works with both district and community organizing groups alike. Although it requires interpersonal skills and tremendous expertise, this strategy has helped Philadelphia stay the course over the past five years.

Creating Political Cover: In the initial phases, members of the Multiple Pathways to Graduation Work Group pooled funding to support the efforts of five cities. These grants, although small, provided political cover for strategic partnerships to form and address intransigent issues. With the weight of three national foundations on the letterhead, as well as the on-the-ground credibility of local grantmakers, the needed momentum occurred to get the local efforts out of talk and into action.

Statewide Replication: The public sector can be a powerful partner. Build relationships with state leadership so they know about your efforts early. In Pennsylvania, the Department of Labor replicated the work of Philadelphia's Project U-Turn. Two years later, the U.S. Department of Labor adapted the approach for the Multiple Education Pathways Blueprint Initiative.

We would love to hear from you how you have been able to turn limited funds into a powerful force for change in your community.

CONCLUSION

Staying the course will be one of the greatest challenges in the community, district and in your foundation. No matter where you are in your approach, it is important that you help your management and trustees understand that it is an enormous policy change to have the K-12 system be responsible for educating all of the children in a community, including those who have dropped out. The implications of such a policy change are just as large, with benefits for the economy, civic engagement, public health and the well-being of our next generation of children.

Make sure you think about techniques to keep your trustees engaged, including encouraging young people to tell their stories, taking visits to high-quality alternative schools, establishing benchmarks to mark your progress, generating powerful publications and, of course, establishing data to show progress.

The members of the Youth Transition Funders Group are delighted to share their experiences with you and your colleagues. And we hope that you will share your approaches, insights and successes, with other funders. Most importantly, remember to celebrate progress, big and small.

For more information about YTFG and the Multiple Pathways to Graduation Work Group, visit us online at www.ytfg.org.