



The Wallace Foundation®

Supporting ideas.
Sharing solutions.
Expanding opportunities.®

REPORT '08

A PERFORMANCE ASSESSMENT



Pictured on this year's cover is one of the 12,600 participants served each year in New York City high schools by Global Kids, an organization committed to educating and inspiring urban youth to become successful students as well as community leaders with an understanding of critical international and foreign policy issues. Global Kids is among the high-quality programs engaged in the out-of-school time learning initiative The Wallace Foundation is supporting in New York City and four other cities. As this picture shows, one of the activities Global Kids participates in is "Red Hand Day," aimed at raising public awareness of the plight of children recruited and used as soldiers in some nations.



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A STRATEGY FOR ALL SEASONS

“Don’t judge each day by the harvest you reap, but by the seeds you plant.”

As our country works its way through the effects of the current economic recession, these words by Robert Louis Stevenson are a useful reminder of the importance of maintaining a long term view.

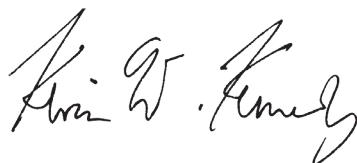
In common with nearly all foundations, our assets were adversely affected by the financial downturn. Our endowment lost 28% of its value in 2008, significantly better than most major indices but a major decline nonetheless. However, because of careful planning, we enter 2009 with sufficient liquidity to move forward with our current strategies, fulfill all of our existing commitments on time and as scheduled, and invest in new work for the future.

And we are encouraged that the principles that have long guided our work – that institutional change takes more than money and requires new knowledge about what works and tools that help put that knowledge into practice – appear to be useful to our grantees in helping them navigate the current crisis as well.

As you’ll read in this year’s annual report, our grantees are making good progress. In each of our focus areas – education leadership, out-of-school time learning and the arts – the quality and accountability standards they have put in place, the planning they have done, and the systems they have developed to collect and analyze critical performance data – are invaluable in guiding their decisions in allocating tight resources in smarter, more equitable ways.

And we continue to invest in sharing what we’re learning with policymakers and practitioners beyond our direct grantees. In 2008 we added 18 new publications to the Knowledge Center on our website, all of which are available for free download. We’ve conducted webinars and moderated online discussions, sponsored conferences, and created strategic partnerships with a broad array of organizations to further diffuse the knowledge our work has generated.

We know that there will be tough times ahead, and that our work will be severely tested in the coming months and years as the country digs its way out of the current recession and our public and private institutions begin to recover. Nevertheless, we are heartened that our grantees and others are now reaping the benefits of harvesting what we’ve created in the past and using that knowledge to plant the seeds of future progress. That progress gives us confidence that our approach as reflected in our signature phrase – *Supporting Ideas. Sharing Solutions. Expanding Opportunities.* – remains a strategy for all seasons. ■



Kevin W. Kennedy, Chairman



M. Christine DeVita, President

The mission statement we have had since 2003 reflects our belief that knowledge, more than money, is the true coinage of lasting, beneficial change: “The Wallace Foundation supports and shares effective ideas and practices that enable institutions to expand learning and enrichment opportunities for all people.”

And our signature phrase —“Supporting ideas. Sharing solutions. Expanding opportunities.”— encapsulates our belief that as a national foundation with sizeable assets and a seasoned professional staff, we have an opportunity, and a responsibility, to go beyond money and use our resources in ways that build, capture and share information and know-how that leaders in a particular field can use to bring about beneficial changes.

From the start, we have understood our limitations. No one elected us to do or change anything. And we can’t simply buy the changes we want to see happen because the money we have is miniscule compared to the public sectors we are trying to influence.

Still, our pluralist society creates an enormous opportunity for foundations like ours to have an impact beyond just giving away money. There is an insatiable market for new and useful ideas. And as a national foundation, we occupy a privileged position — free of many of the constraints on government or profit-making enterprises — to help generate and test innovative ideas, and then capture and share credible information that helps institutions in the fields we are engaged with work better and bring about benefits to people.

With those constraints and opportunities in mind, The Wallace Foundation has evolved in the last several years from its beginnings some 40 years ago as a group of four family foundations that made grants in many areas, to a single foundation focused on using knowledge and ideas to create enduring change in just three areas of activity:

- Strengthening education leadership to improve student achievement
- Enhancing after school learning opportunities, and
- Building appreciation and demand for the arts.

In simplest terms, our approach is to develop and test useful ideas “on the ground,” gather credible, objective evidence on what is most effective and why, and then share that knowledge with the individuals and institutions having the courage and authority to bring those effective ideas to life in ways that bring benefits to people. There are two components to this approach:

1. ***Develop innovation sites:*** We work closely with sites (such as states, school districts, and cities as well as non-profit organizations) to help them plan and test new approaches for bringing about the change goals to which we have mutually agreed. These sites can provide us and the broader field with insights into what ideas are or are not effective and what conditions support or impede progress.
2. ***Develop and share knowledge:*** In concert with the innovation site work, we support independent research that fills knowledge gaps in the field. We also assess the results of the innovations we support through a range of evaluation methods. We then share our knowledge with others and encourage the use of the ideas and practices that seem most promising. In this way, we hope to improve practice and policy in organizations that will never get Wallace grants. ■



*A student participating
in an after school
program at James
Condon Elementary
School in Boston, MA*

In all three of our focus areas – strengthening education leadership to improve student learning, building appreciation and demand for the arts especially among young people, and creating citywide systems to provide more children with high-quality out-of-school time opportunities – we work to support institutions that are willing and able to test new and better ways to serve people, and then capture and share the resulting lessons so that many other organizations who aren't receiving our direct support can benefit as well. Here is a brief summary of 2008 highlights – our core goals, and our progress toward them:

EDUCATION LEADERSHIP

The goal: to develop and test approaches in state and district sites that can improve the quality of leadership and leaders' impact on teaching and learning, capture lessons from our sites and funded research and share them within our network and beyond to strengthen the work of our states and districts and enable other sites that will never receive our funding to benefit.

Highlights of 2008 progress:

- *Bringing standards to life:* a majority of Wallace sites have adopted newly-revised leadership standards and are using them to upgrade principal training programs and revise licensure rules.
- *Improving leadership training:* Nearly 65,000 leaders have taken part to date in Wallace-funded training; the number of high-quality leader preparation programs in our funded districts nearly doubled last year; more districts, notably New York City, are assuming the major costs of sustaining these high-quality programs.
- *Enhancing the conditions of leadership:* Slower progress overall, with the biggest advances achieved in providing leaders with data to improve decisions affecting learning, and less concrete action in implementing better leader assessments or increasing principals' time spent on instructional matters.
- *Producing and sharing knowledge:* We instituted four new partnerships with leading national organizations to enable us to better reach practitioner audiences including superintendents and principals. Among six new education publications in 2008, we synthesized emerging research and examples of effective training programs in a Wallace Perspective, *Becoming a Leader: Preparing Principals for Today's Schools*, which was among the year's most downloaded publications on our website. A Wallace-sponsored film documentary, "The Principal Story," focusing on the role of school principals as leaders of learning, was nearing completion in 2008 and will be aired on the public television program POV in fall 2009. (For more details on the film, visit <http://www.wallacefoundation.org/principal-story>)

OUT-OF-SCHOOL TIME LEARNING

The goal: to develop and test ways in which cities can plan and implement strategies that increase overall participation in high-quality out-of-school time (OST) programs so that children and youth, especially those with the highest needs, attend often enough to gain developmental benefits.

Highlights of 2008 progress (by funded city):

- *New York City:* With strong support from the mayor and top agency heads, the city has been a national pacesetter in implementing the building blocks of a quality-based OST system. Its OST data system was greatly expanded in 2008, enabling the city to monitor and address participation rates and quality of 489 sites in 2008, 256 more than in 2007. The availability of more reliable, far-reaching information has helped make the case for nearly tripling city funding for OST over the last three years. Attendance rose significantly in elementary OST programs last year, but teen participation and satisfaction remain challenging and an evaluation raises questions about the quality of programs for that age group.
- *Providence:* The mainstays of Providence's OST system-building work have been continued support from the mayor and top echelons of key city departments, and the strong performance of the Providence After School Alliance (PASA), the nonprofit organization created to plan and coordinate the city's OST work. Participation by middle-school youth

increased in 2008, but intensified quality monitoring by PASA revealed program weaknesses in leadership and youth engagement similar to New York City's. Major challenges ahead are the city's deepening fiscal crisis and ongoing difficulties in coordinating OST programming with school reform efforts.

- *Boston:* Key leaders renewed their commitment to OST system-building in 2008. In particular, Mayor Menino launched a new OST effort that could result in spreading elements of the OST model supported by our initiative to elementary school sites throughout the city. Quality monitoring, a strength in Boston's initiative, is being scaled to include many more OST programs beyond those Wallace is funding. Attendance rates remain relatively strong, but only about one in five children attending the 10 elementary schools in Wallace's initiative are being served by school-based OST programs and it's uncertain if the city will be able to fund additional programming to address unmet demand in the current fiscal climate.
- *Washington, D.C.:* Despite recent leadership shakeups in the schools and in the agency coordinating Wallace's OST initiative, the city's commitment to system-building and funding that work has held strong. The new schools chancellor has signaled a desire to connect quality OST to her reform efforts, using data from the new OST information system. Lifting program quality remains a serious challenge, however, and the city has upgraded its standards and is using a new quality assessment tool to drive efforts to improve program management. The target group of this initiative – middle school youth – remains among the hardest to attract to OST, but those who are enrolled in OST programs significantly increased their average per-week attendance rate by almost an entire day.
- *Chicago:* Using information from a newly-launched OST participation tracking system, top city leaders and agencies have been laying the groundwork for sharing the exemplary practices of the teen program Wallace is supporting – After School Matters – to improve other programs citywide. Participation in After School Matters programs rose in 2008, partly due to stepped-up recruiting when enrollment vacancies occur. With strong support from Mayor Daley, the city's OST project features an unparalleled degree of inter-agency cooperation that has allowed the initiative to introduce quality standards to be applied across many types of programs (parks, schools, libraries, etc.). It has also led to the creation of an information technology system that collects data from all the major city agencies serving the city's children that is capable of providing a full picture of how children enrolled in OST programming occupy their time.
- *Producing and sharing knowledge:* We cultivated our new relationship with a key partner, the National League of Cities, to share what we're learning from our site work and research efforts with a broad audience of city leaders. We produced five new publications, including a Wallace Perspective on how to take a citywide approach to OST system-building, as well as several reports on a new front in our work: how to strengthen the financial management capacities of OST organizations so that they are better able to deliver quality programs.

BUILDING APPRECIATION AND DEMAND FOR THE ARTS

The goal: to build current and future audiences by making the arts a part of more people's lives. Our strategy has two components: the Wallace Excellence Awards, which provide support to exemplary arts organizations in selected cities to identify, develop and share effective ideas and practices to reach more people; and Arts for Young People, whose goal is to help selected cities develop effective approaches for expanding high-quality arts learning opportunities both inside and outside of school, and to capture and share lessons that can benefit many other cities and arts organizations.

Highlights of 2008 progress:

Wallace Excellence Awards

- With technical support provided by Wallace, nearly two dozen of our funded organizations were able for the first time to produce credible data about their progress toward specific participation goals – a relatively uncommon ability in the arts field.
- The data revealed a median year-to-year gain of 27% among WEA grantees on specific participation goals, with nearly all hitting or exceeding their targets. This new data capacity and the strong year-to-year results set the stage for knowledge development about effective practices in 2009.

- We completed our “portfolio” of six WEA cities in 2008, adding Minneapolis-St. Paul and Seattle. In all six sites, work is underway to create “learning networks” to facilitate the sharing of useful participation-building ideas among our grantees and to other arts organizations as well. The year ahead, with its economic challenges, will undoubtedly be a tough test for sustaining this progress.

Arts for Young People

- Dallas, our original partner, met a core initiative goal of hiring enough teachers to provide at least 45 minutes a week each of music and visual arts instruction to all elementary students. So far, the schools have protected arts learning from cuts. The city also expanded summer and neighborhood arts opportunities.
- Wallace added four new sites to the initiative in 2008: Los Angeles Unified School District, the Los Angeles County Arts Commission, the Philadelphia School District and the Minneapolis School District.
- We produced five new Wallace-funded arts publications in 2008, a sharp increase from previous years. Most concerned arts learning and garnered wide field and media attention.

Here is a more detailed look at our progress and challenges in the three areas we are working in:



EDUCATION LEADERSHIP

“We plan to build a new field of knowledge that connects leadership to learning, examines the skills and behaviors of superintendents and principals within new structures and systems, and explores new models of leadership development. We believe leadership is a key leverage point in organizational effectiveness and that its effect on student achievement has not been recognized nor thoughtfully examined.”

So we wrote nine years ago as The Wallace Foundation decided to embark on a path to education renewal that we believed had high promise but few fellow travelers: improving school leadership as a means of lifting the fortunes of the nation’s most educationally deprived children.

The further we and our funded partners went down that under-explored reform pathway, the more we discovered a tangle of challenges and complications.

- With large numbers of principals approaching retirement, there was widespread concern that schools and districts with the highest needs might not be able to attract enough qualified leaders prepared to meet the challenges facing them.
- University-based training programs for school leaders were generally weak at best, irrelevant at worst, with few incentives or clear direction for improving.
- There was scant support for new school leaders once hired, and job conditions often thwarted even the best trained or intentioned principals.
- And underneath it all was this reality: the policies and practices affecting the standards, training and conditions

of school leaders were being set in a loosely-knit system in which state and district policymakers rarely talked to each other about whether their leadership policies were in synch, or even whether they were clearly connected to helping leaders help teachers improve learning. Indeed, in most states and districts, education leaders were operating in a system that hadn’t settled on what good leadership is, much less how to train for it, support it or sustain it.

Nine years later, these challenges have not disappeared. But thanks in some measure to the collective work of the states and districts in our initiative and to a growing body of research Wallace has supported, there are visible signs that the education field is awakening to leadership’s potential to lift teaching and learning:

- Leadership standards, revised and newly-published in 2008 with Wallace support, have been widely adopted and are increasingly being used to reshape principal training and accreditation rules so that they relate more clearly to instructional leadership and district realities.
- Nearly 65,000 leaders have participated in state or district Wallace-funded training programs, and in several districts, those better-trained leaders now make up more than half the corps of sitting principals.
- More than 70 Wallace-commissioned or produced publications issued since this work began have added significantly to the field’s knowledge about what good leadership is, how it can influence school improvement and learning, and what states, districts, universities and others can do to get the leadership we need and sustain it.

(These publications can be downloaded for free from the Knowledge Center at www.wallacefoundation.org)

- Changing the conditions of leadership has proven more difficult, but scores of new state laws and district policies have been enacted that are beginning to set the table for positive changes in several key conditions. The most activity has been in providing the necessary data to help leaders make sound decisions affecting teaching and learning. Progress has been slower in other areas such as using leader assessment as a means to change principals' behaviors in improving instruction, or enabling them to devote more time to instructional matters – though in both cases, new tools and processes produced in 2008 with Wallace's support may help catalyze progress.

To accelerate the work, we have reduced the number of Wallace sites from 35 to 16 since 2007 and differentiated our funding to direct the most support to states and districts making the most progress. This differentiation created three categories of Wallace funding:

- “Cohesive Leadership System” (CLS) sites – consolidated state-district grants to those making the most progress in connecting state and district policies affecting all three key elements needed to improve leadership on a large scale: standards, training and conditions. As of 2008, ten state-district sites¹ were in this category.
- Six other states and districts were designated “Aligned System of Leader Development” (ASLD) sites,² funded primarily to improve training and professional development at all phases of a leader's career.
- The remaining sites were invited to participate in the Wallace leadership network to stay connected to the work and resulting lessons.³ *(For specific grant amounts, see Program Expenditures & Commitments tables, pp. 27-29)*

All 16 of our CLS and ASLD sites were funded in 2008 to support the implementation of their strategies through June 2010. Going forward, Wallace will focus on helping these sites consolidate their progress by enacting necessary policy and practice changes, and by promoting continued participation in ongoing Wallace-funded efforts including the executive leadership training programs at Harvard and the University of Virginia and the piloting of the VAL-ED leadership assessment system. We will also pay particular attention to how our sites can take creative measures to help protect their leadership progress from budget cuts.

Here is a look at our sites' progress to date in improving the three key interrelated elements of a cohesive system for improving school leadership: bringing standards to

IMPROVING SCHOOL LEADERSHIP: LESSONS LEARNED

Along with the importance of coordinating state and district leadership improvement efforts, these other lessons have emerged from the work to date and from our funded research:

- Leadership matters most where it is needed most. Research finds no evidence of low-achieving schools turning around without effective leadership.
- Leadership is second only to teaching among school-related factors in its power to influence better student performance.
- Better training is necessary but not sufficient to developing better leadership. Even the best-trained leaders can be thwarted by unsupportive work conditions.
- Effective school leadership, with its many demands, can no longer be thought of as the province of a single isolated leader, but as the responsibility of teams.

life, improving training, and providing leaders with more supportive work conditions:

BRINGING STANDARDS TO LIFE

Well-designed, rigorous standards provide a foundation for leadership improvement. Just as crucially, they go a long way toward establishing a shared understanding at all levels of public education of what good leadership consists of. High-quality standards are tied to behaviors – what leaders actually do. They are aspirational yet achievable – aimed at changing the status quo in schools. They are based on a small number of behaviors and actions that make the most difference in improving teaching and learning. They include management skills but emphasize the instructional role of school leadership. And they are adaptable and relevant to the needs of districts throughout a given state.

As of 2008, all Wallace sites had adopted the “ISLLC” (Interstate School Leadership Licensure Consortium) standards, and a majority had enacted the revised ISLLC standards published by the Council of Chief State School Officers in May 2008 with Wallace's support. But standards are only meaningful when brought to life, and in that respect, progress has been less consistent: more rapid in improving principal training, but slower in changing district-level principal hiring and evaluation practices that are often long-standing and subject to school board or union influence or other political or jurisdictional factors. Of the 14 states that have made the most progress overall in improving education leadership, all have revised their leader certification requirements based on standards, and all have also redefined the accreditation requirements for leader preparation programs.

1 Delaware, Georgia, Illinois, Iowa, Kentucky, Louisiana, Massachusetts, New Mexico, New York and Ohio.

2 Fort Wayne, IN; Michigan, Missouri; Oregon, Providence, RI and Wisconsin.

3 Alabama, Arizona, Connecticut, Hartford, Indiana, Kansas, Mississippi, New Jersey, Rhode Island and Texas.

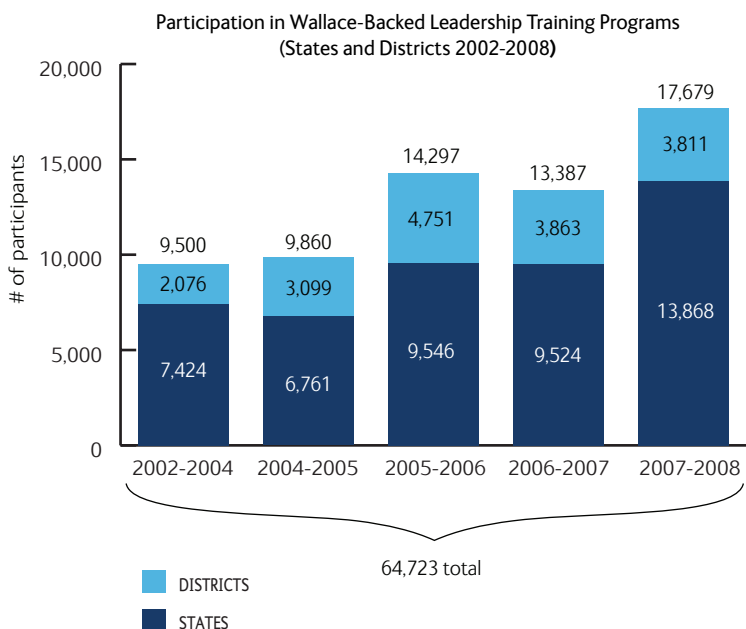
The Jefferson County (KY) Public School District, which includes Louisville, has been a standout in applying standards to leadership improvement efforts. The state and the district have collaboratively developed a “leadership continuum” that defines the skills and behaviors needed for different levels of leadership (including teacher leaders, curriculum coaches, assistant principals, new and experienced principals, mentors, and superintendents). This continuum now defines the training needed for each leadership position and is being used to redesign all 11 university-based leader preparation programs in Kentucky.

The full potential of the role of standards in improving leadership quality is not yet fully understood, however, in part because the work of applying the newly-revised standards to critical points of leverage such as the assessment of leaders’ performance is still at an early stage in our sites. An evaluation of the validity of the cohesive leadership system idea is expected to shed light on this question when completed later in 2009.

IMPROVING LEADERSHIP TRAINING

Participation

The training that school leaders typically receive has been criticized for years, and therefore a key aspect of our leadership initiative has been to support the development of better leadership preparation in our state and district sites. Participation in Wallace-funded district leader training programs was relatively flat this past year but state-level training rose by 46%. Such programs showed gains in several states including Missouri and Ohio. But much of the year-to-year increase was due to the 6,000 members of

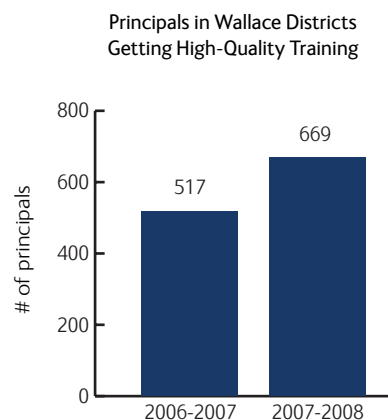


district leadership teams who participated in the first full year of operation of the Kentucky Leadership Academy, which draws heavily on training programs Wallace helped develop in Jefferson County Public Schools and whose curriculum and methods were also influenced by the high-quality NYC Leadership Academy model. The growth in these statewide programs suggests that states are playing an increasingly important role in spreading effective training practices, and may also prove important in promoting their spread beyond our sites.

Training quality

1. Growth in high-quality district-based programs

- Research tells us that to be rated high quality, training for aspiring principals should be relevant to district needs and focused on how to improve instruction and lead organizational change. Exemplary programs seek candidates whose primary motivation is to pursue leadership careers. And the curriculum should include meaningful clinical practice or internships, an element that is very weak in many programs.⁴



Internships for aspiring principals remain a common area of weakness. Nonetheless, the number of high-quality training programs in the 15 districts receiving significant Wallace funding nearly doubled to 26 from 14 in 2007-08, owing largely to efforts by programs to improve their internship or field-based work components.

Twenty-one percent of the sitting principals in our funded districts have now completed high-quality training, and in three of those districts, more than half have done so.⁵ An upcoming Wallace-commissioned evaluation, to be completed later in 2009, will examine how effective districts are in influencing the quality of university-based leadership programs.

Districts are increasingly assuming the costs of a number of these high-quality programs. In New York City, for example, evidence of the effectiveness of the training and mentoring

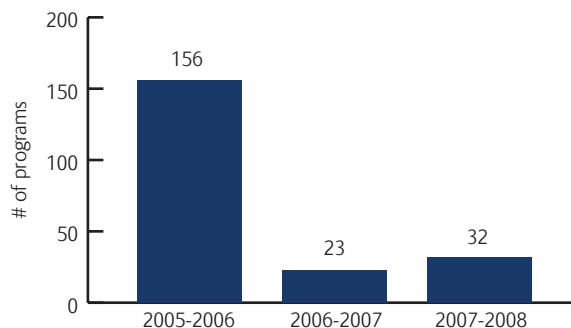
4 See *Preparing School Leaders for a Changing World*, Stanford University and The Finance Project, 2007, available at www.wallacefoundation.org.
 5 Springfield, MA; Jefferson County, KY; and Appoquinimink, DE. New York City and Chicago have graduated the largest numbers of current principals through their high-quality training programs (252 and 92 respectively), but because of the districts’ large size, these represent smaller percentages (17% and 22%) of their sitting principals.

programs at the NYC Leadership Academy led the city to provide about \$53 million over the next five years for the Academy to train principals and to provide mentoring for all first-year principals. In addition, 198 more veteran sitting principals elected to pay for additional mentoring from the Academy out of their school's budgets under new authority that the city recently gave all of its principals. The Academy also received a three-year federal grant totaling \$3.6 million to expand the mentoring program, which is also supported by a \$1 million Wallace grant. Plans call for these high-quality but costly programs to be fully sustained without Wallace funding after the 2008-09 school year.

2. Redesign of university preparation programs

An increasingly prevalent strategy in our funded sites has been the required redesign or, less frequently, the closure of university preparation programs so that they conform to quality criteria and leadership standards. Sixteen of 22 Wallace-funded states have either redesigned or closed programs or are developing criteria to do so in the near future. Thirty-two programs were redesigned or closed in 2007-08, bringing to 211 the total since this initiative began.

University-Based Leadership Programs Redesigned or Closed 2005-2008



Delaware and Louisiana provide two examples of what these redesigns consist of:

- In Delaware, the process began with the enactment of leadership standards and a state mandate that all university leadership programs align to them. Current programs were rated against the standards by an external committee of national and state experts, which then met with faculty to discuss possible revisions. Using Wallace funding, the state provided mini-grants to redesign all three programs. Each program now includes 15 hours of an internship or field-based work in every course, partnerships have been formed with districts that include mentoring, and graduates are now required to take a test that is aligned to leadership standards.
- In Louisiana, the state responded to district complaints about the quality of leadership program graduates as well as findings by the state's blue ribbon commission that the

CHALLENGES OF REDESIGNING UNIVERSITY-BASED LEADER TRAINING PROGRAMS

Georgia demonstrates some of the potential pitfalls of redesigning leader training programs. Over the past two years, the state developed performance-based leadership standards based on ISLLC, revised accreditation standards and introduced a new performance-based license. All leader preparation programs in the state were put on notice that they would be closed by summer 2008 if they did not redesign their program to meet the new quality criteria. As part of this process, the state required universities to enter into partnerships with districts so that they would be more reflective of district needs.

As it has turned out, however, few but the largest districts have the know-how or, in some cases, the desire to partner with universities on redesigning these programs – and the new state policy does not obligate districts to enter such partnerships. University faculty often lacked the skills to redesign courses so that they are more experience-based. And because the state now requires that all candidates come from programs with established university-district partnerships, and because the cost of having coaches for all candidates (required now as part of the performance-based license) is being borne either by the district or, more often, by the candidates themselves, there have been significant enrollment declines at some programs. Because of these difficulties, the state extended its deadline for closing programs that failed to meet quality criteria to summer 2010.

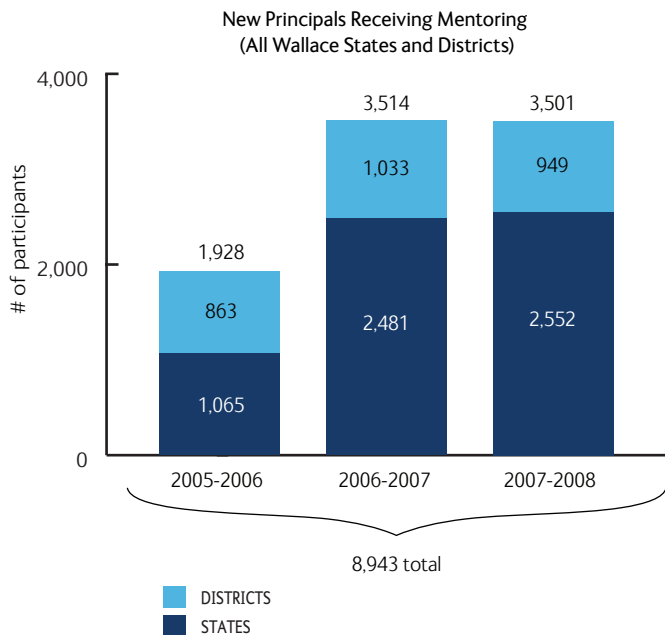
The Georgia Leadership Institute for School Improvement, a public-private partnership that includes the state board of regents of the University System of Georgia, is working with state associations to train faculty on how to design courses and/or use existing modules to create performance-based programs. They are also training districts on how to work with universities to design partnerships.

curricula in state programs were outdated and required university-based programs to undergo a revised approval process. As a result, programs are now more aligned to standards, more focused on instructional leadership, more problem-based and inclusive of field-based experiences.

Principal mentoring

Mentoring for principals during their first years on the job was rare when our initiative began in 2000 but has spread rapidly since then, with Wallace-funded states and districts continuing to lead that national trend. Six Wallace states had laws requiring mentoring when their funding began. By 2008, 16 Wallace-funded states had passed such mandates.

We've learned that the frequent absence of appropriate training for mentors is an obstacle to improving the quality of mentoring, but such training is becoming more common in Wallace-funded sites. For example, Missouri's mentoring law has resulted in more than 600 mentors being trained and over 900 new leaders have been mentored statewide since its



enactment in 2005. Wallace also supported the development of a new tool, the Leadership Performance Planning Worksheet. The worksheet, designed for use during meetings between new principals and their mentors, identifies “showstopper” leader behaviors linked to successful instructional leadership. The worksheet has been used by 947 new principals and 277 mentors in eight states and districts⁶ and has become a standard tool in use by the NYC Leadership Academy in its mentoring programs.

ENHANCING THE CONDITIONS OF LEADERSHIP

Along with better leadership training, it’s essential to put in place the necessary policies, resources, incentives and tools for principals to succeed, and to remove any barriers to success. Many states have enacted new laws and policies designed to improve those conditions and ensure that policies are clearly tied to standards and to the goal of improving learning. Implementing those changes on the ground, however, has proven harder because they can, and often do, involve altering accustomed or cherished roles or the ways scarce time and money are allocated. The roles of politics and money in changing key conditions and protecting progress already made will likely intensify in an increasingly difficult fiscal climate.

To date, conditions changes in the following areas have gained the most traction:

- *Providing useful data for leaders’ decisions:* 19 Wallace-funded states (up from 10 a year ago) have enacted laws aimed at putting in place data systems to provide leaders with actionable and timely information to guide decisions about resource allocation, improving teacher quality and increasing student achievement. Examples:

- New Mexico has moved from giving local districts boxes of raw data printouts with no guidance on how to use it, to providing district leaders with expert guidance on using the data to diagnose problems, develop appropriate solutions and monitor progress through benchmarking and short-cycle assessments.
- Ohio’s Data-Driven Decisions for Academic Achievement System, created with a federal grant, now provides state leaders with access to timely data and tools aligned to the state’s academic content standards. Wallace funding is helping train leaders in the use of that data.
- In Georgia, school, district and state agency performance data are reported on “balanced scorecards,” management tools designed to provide short- and long-term goals and progress measures that create more transparency and accountability at all levels of public education.

- *Developing incentives:* Some states and districts have created incentives to encourage better leader performance or attract and place quality leaders in high-needs schools and districts. For example, Louisiana’s Leader Fellows program, partially funded by Wallace, is a fast-track, quality training program to provide year-long principal residencies in high-needs districts across the state and create a cohort of well-trained principals. A Louisiana turnaround specialist program, funded entirely by the state at \$1 million, was initiated to build a cadre of qualified school leaders who will receive additional training and stipends for successfully turning around chronically underperforming schools.

- *Leadership roles & responsibilities:* A developing trend in some of our sites is the growth of the teacher-leader role to reinforce the ability of principals to distribute authority in their schools. In Illinois, there is an official “teacher-leader” certification. In Springfield, MA, there is an official teacher-leader position with a higher salary that has been written into the new teacher union contract. Georgia has certified 353 master teachers working in new leadership roles in their schools. Five states (Alabama, Delaware, Kansas, Kentucky and Ohio) collaborated in developing a new university curriculum for certifying teacher-leaders that each state is implementing in 2009.

Two other key leadership conditions remain more problematic but may be poised for improvement, in part because specific tools have been developed with Wallace support to speed progress:

- *Evaluating leader performance:* With only a few exceptions⁷, progress has been slower in fully developing

⁶ Arizona, Boston, Delaware, Kentucky, Missouri, New York City, Springfield, IL, and Springfield, MA.

⁷ For example, the Delaware Performance Assessment System.

and implementing rigorous leader evaluation systems. This may change with the publication in late 2008 of VAL-ED, developed with Wallace support by Vanderbilt University researchers as the first, rigorously tested and fully validated tool to assess school leader performance. A number of Wallace sites participated in field tests of VAL-ED⁸ and other states and districts that aren't planning to use VAL-ED have been applying its principles to develop their own instruments. Wallace devoted its 2008 annual education grantee conference to the practical considerations and challenges of improving leader assessment. (To learn more, download a new Wallace Perspective, *Assessing the Effectiveness of School Leaders*).

- *Focusing more time on instruction:* Another area where sites have begun to make progress but are likely to have continued difficulties is in reallocating use of principals' time to focus more on instruction. Since 2005, with Wallace support, an idea pioneered by the Jefferson County Public Schools called SAM (School Administration Manager) places a new administrator in schools to help relieve principals of tasks that distract them from instructional matters. A centerpiece of the SAM project is a TimeTrack tool that allows principals to chart how they spend their time each week and adjust their priorities more toward improving instruction.

of diagnosing and beginning to address how they allocate their time, with or without a SAM. (To learn more about the SAM project and TimeTrack tool, click here).

OUT-OF-SCHOOL TIME LEARNING

Learning isn't limited to classrooms, and The Wallace Foundation has a 20-year history of supporting out-of-school time learning opportunities in a range of settings: in libraries, parks, science museums, arts organizations and athletic fields. While these past efforts produced some successes, the progress often wilted when our funding ended. From those experiences, we hypothesized that by working directly with top city leaders who control OST resources to elevate the importance of quality in making funding decisions, it might be possible to make better-quality OST programs more widely available, and more sustainable, throughout entire cities.

If securing the support of key leaders is the necessary starting point to develop and sustain quality OST for more children citywide, there are other essential ingredients as well:

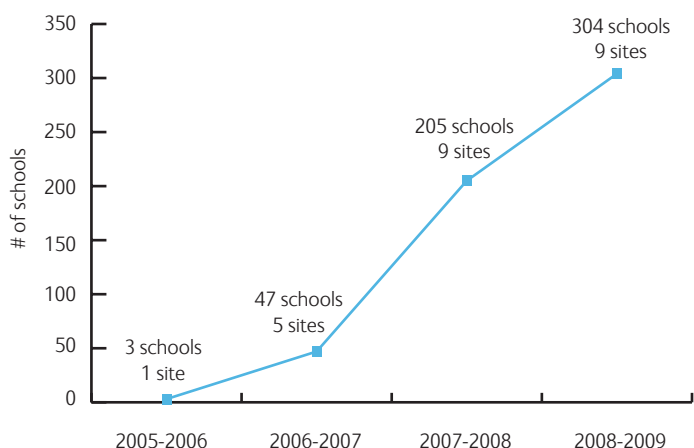
- *Reliable information systems* – to track participation, identify what parents and kids want and need, pinpoint service gaps, and ensure that programs are meeting quality standards and enrollment and attendance targets;
- *Multi-year planning* – to set priorities, guide funding decisions and define roles and responsibilities; and
- *A designated coordinating body* – either public or private – responsible for having the “big picture” of OST needs and resources citywide and ensuring that the work by key public and private agencies is well-managed and coordinated to meet those needs.

Establishing these basic building blocks of a well-functioning, quality-based OST system is the essence of what Wallace has been supporting in Providence and New York City since 2004, and in Chicago, Boston and Washington, D.C. since 2006. The OST landscape in these cities is diverse. Each began at different stages of development and in varied political contexts. Each is targeting different age groups with distinct service needs and preferences: middle-school youth in Providence and Washington, high school teens in Chicago, and both elementary and secondary students in Boston and New York City. The cities also represent a variety of models and approaches and this diversity should lead to a range of lessons about the different system-building approaches that will be an important contribution to the field.

Regardless of their different approaches and settings, each city is working on three basic things:

- Establishing the fundamental elements of a citywide OST system (leadership, information, planning and coordination);

Participating SAM Schools by Year



Since 2005-06, more than 300 schools have participated at various stages of the SAM project. A Wallace-commissioned assessment of the activities of the SAMs and principals in a sample of schools in states and districts that have adopted the approach and their effects on instruction is expected to be published later in 2009. A key challenge ahead will be the willingness and ability of sites to hire additional administrative staff in the midst of fiscal belt-tightening. Nonetheless, the availability of the TimeTrack tool provides administrators a low-cost means

8 Atlanta; Louisiana; Springfield, MA; Boston; Springfield, IL; St. Louis; Louisville, KY; Eugene, OR

- Improving the quality of OST programs; and
- Increasing and sustaining child and youth participation in OST programs so that they gain learning and developmental benefits.

The underlying purpose of such a citywide system is to ensure better program quality and more robust youth participation (attendance and enrollment rates). The following section provides a city-by-city look at progress to date:

NEW YORK CITY

In a major departure from the past when OST resources and decision-making were spread among more than six city agencies, coordination now rests with a single city agency, the Department of Youth and Community Development (DYCD). This has enabled city leaders to make system-wide change at a faster pace.

The lifeblood of the emerging system is information, gathered from the city’s OST Management Information System, market research, and data from an ongoing evaluation of the city’s OST system by Policy Studies Associates (PSA)⁹. Having recognized the value of tracking participation in OST as a way to hold programs more accountable for meeting targets, the city dramatically increased the scale of its management information system in 2008 by adding 200,000 more children and youth served by the Beacons and Service Learning Initiatives,¹⁰ thereby increasing the total number being tracked from 69,000 in 2007. The OST system has been integrated into a citywide information technology strategic plan that could help secure its sustainability.

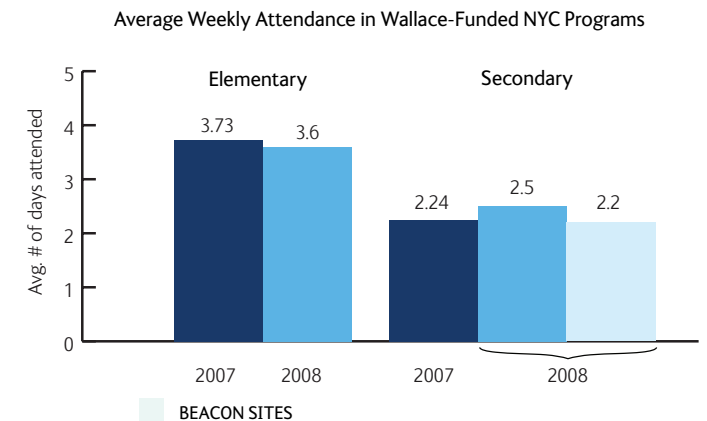
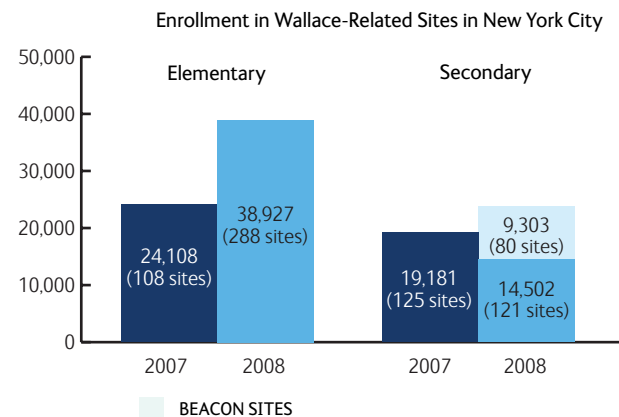
As 2008 was ending, city leaders were crediting the availability of better data and continuous OST planning with helping them make the case for increased city funding in a difficult fiscal environment: \$119.8 million in fiscal ’09, up from \$109 million in fiscal 2008 and from \$46 million in fiscal 2006. The city has also stepped up its efforts to raise more private funds: for example, \$100,000 from the New York Life Foundation to help spread successful OST curricula. The deepening economic problems will test the city’s resolve to maintain this OST system work. Early indications are, however, that the system-building could pay off in helping DYCD address its budget problems more strategically by allowing the agency to use OST data to concentrate cuts on programs identified as having lower enrollments.

Progress on quality

The city has used data and twice-yearly site visits to identify quality problems in programs and to refer OST program staff to appropriate city-funded training or other assistance. The city is providing \$550,000 to the Partnership for After School Education (PASE)¹¹ to train OST staff on a range of topics. To help professionalize OST staff, Wallace hosted a kick-off meeting of a new collaboration between City University and DYCD to develop a CUNY curriculum for new BA degrees in Youth Studies. The program became available online in 2008. The ongoing PSA evaluation found high levels of satisfaction among program participants, but also found that programs were less successful in providing youth with hands-on learning experiences or opportunities for discussion or leadership roles. In response, the city is training program managers to use an observation tool to rate program quality and has also developed a list of core competencies for front line staff that will be used to shape new professional development opportunities.

Progress on participation

Enrollments at city-funded elementary OST programs showed the largest increases as the number of sites more than doubled year-to-year to 288. Middle-school enrollment in city-funded



⁹ Wallace funded half the cost of the evaluation, but is now funding less as DYCD recently contracted with PSA for a three-year continuation of the evaluation that will be solely funded by the city.

¹⁰ Beacons are school-based community centers for children, youth and adults providing them with services including OST, literacy activities, tutoring, sports, arts and academics. Service Learning programs engage young people in community services activities combined with a structured curriculum to develop leadership skills, civic engagement and social responsibility.

¹¹ The Partnership for After School Education (PASE) provides technical support to promote and support quality afterschool programs, particularly those serving young people from underserved communities.

programs dropped somewhat, but the average attendance per week increased, which may owe in part to the elimination of some programs that didn't meet participation targets in 2007. The city's management information system now includes participation data from additional city programs, including 80 Beacons middle school programs. About 9,300 youth attended those programs an average of 2.2 days per week.

Despite the overall gains in participation, evidence from the ongoing Policy Studies Associates evaluation highlights continuing problems in engaging children and youth in OST, a problem common in cities across the country. Two important lessons emerged from the evaluation that may indicate possible approaches to that challenge:

- Participation in summer programs predicts higher rates of participation during the school year; and
- Programs that hired some high school and college staff (supported by more experienced older staff members) had higher participation rates than programs that didn't.

PROVIDENCE

In 2008, the Providence After School Alliance (PASA), the coordinating body for the city's Wallace-funded OST work, made a successful transition to an independent, increasingly financially stable institution. Besides its Wallace funding, support has included a \$600,000 grant from the U.S. Justice Department, a \$200,000 grant from Bank of America and a \$500,000 grant from the C.S. Mott Foundation to test "expanded learning" strategies that will link school improvement efforts with OST services to improve school achievement. Mayor David Cicilline has been an outspoken supporter of the city's OST work and serves as chairman of PASA.

PASA manages the city's innovative "AfterZones" OST neighborhood service model for middle-school youth, as well as the city's OST information system. The database now produces enrollment, attendance and retention information for all 1,812 youth participating in AfterZones. PASA uses the information to guide decision-making about the appropriate mix of programs and providers in the AfterZones.

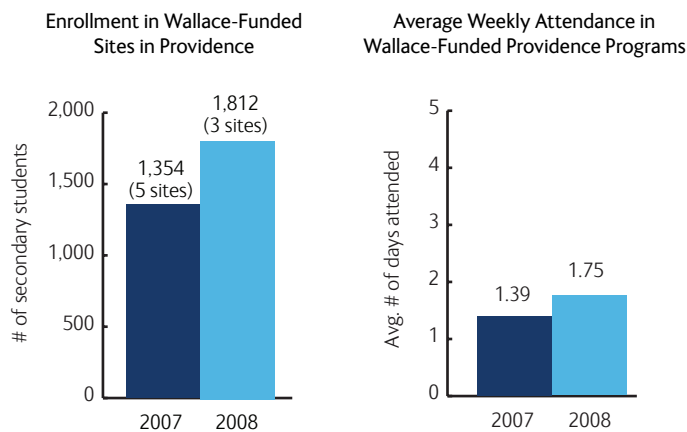
Progress on quality

In 2008, PASA used a newly-developed quality assessment tool to evaluate 33 AfterZone programs and – in common with quality findings in New York City – the results identified weaknesses in program leadership and youth engagement. Somewhat surprisingly, sports programs, among the most popular activities, received lower quality marks on average than academic or arts programs. In response, PASA will provide professional development to sports and recreational staff to increase their effectiveness in dealing with youth.

PASA's quality monitoring is directed most intensively on programs with less than 50% attendance, but the emphasis in the short term is on providing workshops and other professional support to increase quality rather than stripping programs of funding. Three ongoing studies focusing on or including the AfterZones by Public/Private Ventures, RAND and the Harvard Family Research Project should yield further information on a range of OST program quality issues.

Progress on participation

Enrollment in AfterZone programs rose significantly in 2008 and now represents more than one-third of the city's middle-school population of 5,400. This is still well short of PASA's 2009 goal of 2,250 youth. Average weekly attendance also increased considerably over the previous year from 1.38 days per week last year to 1.75 days per week during the spring 2008 session. Students enrolled in 4 days per week of programming attended 2.7 out of 4 days on average.



Looking ahead, the economic downturn is hitting this city and state especially hard and poses a threat to continued OST system-building. Several funding streams PASA had hoped to tap in the coming year have been reduced, including state childcare funding. One hopeful sign for the future is that the newly-named school superintendent has signaled that OST will be a high priority for the school system.

BOSTON

The focus of the Wallace-funded work in Boston is elementary school-based OST programs, coordinated by Boston Beyond, a public-private partnership. In 2008, Mayor Thomas Menino formed a Sub-Cabinet on Education, Health & Human Services that is overseeing the implementation of a newly-created "Community Learning Initiative." With \$1 million a year committed by the Mayor, the goal is to create networks of connected OST programs within Boston neighborhoods linking schools, libraries and other community-based organizations. The OST work Boston Beyond has been

piloting in 10 elementary schools has been integrated into a larger citywide OST collaborative under the public school's department in charge of its after school and extended learning programs. This could be a first step toward expanding the key innovations of the model Wallace helped pilot in 10 schools to 50 school sites throughout the city.

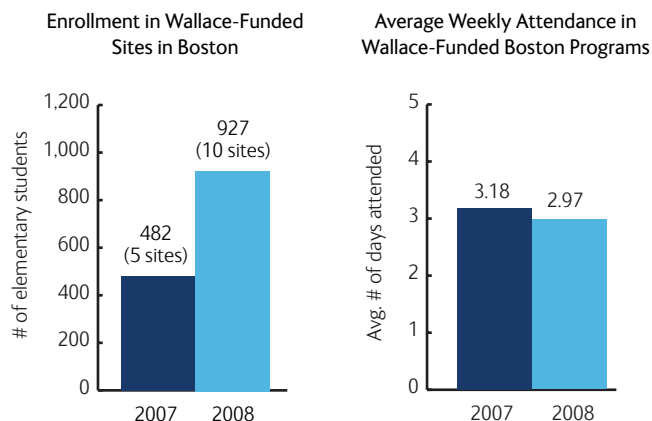
Boston Beyond launched BostoNavigator in 2008, a website for parents and children to identify age-appropriate OST programs of all kinds by zip code. It includes information on more than 1,300 programs citywide and has enabled the city for the first time to identify specific service shortages. A new centralized online OST tracking system will be launched in 2009 to monitor enrollment and attendance across all Boston Public School OST program sites. The new OST information system will be connected to the school system's data system, making Boston among the first cities to give school-based OST programs access to school level and individual student academic information. The goal is to increase the city's ability to target youth needs, tailor programming to meet those needs and correlate school performance and OST participation data on an on-going basis.

Progress on quality

Quality monitoring has been a hallmark of Boston's work and those efforts were being scaled up significantly in 2008-09 with the implementation of program quality monitoring in at least 40 sites throughout the city. This expansion will include the piloting of a High/Scope¹² quality assessment tool, funded by Wallace, designed to identify quality weaknesses, tailor technical assistance to programs and track the rate of improvement on a range of quality criteria.

Progress on participation

Enrollment in Wallace-funded sites nearly doubled in 2008. Average days per week attended showed little change year-to-year but remained high at about three days per week. Just 22%



of the 4,287 elementary students across the ten Wallace-funded school sites participated in OST programs, however, and long waiting lists in some schools suggest that demand exceeds supply. Boston Beyond is working with the city so that the new data systems in place can produce a clearer citywide picture of the distribution of OST services to help inform funding decisions. In the current economy, it is unclear how effectively the city will be able to respond to unmet OST demand.

WASHINGTON, D.C.

City leadership support remained strong in 2008 for school-based OST programs in general and for Project My Time (PMT), the Wallace-supported middle-school OST initiative, in particular. The city has committed approximately \$6 million over the past two years to the initiative, and the model now resides in nine of the city's 14 middle schools, up from five sites a year ago. Mayor Fenty's commitment to coordinating youth services on a citywide scale was evidenced by the creation of an "Inter-agency Collaboration and Services Integration" task force. Wallace's grantee, the D.C. Investment Trust, is a member along with D.C. Public Schools and other city agencies.

The city's schools chancellor, Michelle Rhee, has made data-based management a hallmark of her school improvement efforts, and the expected completion in 2009 of an integrated data management system allowing for correlating Project My Time participation data with school achievement data is seen as a potential critical link between OST and school system reform.

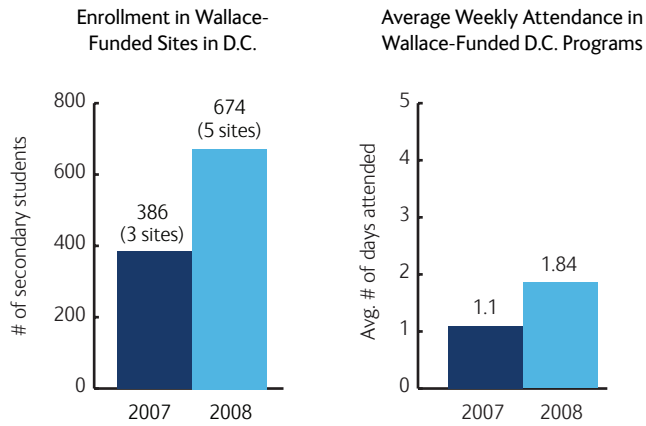
Progress on quality

Program quality has been a significant challenge since the initiative began and DC Trust planners took a number of steps in 2008 to shore up weaknesses. Quality standards were upgraded and are now a basis for selecting Project My Time providers and for staff training. A significant step in 2008-09 has been the use of a program quality assessment tool developed by the National Institute on Out of School Time. All PMT site coordinators will use the tool to improve site management. It will also be used to guide program development in the system-wide scale-up of OST in schools. It is unclear, however, how the Mayor or school leaders will fund or sustain these quality improvement efforts as the PMT model is scaled up citywide.

Progress on participation

The initiative's target group, middle-school youth, is among the hardest-to-attract and most underserved. The number of Project My Time program sites expanded from five to 10 in 2008, but enrollments remained low overall. Encouragingly, however, OST enrollments at the original school-based programs rose from 30% to 37% year-to-year. And the

¹² High/Scope Educational Research Foundation, based in Ypsilanti, MI, is an independent nonprofit organization that, among other things, trains early childhood teachers and develops curricula for a range of programs, most notably preschool.



year-to-year change in average number of days per week that students attended PMT sites – 1.84 days compared with 1.1 days – was the largest increase of any cohort in the five cities in Wallace’s initiative.

CHICAGO

Wallace’s initiative in Chicago is rooted in the strong reputation of After School Matters, with its nationally-renowned apprenticeship programs for teens. The challenge has been to find ways to support that model and to leverage its effective practices in ways that elevate the importance of out-of-school time learning citywide and strengthen the ability of city agencies to bring more robust quality to many other programs. Citywide system-building work for OST has the backing of the mayor, his wife Maggie Daley who chairs After School Matters, and top city agency heads. A primary goal has been to create more citywide integration of OST services, focused mainly on underserved teens, coordinated by the city’s Department of Children & Youth Services.

The development of a “Program and Participant Tracking System” has been key to this citywide OST improvement strategy. The system was launched with Wallace funding in 2008 and now produces participation data for some 92,000 youth in grades K-12 served by more than 200 nonprofit organizations. By early 2009, the system will include data on an additional 20,000 teens participating in After School Matters. Going forward, a newly-created “Integrated Data Services Group” that includes senior management from core city agencies will decide how to use the information to direct city policies and funding practices toward supporting high-quality programs in high-needs neighborhoods. Data from the information system is also being used in an online program locator for parents and teens that went live in the fall of 2008.

Sustaining this system-building work will be a challenge in the city’s fiscal climate. One promising note is that the state legislature has appointed a task force to make recommendations

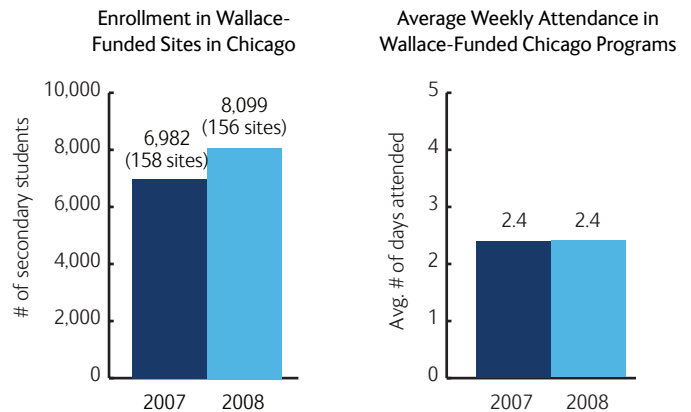
for more effective financing of OST services. Leaders of the Chicago system-building work are included in this task force.

Progress on quality

After School Matters has a history of providing high-quality programs for hard-to-attract teens and in 2008 it shared its high-quality content with a number of city agencies and community-based organizations. The city as a whole has been slower to address quality in programs not run by After School Matters. As an early step, the city launched a “quality pilot” in 2008 that will seek to build consensus around quality standards and test the use of a program quality assessment tool at 25 to 30 other OST providers. Drawing on lessons from the pilot, the tool will eventually be used to assess the performance of all city-funded OST organizations against the annual work plans that nonprofit organizations and city agencies use to monitor quality and youth participation.

Progress on participation

Enrollment in After School Matters’ teen apprenticeship programs rose considerably in 2008 year-to-year despite a slight decrease in the number of program sites. Average weekly attendance was stable at 2.4 days (out of a possible three days), a high rate for this age group. ASM administrators attribute the enrollment gains to a policy change increasing from 25 to 30 the maximum number of teens per program enrolled at the beginning of each ten-week program cycle, and to stepped-up efforts to recruit new participants if enrollment drops in a given program.



A NEW INITIATIVE: STRENGTHENING THE FINANCIAL MANAGEMENT OF OST ORGANIZATIONS

Looking ahead, Wallace decided to launch a new effort in 2009 to strengthen the financial management of nonprofit organizations that provide OST. The initiative is premised on the belief that if OST organizations adopt more effective financial management practices and if funders improve policies and practices, OST organizations will be better able to deliver high-quality services to children. The sole site



San Francisco Girls and Boys Chorus perform at the Presidential Inauguration. The Girls Chorus is a Wallace Excellence Award grantee.

for this new work will be Chicago, chosen because of the commitment of its leaders to building an effective system for high-quality OST services, their willingness to engage in a policy forum examining funding practices that inhibit healthy financial management in nonprofits, and the strength of the local nonprofit community.

Fiscal Management Associates, a New York-based provider of training and consulting to nonprofits, has been designated to provide direct support and assistance of varying intensity to nonprofit OST providers in Chicago. About 40 organizations will be given grants, including up to 14 that will receive individual assistance and up to 25 that will receive group assistance. Wallace is also supporting the Donors Forum to develop a policy forum that will look for ways to improve policies and increase public and private resources.

BUILDING APPRECIATION AND DEMAND FOR THE ARTS

As our co-founder Lila Acheson Wallace was fond of saying, “the arts belong to everyone.” To help realize that vision of broad access to the arts, our current efforts consist of two initiatives which together aim to help expand present and future audiences:

- **The Wallace Excellence Awards (WEA)** is a city-based strategy that provides support to exemplary arts organizations located in some of the nation’s leading arts centers to identify, develop and share effective ideas and practices to build the audiences of today.

In addition to direct grants to arts organizations to pursue their own participation goals, the program includes two distinctive features to extend its reach, relevance and impact. First, it provides support for each WEA city to establish “learning networks” whose goal is to provide regular opportunities for both grantee and non-grantee arts institutions to share effective practices and help make participation-building a citywide priority. And second, it addresses head-on the often weak ability of arts organizations to gather credible evidence of the effectiveness of their participation strategies by providing them with funding and technical support to gather data and analyze results. By doing so, we hope to develop, over time, a “knowledge portfolio” of lessons about what does and doesn’t work in participation-building that will be useful to many others in the arts field.

Two new cities – Minneapolis-St. Paul and Seattle – were added to the WEA initiative in 2008, completing our plan

to fund six sites. Boston and Chicago were selected in 2006, and Philadelphia and San Francisco in 2007. Each city was chosen because of its high concentration and variety of arts organizations committed to serving more people. A total of 74¹³ arts organizations have received Excellence Awards since the initiative began in 2004, 54 of which are located in the six cities.

- **Arts for Young People (AYP)**, our second strategy, works with selected cities to expand, raise the quality of, and ensure equitable access to, arts learning opportunities to build the audiences of tomorrow.

This aspect of our work is premised on the belief, buttressed by a 2008 RAND report, *Revitalizing Arts Education Through Community-Wide Coordination*, that a “coordinated approach” that includes a range of school and non-school arts learning providers can help entire cities bring more and better arts learning opportunities to children, especially those who currently lack them.

Dallas, until 2008 our sole AYP site, is mid-way through a four-year plan. Its *Thriving Minds*¹⁴ initiative, overseen by Big Thought¹⁵, has earned that city recognition as perhaps the nation’s foremost example of reviving arts education both during and after school and during the summer months. We named four additional AYP sites in 2008 to expand the variety and relevance of the resulting lessons: the Los Angeles Unified School District, the Los Angeles County Arts Commission, the Philadelphia School District and the Minneapolis School District. In common with Dallas, the new sites selected for Wallace support are committed to coordinated approaches to expand arts learning opportunities.

The following sections detail the progress and challenges in these two strategies of our arts work.

WALLACE EXCELLENCE AWARDS

Progress toward participation goals

For the first time in 2008, 23 of the 54 organizations that received awards between 2004 and 2007 were able to accurately report year-over-year changes on specific participation goals as a result of technical support funded by Wallace. This more refined data showed a median year-to-year participation increase of 27% on these organizations’ targeted goals, with individual gains ranging from 1% to 377%.

Part of the explanation for these impressive gains almost certainly lies in the more targeted nature of the data itself, which

INCREASING PARTICIPATION BY SHARPENING GOALS

The San Francisco Opera created more opportunities for family audiences and attendance at those productions rose to 2,858 households in 2007-08 from 599 households a year earlier, a 377% increase. The new opportunities for families also took place at different venues, including two performances of *The Magic Flute for Families* at the Opera House and six performances of *The Little Prince*, offered through a collaboration with Cal Performances’ Zellerbach Hall located on the campus of UC Berkeley. While that venue won’t be available every year, the Opera used the collaboration this year as an opportunity to collect contact information for families to keep them updated about future family-oriented offerings.

The San Francisco Museum of Modern Art similarly increased the number of tailored opportunities for a target group – families with young children – and year-to-year family attendance rose by 27%. The museum doubled the frequency of its Family Studio Sundays, which feature hands-on art-making workshops led by Bay Area artists, docent-led family tours, storytelling and other activities, all of which are connected to current museum exhibits. To promote these additional opportunities, the museum developed “family postcards” that were distributed at schools, libraries and at a San Francisco Giants ballgame.

The Institute of Contemporary Art in Boston, upon opening a new facility in 2006, decided to build on its longstanding commitment to engaging teens. The new location and its accessibility via mass transportation prompted the museum to target more teens from underserved neighborhoods including South Boston, Dorchester and Roxbury. With its Wallace grant, the museum was able to expand and enhance existing program offerings, adapt them to the new space, and market them to teens and schools in the target neighborhoods. The result: a 254% increase in teen participation to 2,480 compared with 700 a year earlier.

made the progress toward specific goals much more visible than when subsumed within an organization’s total participation tallies. But the more refined data also revealed several interesting patterns pertaining to the different participation-building approaches these organizations are using:

The first pattern is that organizations whose participation goals focused on attracting specific groups (for example, families or teens) tended to have higher year-to-year gains than organizations whose participation goals were less targeted and more general. The eight organizations with specific target groups had a median increase of 109% (with a range of 377% to 16%), compared with a 14% median gain among the 15 organizations whose goals were more general (with a range of 238% to a decline of 4%). Part of the difference is mathematical: it’s easier to show a big percentage increase in a smaller target group of participants. But the pattern is also consistent with the observation in a

¹³ Includes 20 WEA grantees named in 2004 and 2005 prior to our adoption of a city-based strategy.

¹⁴ Before 2008, *Thriving Minds* was known as the Dallas Arts Learning Initiative, or DALI.

¹⁵ Big Thought is the nonprofit arts education agency that is coordinating the citywide arts learning initiative that includes the Dallas Independent School District, city agencies and numerous arts and cultural organizations.

2001 Wallace-commissioned report by RAND, *A New Framework for Building Participation in the Arts*, that more targeted participation efforts can increase the chances for impact by focusing resources and strategies on a specific goal.

A second pattern is that organizations that added opportunities for people to participate (such as adding performances, new series or hours) tended to have greater increases than those that didn't. The 10 organizations whose participation-building strategies included adding new opportunities had median year-to-year increases of 28% (ranging from 377% to 3%), compared to a 16% year-to-year median increase among the 13 organizations who did not add such opportunities (ranging from 120% to a decline of 4%).

The data and these examples indicate that adding capacity might be an effective way to boost participation. But other factors also come into play such as the artistic appeal of the added programs and the efficacy of outreach and marketing. For example, removing barriers to participation and recruiting parents to spread the word about upcoming performance help explain a 256% increase in family audiences at The Boston Lyric Opera last year. The opera made itself more accessible to busy families by staging performances in towns and neighborhoods outside of downtown Boston, and it is tapping into existing school and community networks to reach new audiences of parents who are inclined to participate but whose schedules make that difficult.

Setting the stage for useful lessons

For years, efforts to extract credible lessons about participation-building strategies have been frustrated by the common inability of arts organizations to produce pertinent supporting data. In a significant reversal of that problem in 2008, nearly all of the 37 organizations provided with Wallace Excellence Awards since 2006 were “on track” to be able to gather and analyze such data. This new-found ability owes to Wallace’s providing these arts organizations with expert consulting to help them clarify their strategies and identify and gather the right data to track their progress in meeting participation targets. As a result, a number of organizations are now ripe for deeper study of the effectiveness of their strategies in 2009, and we will commission case studies of several in 2009.

Creating learning networks to spread lessons and impact

In line with the initiative goal of providing both grantee and non-grantee organizations with vehicles to share useful participation lessons, Wallace has engaged local organizations¹⁶ in each WEA city to develop “learning networks” that seek to identify and respond to the interests of a wide range of local arts organizations – both grantees and nongrantees – and enable them to learn from field experts and each other.

CITYWIDE LEARNING NETWORKS TO BUILD PARTICIPATION

Because the learning network concept is new, several of the WEA cities are experimenting with different approaches to meeting local needs. For example:

- In San Francisco, learning network coordinators organized “The Big List,” a shared mailing database designed to enable arts organizations throughout the Bay Area to reach new potential patrons through direct mail. With 69 organizations participating and with a database containing more than 339,000 unique names and participating organizations, it is already the largest such program in the country.
- Philadelphia’s learning network is developing a Cultural Engagement Index consisting of a set of market indicators that will, over time, provide arts organizations with information about attitudes towards art and culture as well as patterns of participation that will help them tailor responsive programming and operating practices.

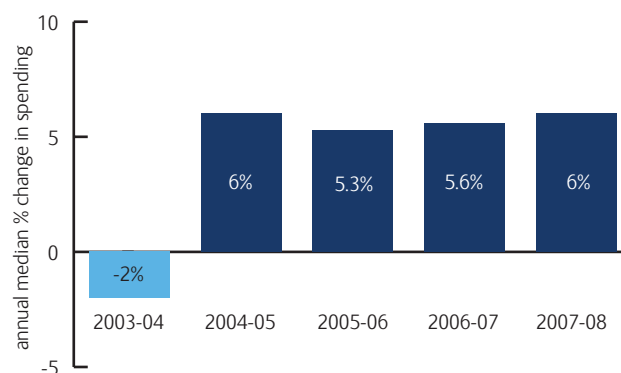
Four cities had established such networks by 2008 (Boston, Chicago, Philadelphia and San Francisco), and each was providing knowledge-sharing activities that included:

- Convening Wallace grantee organizations to enable them to learn from each other’s experiences and challenges in tackling participation-building projects;
- Plenary sessions with national experts about such topics as marketing, trends in ticket-buying habits and use of technologies to reach more people;
- Professional development programs that offered in-depth, sequential learning opportunities by expert instructors to help staff of selected arts organizations build audiences; and
- Re-granting some Wallace funding to groups that took part in the more in-depth programs.

Sustaining the work

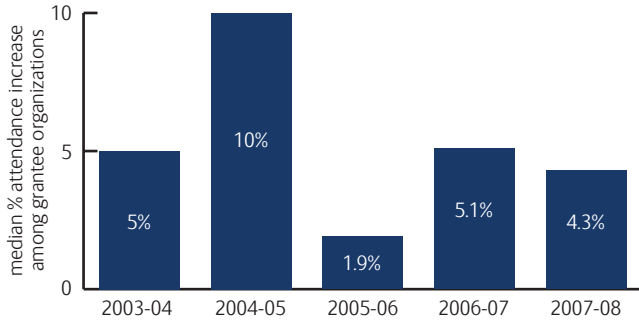
One indicator of the durability of participation-building efforts is the extent to which arts organizations are willing to spend their own, non-Wallace money. Last year, Wallace

Trends in Non-Wallace Participation Spending by Grantees



¹⁶ The Boston Foundation with the Massachusetts Cultural Council; The Chicago Community Trust with the city’s Department of Cultural Affairs; The Philadelphia Foundation with the Greater Philadelphia Cultural Alliance; The San Francisco Foundation with the city’s Grants for the Arts program; the Washington State Arts Commission; and the Minnesota Community Foundation with Arts Midwest.

Median Attendance Increase at Wallace-Funded Arts Organizations



grantees increased their spending on such participation-related activities as marketing and outreach by a median 6%, a similar growth rate to the last several years. Twenty-two of 33 organizations reporting this data had year-to-year spending increases.

These spending patterns, combined with a 4.32% increase in overall median attendance at Wallace-funded arts organizations, suggest that the economic downturn has not yet hit arts institutions in these cities full-force. The years ahead will undoubtedly be a harsher test of their commitment to sustain participation-building activities and spending amid other priorities.

ARTS FOR YOUNG PEOPLE

“Early exposure is often key to developing life-long involvement in the arts,” according to a landmark report by RAND on the benefits of the arts, *Gifts of the Muse*. Yet arts education has been on the decline for the last three decades and has been further squeezed in many urban districts by tight budgets and federal and state mandates that emphasize reading and math, often at the expense of the arts and other subjects. To counter that downtrend, and as RAND’s *Revitalizing Arts Education Through Community-wide Coordination* documents, some cities are seeking to mobilize a broad range of arts learning providers – public schools, arts and community institutions and others – to put high-quality arts experiences within reach of many more children.

The second prong of our arts work, Arts for Young People, is designed to promote such coordinated city-based efforts by:

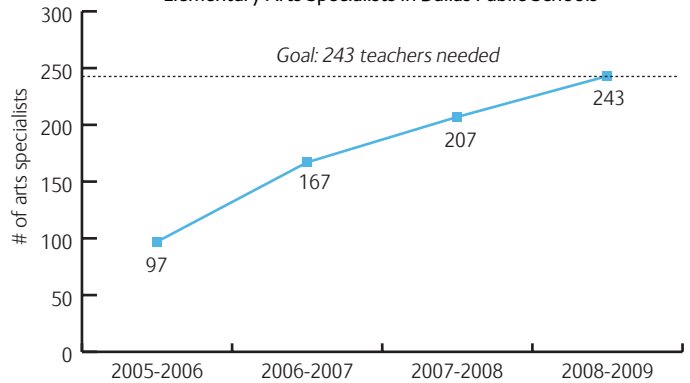
- Supporting the ongoing development of arts learning plans;
- Collecting and analyzing information on how well and equitably arts learning opportunities are distributed across schools in a district;
- Implementing specific strategies to expand and improve arts education; and
- Building broad support to sustain it.

Dallas was our first AYP site. In 2008, we added three new cities – Los Angeles, Philadelphia and Minneapolis and we will describe their progress in future reports. To measure the progress to date of Thriving Minds, the name of Dallas’s citywide arts learning project, we looked for evidence of (1) increased capacity to equitably deliver arts instruction to more children both in and out of school, (2) increased quality in instruction, and (3) efforts to sustain progress.

More equitable arts instruction both in and out of school

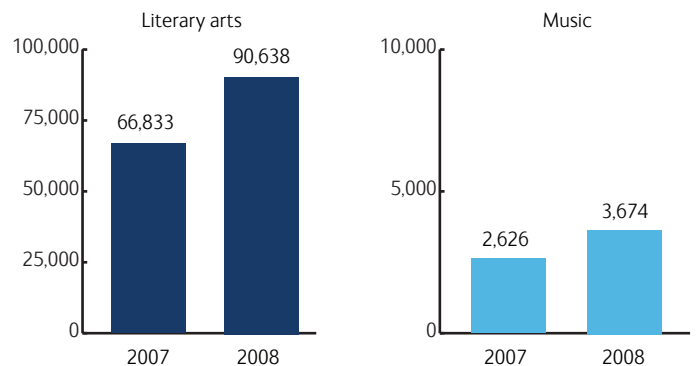
This past year the Dallas Independent School District hired 36 additional certified pecialists in music and visual arts, bringing the citywide total to 243 and thereby meeting its goal of having enough qualified staff to provide 45 minutes of instruction in both visual art and music instruction each week for every elementary student.

Elementary Arts Specialists in Dallas Public Schools



Thriving Minds also made progress in achieving more equitable distribution of arts opportunities outside of school. For example, the Dallas Public Library reported year-to-year increases of 36% in the number of participants at literary arts programs and a 40% increase at music programs. Summer arts programming also increased, with 2,990 students served in 2008, up from 1,724 in 2007 when the program was first piloted. In 2008-09 twenty schools were being added as sites for after school arts programs throughout the city, with

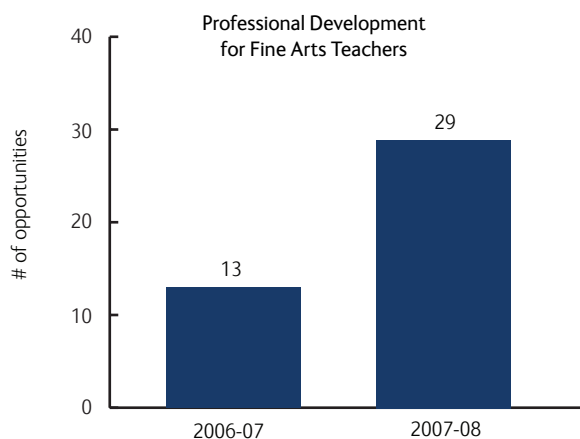
Growth in Non-School Arts Programs in Dallas



twenty more to be added during each of the next two school years, with a goal of putting OST arts programs within reach in every neighborhood.

Improving the quality of instruction

Teacher qualifications and the availability of professional development opportunities are important dimensions affecting the quality of arts instruction, and both showed progress during the most recent school year. An analysis of the personnel files of the Dallas Independent School District showed higher percentages of teachers who majored in the arts discipline that they currently teach and who are certified to teach in those disciplines. And the number of professional development offerings sponsored by the district for fine arts teachers more than doubled. In contrast to previous years when most of those offerings were in the form of conferences outside the district, the majority in the most recent school year were conducted in Dallas and tailored specifically for the district's arts specialists.



Sustaining progress

As RAND's *Revitalizing Arts Education Through Community-Wide Coordination* emphasizes, coordinated approaches to expanding arts learning citywide tend to be fragile. To last, they must withstand shifts in municipal or school leadership, cope with budget changes and sustain the collaboration of key partner institutions. Several developments in 2008 demonstrated continued strong commitment to Thriving Minds by a range of leaders even in the face of a worsening fiscal climate.

- The Dallas school board awarded Big Thought a contract to gradually assume management of before- and after-school and summer enrichment programs for approximately half of DISD elementary and middle schools.
- Big Thought was selected by the state to receive \$8.62 million in federal 21st Century Community Learning Centers funding over five years and the Dallas School District has committed to matching this grant with other

federal and general operating funds and in kind services and support. As a result of this enhanced partnership with the school district, citywide deployment of the out-of-school time component of Thriving Minds will be accelerated, creating after-school arts programs in sixty Dallas schools over the next three years.

- Finally, when a \$52 million shortfall was discovered in the 2007/08 school budget, Superintendent Michael Hinojosa decided to spare arts and music teachers – while laying off 550 teachers in other disciplines along with other cost cutbacks – because of the importance the district attaches to the arts learning initiative. ■

Our goal as a national foundation is to develop and share effective ideas and practices that can help strengthen the work of both grantees and non-grantees. This goal is summarized in our tagline: Supporting ideas. Sharing solutions. Expanding opportunities. Toward this end, we have two main outreach objectives: establish and maintain a reputation based not only on money but also on effective ideas that can improve results for institutions; and, share those ideas through a variety of channels.

In 2008, we added significantly to our library of publications which were well-received on our website. We continued to seek out opportunities to share our ideas with key audiences. The number of speaking engagements at major gatherings in our focus areas rose sharply last year and we formed new strategic partnerships with respected organizations that have wide reach in their fields. And our particular approach to philanthropy that goes beyond grantmaking to the developing and sharing of knowledge as our main currency of catalyzing beneficial change attracted more attention in 2008 in a number of case studies and publications.

NEW PUBLICATIONS AND WEB DOWNLOAD TRENDS

We added six new publications in education leadership, five in the arts, four in out-of-school time, and three in philanthropic issues in 2008. Three of the five most frequently-downloaded publications on our website in 2008 were Wallace-written publications – the first time that Wallace products so dominated our “best-seller”list. This follows an increasing emphasis on developing the Foundation’s own point of view on what we are learning, and then sharing that view as widely as possible. This included two Wallace Perspectives:

- *Becoming a Leader: Preparing Principals for Today’s Schools*, (downloaded 1,752 times last year) which synthesized research and site-based insights on the key ingredients of high-quality principal training; and
- *A Place to Grow and Learn*, (downloaded 1,502 times) which provided Wallace’s point of view on how entire cities can improve out-of-school time learning opportunities.

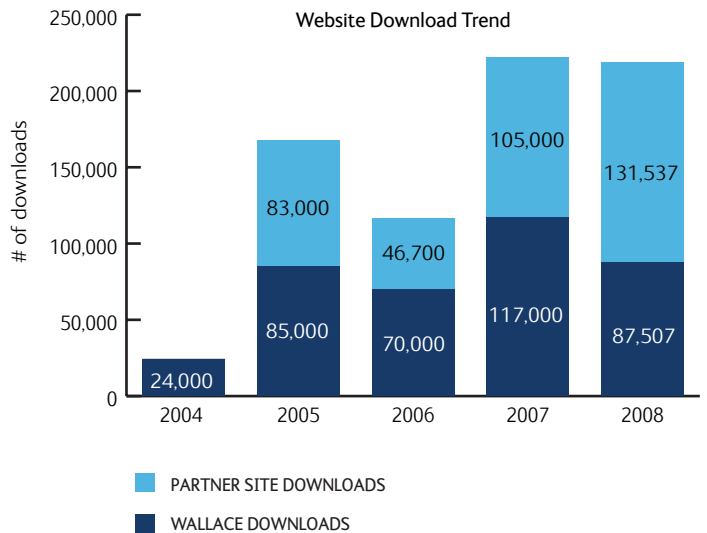
Accounts of Wallace conferences were also highly popular: *A Bridge to School Reform*, a report on our 2007 Wallace education conference, was our second most downloaded publication in 2008 at 2,256; and *Arts for All* summarized our 2008 arts convening that focused on new approaches for arts organizations to consider in reaching new audiences.

Along with downloads, we want to know whether people are finding our products useful in their work. While we did not do a survey this year of non-grantee users of publications from all of our focus areas to gauge their utility, we did poll leaders within our education initiative. Among the highlights:

- 94% said they use the Wallace Perspective, *Getting Principal Mentoring Right*, and on a scale of 1-5, with 5 the highest, they rated its value at 4.6;

- 91% said they use the Wallace Perspective *Leadership for Learning* that describes the cohesive leadership system idea, and they rated the publication at 4.7 for its value;
- *How Leadership Influences Student Learning*, a perennial “best-seller” since its publication in 2004, is used by 85% of respondents, and rated 4.9 for its value.

Downloads from wallacefoundation.org and partner websites of new and previously-existing Wallace publications held steady in 2008 compared with a year ago. The number of downloads on our website declined somewhat as a share of the total, due in part to increasingly competitive search engine marketing.

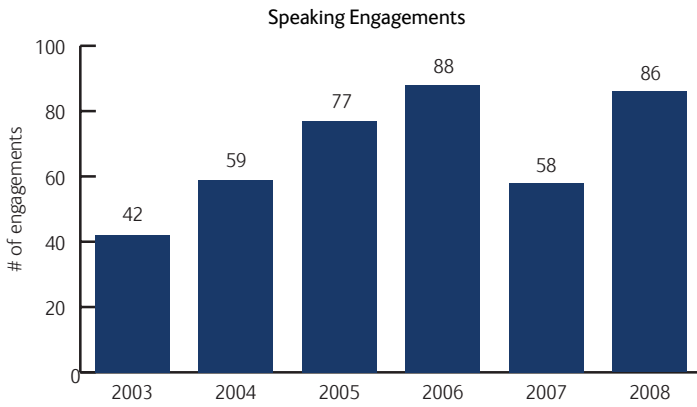


Citations of The Wallace Foundation and our research products in Google Scholar¹ (which includes references in books, professional articles, institutional reports, university newsletters and dissertations) are a further indicator of actual use and penetration of the ideas we’re sharing. In 2008, there were 90 new Google Scholar citations of Wallace’s education work, 28 citations in arts and nine in out-of-school learning. Since 2000, there have been a total of 1,217 such citations in our three focus areas.

SPEAKING ENGAGEMENTS

Wallace staff had nearly 30 more speaking engagements in 2008 than the previous year and reached an estimated 7,400 practitioners and policymakers. Talks included 39 on arts, 23 on education, 13 on foundationwide topics and 11 on out-of-school time learning.

¹ Although Google Scholar is a useful indicator, it should be noted that it only searches a fraction of the published scholarly literature.



STRATEGIC PARTNERSHIPS

To share what we're learning with a broader array of policy and practice audiences, we are increasingly forging partnerships with organizations in our three focus areas that are trusted sources in their fields. In 2008, we built on existing relationships and created new ones:

In education: To reach new audiences of education practitioners, we entered partnerships with The Education Trust, an advocate for closing the achievement gap; the National Staff Development Council, whose members include superintendents and principals; the University Council for Educational Administration, which includes heads and faculty of university-based school leader training programs; and the American Association of School Administrators, which represents more than 13,000 educational leaders including superintendents and other senior-level district and school administrators.

In OST: Our partnership with the National League of Cities (NLC) Institute for Youth, Education and Families, a Wallace grantee since 2007, has provided an important outlet for sharing out-of-school time learning research and city-based lessons with hundreds of the nation's city leaders. Wallace staff delivered an address before 100 city leaders at the NLC's After School Summit on the value of a citywide approach to strengthening out-of-school time learning.

In the arts: In December, we collaborated with artsjournal.com to develop a blog about arts education which included, among others, James Cuno, director of the Art Institute of Chicago, and violinist Midori, and attracted some 12,000 visitors. Reaching beyond arts audiences, Wallace staff briefed 200 city officials about arts learning via an NLC-sponsored web seminar.

PHILANTHROPIC INFLUENCE

The Center for Effective Philanthropy, a research center on philanthropic practice, devoted a case study published in April to how Wallace has sought to improve its grantee relationships by building on strengths, identifying problems

and tracking progress. The report noted that "in three years The Wallace Foundation had made dramatic strides in the eyes of its grantees on dimensions such as impact on the fields in which it funds, advancement of knowledge and influence of public policy in its fields, and the provision of assistance securing funding." (The report, *Aiming for Excellence at The Wallace Foundation*, can be downloaded for free at our website).

A second report by the Center for Effective Philanthropy, *More than Money: Making a Difference with Assistance Beyond the Grant*, featured three foundations that successfully provided non-monetary assistance that helped grantees be more effective. It found that while most assistance provided by foundations does not help grantees, some foundations, including Wallace, provide comprehensive assistance to the best grantees that makes the recipients more effective.

Wallace's work in communications was cited in three separate reports including: *Come on in. The Water's Fine. A Report on Web 2.0 Technology and Its Emerging Impact on Foundation Communications* produced by Brotherton Strategies for The Communications Network; *Are We There Yet? A Communications Evaluation Guide* produced by Asibey Consulting for The Communications Network; and an issue of the *Memo* of the New York Regional Association of Grantmakers on foundation communications. Our approach to evaluation is now cited in an internal document by McKinsey & Company as an example of "best practice" in foundation evaluation and will be shared with their consultants who work with foundations around the world.

LOOKING AHEAD

A large volume of research and evaluation projects are moving to completion in 2009, particularly in out-of-school time learning and education. In out-of-school time learning, a new report on the costs of high-quality programs was released in January, along with an online OST cost calculator. Others anticipated in 2009 include reports on management information systems, participation and OST system-building. Evaluations are also in process in Providence, New York and Chicago – three of the five cities in our OST initiative – and will continue into 2010. In education, five major Wallace-funded evaluations are scheduled to be completed, including: an evaluation of Wallace-funded school districts' influence on the quality of university-based principal leadership preparation programs; an evaluation of the School Administration Manager (SAM) innovation; a two-part evaluation of cohesive leadership systems and the state role in improving school leadership; and district efforts to strengthen education leadership. (*Details on our upcoming knowledge products can be found on our website.*)

NEW PUBLICATIONS IN WALLACE'S KNOWLEDGE CENTER

downloadable for free at www.wallacefoundation.org

EDUCATION LEADERSHIP:

BECOMING A LEADER: PREPARING PRINCIPALS FOR TODAY'S SCHOOLS

The Wallace Foundation. Drawing on new research and lessons from current efforts by states and districts, this Wallace Perspective offers a range of steps to reimagine principal training and address longstanding weaknesses.

SREB LEADERSHIP CURRICULUM MODULES: PROFESSIONAL LEARNING FRAMEWORK AND MODULE SUMMARIES

Southern Regional Education Board. This updated guide summarizes 19 innovative training modules developed by the Southern Regional Education Board with Wallace's support for use in school leadership preparation programs in universities, districts and academies.

LEADERSHIP AND LEARNING: A HECHINGER INSTITUTE PRIMER FOR JOURNALISTS

Hechinger Institute on Education and The Media. This new handbook offers education reporters practical tips on how to get a better handle on the critical role school leadership plays in the everyday stories they cover.

EDUCATIONAL LEADERSHIP POLICY STANDARDS: ISLLC 2008

Council of Chief State School Officers. The 10-year-old education leadership standards in use in more than 40 states were revised in 2008, with Wallace support, to reflect new knowledge and lessons learned about effective school leadership and the policies needed to support it. This report describes how the revised standards can help leaders meet the growing expectations of their jobs.

OUT OF THE OFFICE AND INTO THE CLASSROOM: AN INITIATIVE TO HELP PRINCIPALS FOCUS ON INSTRUCTION

Center for the Study of Teaching and Policy, University of Washington. For school principals under pressure to improve instruction, time is often the scarcest commodity. This article shows how a new position, the School Administration Manager, is being tested with Wallace support in nine states as a promising way to free principals to concentrate more time on teaching and learning.

STRONG LEADERS STRONG SCHOOLS: 2007 STATE LAWS

National Conference of State Legislatures. This roundup documents the range of state lawmaking in 2007 aimed at recruiting, training and supporting high-quality school leaders. A companion brief focuses specifically on what states can do to strengthen leader preparation.

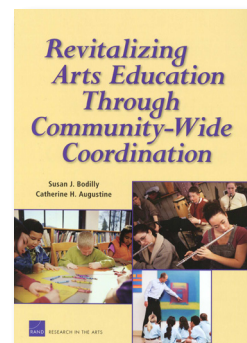
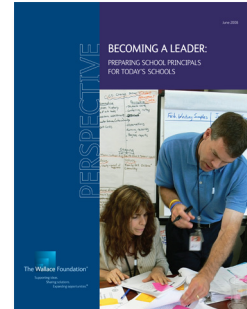
BUILDING APPRECIATION AND DEMAND FOR THE ARTS:

REVITALIZING ARTS EDUCATION THROUGH COMMUNITY-WIDE COORDINATION

RAND Corporation. This report describes efforts in a number of urban areas that have sought to counter a generation-long decline in public school arts education by forming coordinated networks of schools, cultural organizations, funders, local government and other groups to work in common to revive arts learning

FROM HIP-HOP TO SHAKESPEARE: DALLAS BLAZES "COORDINATED" TRAIL IN ARTS EDUCATION FOR CITY YOUNG PEOPLE

The Wallace Foundation. This "Story from the Field" journalistic account explores how Dallas's Thriving Minds initiative funded by Wallace is expanding and improving arts learning opportunities both inside and outside of school for that city's children.



ARTS FOR ALL: CONNECTING TO NEW AUDIENCES

The Wallace Foundation. How can arts organizations use marketing, research and new technologies to expand their audiences? This report on a 2008 Wallace conference discusses how it's being done.

STATE ARTS POLICY: TRENDS AND FUTURE PROSPECTS

RAND Corporation. This study explores how state arts agencies, which play a central role in public support of the arts, are changing in response to demographic, political and economic realities.

CULTIVATING DEMAND FOR THE ARTS: ARTS LEARNING, ARTS ENGAGEMENT, AND STATE ARTS POLICY

RAND Corporation. This study offers a new way of thinking about the challenge of expanding arts participation by focusing more on the critical role of arts learning in cultivating demand for the arts.

OUT-OF-SCHOOL TIME LEARNING:

A PLACE TO GROW AND LEARN: A CITYWIDE APPROACH TO BUILDING AND SUSTAINING OUT-OF-SCHOOL TIME LEARNING OPPORTUNITIES

The Wallace Foundation. Drawing on lessons from five partner cities, this Wallace Perspective offers “action elements” to help other cities get started in achieving widespread, sustainable improvements in out-of-school learning opportunities.

STRENGTHENING OUT-OF-SCHOOL TIME ORGANIZATIONS: THREE VIEWS

The Wallace Foundation. Three papers by leading authorities in out-of-school time learning consider the major organizational, administrative and management obstacles to lifting the quality of programs, and discuss possible remedies.

ADMINISTRATIVE MANAGEMENT CAPACITY IN OUT-OF-SCHOOL TIME ORGANIZATIONS: AN EXPLORATORY STUDY

Fiscal Management Associates. This report describes in detail the administrative and managerial challenges confronting OST organizations and recommends possible solutions for OST leaders, public and private funders, and other interested parties.

EVALUATION OF THE NEW YORK CITY OUT-OF-SCHOOL TIME INITIATIVE: IMPLEMENTATION OF PROGRAMS FOR HIGH SCHOOL YOUTH

Policy Studies Associates. This report, prepared for the New York City Department of Youth and Community Development, presents data on the City’s ambitious out-of-school time teen program and findings on participant engagement in programs.

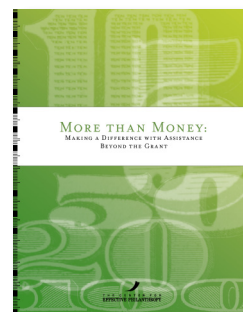
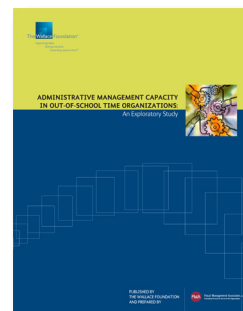
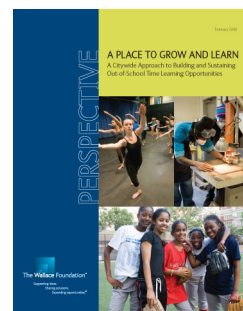
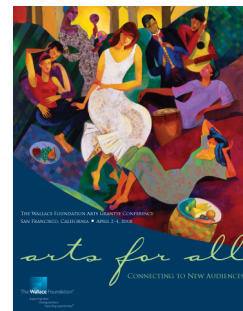
ADVANCING PHILANTHROPY:

MORE THAN MONEY: MAKING A DIFFERENCE WITH ASSISTANCE BEYOND THE GRANT

Center for Effective Philanthropy. More foundations are going beyond money and providing a range of other kinds of assistance to help nonprofits. This report examines the effectiveness of those efforts and offers three case studies, including Wallace.

AIMING FOR EXCELLENCE AT THE WALLACE FOUNDATION

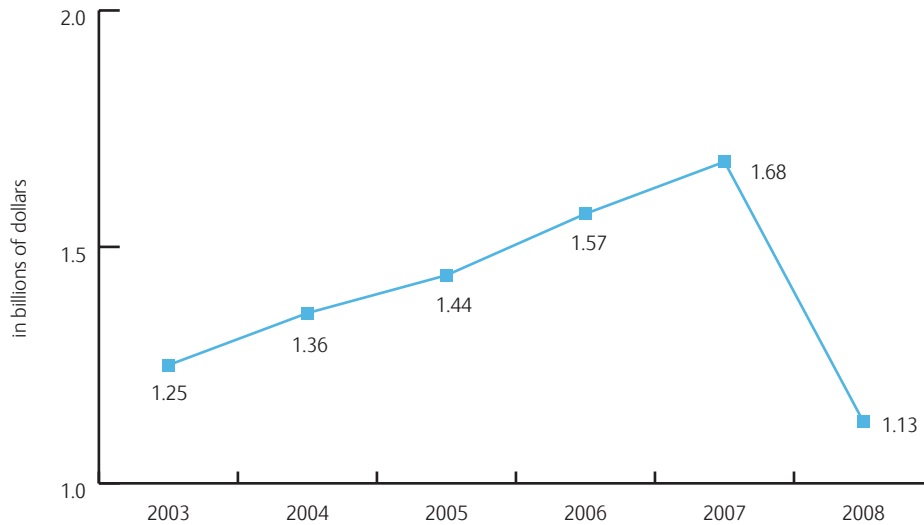
Center for Effective Philanthropy. This case study candidly describes how Wallace has sought to improve its grantee relationships by building on strengths, identifying problems and tracking its progress.



FINANCIAL OVERVIEW

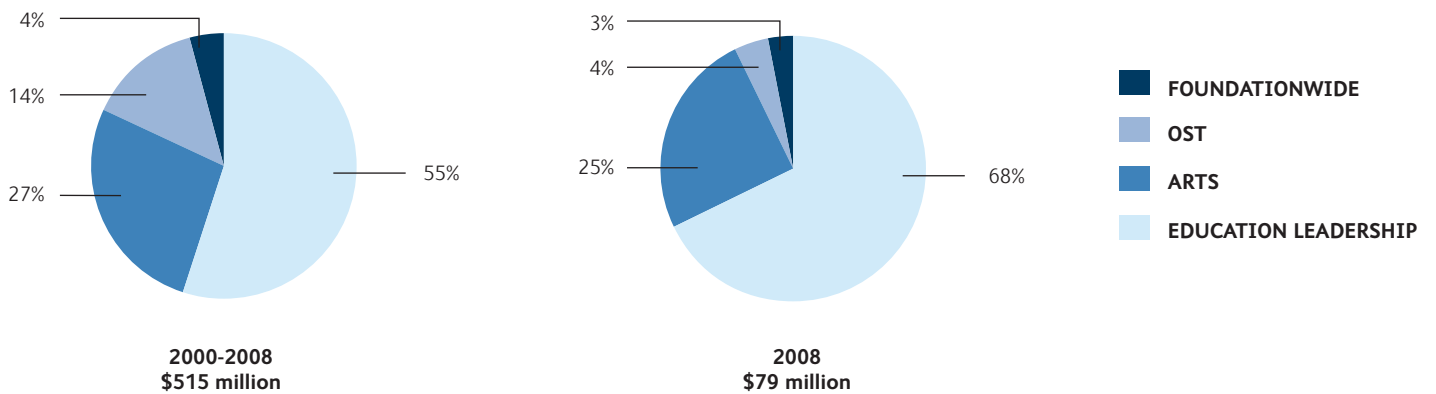
INVESTMENT ASSETS

In common with many institutions and as a result of the significant market downturn, our assets declined in 2008. Our trailing one-year performance was -28%, a disappointing result but better than most major indices. Nonetheless, careful planning enabled us to enter 2009 with sufficient liquidity to fulfill all our existing commitments on time and as scheduled and to invest in new work.



RESOURCE ALLOCATION OF GRANTS AND RELATED EXPENSES

Grant allocations among our three focus areas vary from year to year depending on our strategic choices – whether we’re maintaining an existing program, planning for a future effort, or implementing a new strategy. The relatively large proportion of 2008 grants for the education leadership work is the result of approval of two-year grants for our innovation sites as well as funding for several evaluations. The relatively small proportion of Out-of-School Time (OST) learning grants is the result of our five cities being fully funded for the year. The major OST work funded in 2008 was the Strengthening Financial Management initiative we are launching in Chicago in 2009.



PROGRAM EXPENDITURES & COMMITMENTS

The following tables describe and list the expenditures and commitments made in 2008 to advance Wallace’s work in its three focus areas of education leadership, out-of-school time learning and building appreciation and demand for the arts. In each of these areas, our approach and expenditures are grouped under two main strategic categories: Develop Innovation Sites, and Develop and Share Knowledge.

- **DEVELOP INNOVATION SITES** — We invest in, and work closely with, selected sites to help them plan and test out new approaches to addressing the change goals to which we have mutually agreed. These sites can provide us and the broader field with insights into what ideas are or are not effective and what conditions support or impede progress.
- **DEVELOP AND SHARE KNOWLEDGE** — In concert with our innovation site work, we develop and spread lessons that can improve practice and policy using research and a range of communications strategies. These activities both enhance the work in our funded sites and hold the potential to expand opportunities for people and institutions nationwide.



Our goal is to develop and test approaches in state and district sites that can improve the quality of leadership and leaders’ impact on teaching and learning; capture lessons from our sites and funded research and share them within our network and beyond to strengthen the work of our states and districts and enable other sites that will never receive our funding to benefit.

1. DEVELOP INNOVATION SITES

Our funding to innovation sites is differentiated so that the largest share of our resources goes to states and districts making the most progress. Our funding now falls under three categories:

1. “Cohesive Leadership System” Sites – consolidated state-district grants to those making the most progress towards connecting state and district policies affecting leadership standards, training and conditions;
2. “Aligned System of Leader Development” Sites – grants to states or districts that have made significant progress in creating a high-quality leadership development system; and
3. “Leadership Network” Sites – enabling the remaining states and districts to stay connected to the leadership improvement work supported by Wallace.

Organization / IRS name, if different (City, State)	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
“COHESIVE LEADERSHIP SYSTEM” SITES (GROUPED BY STATE):			
DELAWARE			
DELAWARE DEPARTMENT OF EDUCATION (Dover, DE)	3,000,000	1,500,000	1,500,000
GEORGIA			
UNIVERSITY SYSTEM OF GEORGIA FOUNDATION, INC. (Atlanta, GA)	3,800,000	1,900,000	1,900,000
ILLINOIS			
ADVANCE ILLINOIS (Chicago, IL)	300,000	300,000	–
ILLINOIS STATE UNIVERSITY / The Board of Trustees of Illinois State University (Normal, IL)	4,000,000	2,000,000	2,000,000
IOWA			
IOWA DEPARTMENT OF EDUCATION (Des Moines, IA)	3,000,000	1,500,000	1,500,000

	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
KENTUCKY			
JEFFERSON COUNTY PUBLIC SCHOOLS (Louisville, KY)	3,800,000	1,900,000	1,900,000
LOUISIANA			
STATE OF LOUISIANA OFFICE OF THE GOVERNOR (Baton Rouge, LA)	3,400,000	1,700,000	1,700,000
MASSACHUSETTS			
MASSACHUSETTS DEPARTMENT OF EDUCATION (Malden, MA)	4,000,000	2,000,000	2,000,000
NEW MEXICO			
STATE OF NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION (Santa Fe, NM)	3,400,000	1,700,000	1,700,000
NEW YORK			
THE NEW YORK CITY LEADERSHIP ACADEMY, INC. (New York, NY)	1,500,000	1,500,000	–
THE UNIVERSITY OF THE STATE OF NEW YORK / The University of the State of New York Regents Research Fund (Albany, NY)	3,000,000	1,300,000	1,700,000
OHIO			
OHIO DEPARTMENT OF EDUCATION (Columbus, OH)	3,400,000	1,700,000	1,700,000
“ALIGNED SYSTEM OF LEADER DEVELOPMENT” SITES:			
INDIANA			
FORT WAYNE COMMUNITY SCHOOLS (Fort Wayne, IN)	1,500,000	750,000	750,000
MICHIGAN			
WESTERN MICHIGAN UNIVERSITY (Kalamazoo, MI)	1,800,000	900,000	900,000
MISSOURI			
MISSOURI DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION (Jefferson City, MO)	2,000,000	1,000,000	1,000,000
OREGON			
OREGON DEPARTMENT OF EDUCATION (Salem, OR)	2,000,000	1,000,000	1,000,000
RHODE ISLAND			
PROVIDENCE SCHOOL DEPARTMENT AND THE PROVIDENCE PLAN (Providence, RI)	1,200,000	600,000	600,000
WISCONSIN			
STATE OF WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION (MADISON, WI)	2,000,000	1,000,000	1,000,000
“LEADERSHIP NETWORK” SITES:			
ARIZONA			
ARIZONA DEPARTMENT OF EDUCATION (Phoenix, AZ)	75,000	75,000	–
ALABAMA			
STATE OF ALABAMA DEPARTMENT OF EDUCATION (Montgomery, AL)	75,000	75,000	–
INDIANA			
INDIANA DEPARTMENT OF EDUCATION (Indianapolis, IN)	75,000	75,000	–
KANSAS			
STATE OF KANSAS DEPARTMENT OF EDUCATION (Topeka, KS)	75,000	75,000	–
MISSISSIPPI			
STATE OF MISSISSIPPI DEPARTMENT OF EDUCATION (Jackson, MS)	75,000	75,000	–

	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
RHODE ISLAND			
RHODE ISLAND STATE DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION (Providence, RI)	75,000	75,000	–
VIRGINIA			
FAIRFAX COUNTY PUBLIC SCHOOLS (Falls Church, VA)	75,000	75,000	–

PARTNER ORGANIZATIONS – The following four organizations will continue to assist our strongest sites in their work, but are putting the majority of their emphasis on sharing lessons about leadership improvement with their members.

COUNCIL OF CHIEF STATE SCHOOL OFFICERS (Washington, DC)	800,000	500,000	300,000
NATIONAL ASSOCIATION OF STATE BOARDS OF EDUCATION (Alexandria, VA)	500,000	225,000	275,000
NATIONAL CONFERENCE OF STATE LEGISLATURES (Denver, CO)	500,000	225,000	275,000
NATIONAL GOVERNORS' ASSOCIATION CENTER FOR BEST PRACTICES (Washington, DC)	400,000	175,000	225,000

The following organizations will continue to offer a range of other assistance to Wallace-funded sites:

EDUCATION DEVELOPMENT CENTER, INC. (Newton, MA) – To strengthen the instrument used to assess the quality of our sites' leader training programs, assist selected sites in improving their leader training programs and contribute expertise to Wallace's Leadership Issue Groups. The Center will also continue to manage and improve the Wallace Education Leadership Action Network (ELAN) website, an interactive information exchange arm of www.wallacefoundation.org focused exclusively on the education leadership initiative.	–	700,000	700,000
SOUTHERN REGIONAL EDUCATION BOARD / Board of Control for Southern Regional Education (Atlanta, GA) – To continue to provide assistance to its 16-state network, eight of which are Wallace grantees, in redesigning and improving their statewide leadership preparation programs and policies. SREB will also prepare an updated "benchmarking" report assessing these states' progress, and three "issue reports" on leadership topics.	800,000	400,000	400,000

EXECUTIVE LEADERSHIP PROGRAM FOR EDUCATORS – This initiative seeks to address the scarcity of high-quality training opportunities for senior state and district leaders and their teams whose decisions affect who can become a principal and the working conditions of school leaders. With these investments, Wallace can also improve the work and the coordination of our state-district sites by providing senior leaders with the necessary training to increase their ability to lead significant change. The following two universities received support:

HARVARD UNIVERSITY / President and Fellows of Harvard College (Cambridge, MA)	–	1,000,000	–
UNIVERSITY OF VIRGINIA (Charlottesville, VA)	–	1,000,000	–

2. DEVELOP AND SHARE KNOWLEDGE

These investments are designed to reinforce the state-district work by developing a knowledge base and by raising awareness of the lessons being learned through our site-based work and research efforts.

DEVELOP A KNOWLEDGE BASE			
EDUCATION DEVELOPMENT CENTER, INC. (Newton, MA) – To evaluate Wallace-funded districts' efforts to use their power as consumers to influence universities' leadership training programs so that they are of higher quality and are more responsive to district needs and conditions.	–	800,000	400,000
NATIONAL SCHOOL BOARDS ASSOCIATION, INC. (Alexandria, VA) – To fund a national survey of school board members, with the goal of using the survey to focus members on the role of leadership, including their own, in lifting student performance.	100,000	–	100,000

	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
RAND CORPORATION (Santa Monica, CA) – To evaluate Wallace-funded states’ and districts’ development of a cohesive leadership system and to analyze the accomplishments and limitations of what states can do to strengthen school leadership.	–	1,100,000	800,000
UNIVERSITY OF MINNESOTA / Regents of the University of Minnesota (Minneapolis, MN) – To gather and publish evidence of what leadership activities matter most for teaching and learning, and how and why those practices result in instructional improvement in some contexts and not others.	–	250,000	–
OTHER RELATED EXPENSES – Evaluation of School Administration Manager project; market research; consulting	1,001,344	1,001,344	–

SHARE LESSONS

In 2008, Wallace entered into communications partnerships with the following four organizations to help bring leadership to the forefront of school improvement agendas and encourage the constituencies of these organizations to explore our resources and research.

AMERICAN ASSOCIATION OF SCHOOL ADMINISTRATORS (Arlington, VA)	150,000	–	150,000
THE EDUCATION TRUST, INC. (Washington, DC)	175,000	175,000	–
NATIONAL STAFF DEVELOPMENT COUNCIL (Dallas, TX)	250,000	250,000	–
UNIVERSITY COUNCIL FOR EDUCATIONAL ADMINISTRATION (Austin, TX)	75,000	75,000	–

The following two organizations received support to help them make their well-regarded leadership training materials developed through previous Wallace funding more broadly accessible.

SOUTHERN REGIONAL EDUCATION BOARD / Board of Control for Southern Regional Education (Atlanta, GA)	250,000	250,000	–
INSTITUTE FOR LEARNING AT THE UNIVERSITY OF PITTSBURGH / University of Pittsburgh Office of the Comptroller (Pittsburgh, PA)	250,000	–	250,000
OTHER RELATED EXPENSES – Publication expenses; speakers’ travel expenses.	59,067	59,067	–

RAISE AWARENESS THROUGH PUBLIC ENGAGEMENT

EDUCATION WEEK / Editorial Projects in Education, Inc. (Bethesda, MD) – To provide support for a series of news and feature articles focusing on education leadership. Education Week editors will also produce annual research-based reports and launch an e-newsletter devoted to leadership issues.	–	500,000	–
LEARNING MATTERS, INC. (New York, NY) – To support several news segments on The NewsHour with Jim Lehrer on PBS covering the efforts by school leaders in New Orleans and Washington, DC to improve their school systems.	500,000	250,000	250,000
OTHER RELATED EXPENSES – Conference expenses to share lessons about research; speaking tours; travel expenses.	242,205	242,205	–

OUT-OF-SCHOOL TIME LEARNING

Our goal is to develop and test ways in which cities can plan and implement strategies that increase overall participation in high-quality out-of-school time (OST) programs so that children and youth, especially those with the highest needs, attend often enough to gain developmental benefits.

1. DEVELOP INNOVATION SITES

We are supporting efforts in five cities – Boston, Chicago, New York City, Providence and Washington, DC – to develop and test coordinated, citywide approaches to increasing participation in high-quality out-of-school time learning opportunities. The following organizations received funding to manage and promote this work within each city:

	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
AFTER SCHOOL MATTERS (Chicago, IL) – Working collaboratively with Chicago’s Department of Children & Youth Services, the goal is to increase access to high-quality OST paid apprenticeships and other services for high school students and to track participation.	–	3,000,000	–
BOSTON AFTER SCHOOL & BEYOND, INC. (Boston, MA) – To implement Partners for Student Success, an unprecedented collaboration between the city’s out-of-school time service providers and the Boston public schools that seeks to assist struggling public elementary school students with enrichment activities and academic help.	–	2,400,650	1,829,350
DC CHILDREN AND YOUTH INVESTMENT TRUST CORPORATION (Washington, DC) – To lead a citywide effort in partnership with the DC Public Schools to build a more effective approach to serving the needs of middle school youth beyond the school day.	–	3,000,000	–
THE MAYOR’S FUND TO ADVANCE NEW YORK CITY (New York, NY) – To implement the city’s out-of-school time business plan created with Wallace support to build a coherent system that provides more opportunities for children of all age groups to participate in high-quality out-of-school learning programs.	–	2,000,000	1,296,150
PROVIDENCE AFTER SCHOOL ALLIANCE (Providence, RI) – To continue to create and coordinate a neighborhood-based system that substantially increases participation citywide in high-quality out-of-school time learning opportunities, particularly for middle school youth.	–	1,000,000	–
RELATED EXPENSES – Financial management assistance to selected Chicago OST providers.	1,150,000	1,150,000	–

2. DEVELOP AND SHARE KNOWLEDGE

These investments are designed to identify and address key knowledge gaps and to share the lessons being learned from our-site-based work and research efforts.

DEVELOP A KNOWLEDGE BASE			
DONORS FORUM (Chicago, IL) – To establish a policy forum in Chicago that includes government, philanthropic and nonprofit leaders to analyze and recommend improvements in funding policies, practices and conditions that affect the performance of nonprofit organizations in that city.	1,425,000	350,000	1,075,000
HARVARD UNIVERSITY / President and Fellows of Harvard College (Cambridge, MA) – To conduct a study to determine the most effective methods for building and maintaining OST participation by middle and high school youth.	–	610,000	240,000
THE PENNSYLVANIA STATE UNIVERSITY (University Park, PA) – To support an innovative effort to address behavior problems that arise in many youth-serving programs. To serve two purposes: support new approaches for improving behavior in youth programs; and build Wallace’s partnership with the W.T. Grant Foundation.	325,000	–	325,000
PUBLIC/PRIVATE VENTURES (Philadelphia, PA) – To conduct an evaluation of Providence’s OST “After-Zone” neighborhood service delivery model developed by the Providence After School Alliance.	–	–	300,000
RAND CORPORATION (Santa Monica, CA) – To assess OST system building in the five cities in Wallace’s initiative, describing and analyzing progress on key system issues, including: monitoring and managing program quality and attendance; managing costs; program capacity; and building citywide communication.	–	1,490,000	100,000

The following two organizations received funding for additional research on their collaborative, comprehensive study of the costs of high-quality out-of-school time programs that was published in 2009:

	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
THE FINANCE PROJECT (Washington, DC)	17,000	17,000	–
PUBLIC/PRIVATE VENTURES (Philadelphia, PA)	63,000	63,000	–

The following two organizations received funding to produce reports exploring the landscape of summer learning:

CHILD TRENDS, INC. (Washington, DC)	40,000	–	40,000
JOHNS HOPKINS UNIVERSITY (Baltimore, MD)	60,000	–	60,000
OTHER RELATED EXPENSES – White papers on OST management	299,550	299,550	–

SHARE LESSONS

NATIONAL LEAGUE OF CITIES INSTITUTE (Washington, DC) – To implement a multi-year strategy that disseminates lessons about building effective citywide systems to support out-of-school learning.	–	300,000	350,000
OTHER RELATED EXPENSES – Dissemination of OST cost study and development of a web-based OST cost calculator.	335,701	335,701	–



Our current arts programs seek to build current and future audiences by making the arts a part of more people’s lives. Our strategy has two components: the Wallace Excellence Awards, which provide support to exemplary arts organizations in selected cities to identify, develop and share effective ideas and practices to reach more people; and Arts for Young People, whose goal is to help selected cities develop effective approaches for expanding high-quality arts learning opportunities both inside and outside of school, and to capture and share lessons that can benefit many other cities and arts organizations.

1. DEVELOP INNOVATION SITES

WALLACE EXCELLENCE AWARDS – This program provides support to exemplary arts organizations in selected cities to test and maintain effective participation-building practices. An important goal is to help develop a “knowledge portfolio” of such practices that can benefit many other organizations. We also seek to create “learning networks” that can help elevate the visibility of participation-building in our target cities and spread the lessons broadly. In 2008, we added Seattle and Minneapolis/St. Paul to our initiative, bringing to six the number of participating cities. Since 2006, a total of 54 arts organizations located in those cities have been given Wallace Excellence Awards. To facilitate the exchange of effective ideas within those six target cities, we have provided additional grants to six organizations to act as coordinating agents for this city-based approach: Boston Foundation; Chicago Community Trust; Philadelphia Foundation; San Francisco Foundation; Washington State Arts Commission; and Minnesota Community Foundation.

ALONZO KING’S LINES BALLET / Alonzo King’s Lines Ballet/San Francisco Dance Center (San Francisco, CA)	–	50,000	100,000
ANNENBERG CENTER FOR THE PERFORMING ARTS / Trustees of the University of Pennsylvania (Philadelphia, PA)	–	175,000	225,000
ARDEN THEATRE COMPANY (Philadelphia, PA)	–	75,000	125,000

	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
BEVERLY ARTS CENTER (Chicago, IL)	–	30,000	30,000
BLACK ENSEMBLE THEATER (Chicago, IL)	–	45,000	–
BOSTON FOUNDATION (Boston, MA)	–	–	300,000
BOSTON LYRIC OPERA COMPANY (Boston, MA)	–	75,000	75,000
BOSTON SYMPHONY ORCHESTRA, INC. (Boston, MA)	–	25,000	25,000
CENTER FOR ASIAN AMERICAN MEDIA (San Francisco, CA)	35,000	160,000	175,000
THE CHAMBER ORCHESTRA OF PHILADELPHIA / Concerto Soloists of Philadelphia (Philadelphia, PA)		160,000	210,000
CHICAGO COMMUNITY TRUST / The Chicago Community Trust Foundation (Chicago, IL)	–	–	300,000
THE CHICAGO SINFONIETTA (Chicago, IL)	30,000	75,000	40,000
THE CLAY STUDIO (Philadelphia, PA)	–	80,000	130,000
THE CONTEMPORARY JEWISH MUSEUM (San Francisco, CA)	–	75,000	125,000
CORPORATION OF THE FINE ARTS MUSEUMS (San Francisco, CA)	–	175,000	225,000
EXPERIENCE MUSIC PROJECT/SCIENCE FICTION MUSEUM AND HALL OF FAME / Experience Learning Community (Seattle, WA)	585,000	140,000	445,000
FROM THE TOP, INC. (Boston, MA)	30,000	80,000	43,000
GARFIELD PARK CONSERVATORY ALLIANCE (Chicago, IL)	–	50,000	75,000
HUNTINGTON THEATRE COMPANY, INC. (Boston, MA)	–	75,000	–
HYDE PARK ART CENTER (Chicago, IL)	–	55,000	–
THE INSTITUTE OF CONTEMPORARY ART (Boston, MA)	–	50,000	–
ISABELLA STEWART GARDNER MUSEUM, INC. (Boston, MA)	13,000	63,000	75,000
MACPHAIL CENTER FOR MUSIC (Minneapolis, MN)	750,000	250,000	500,000
MERIT SCHOOL OF MUSIC (Chicago, IL)	25,000	75,000	50,000
MINNEAPOLIS INSTITUTE OF ARTS / The Minneapolis Society of Fine Arts (Minneapolis, MN)	750,000	150,000	600,000
MINNESOTA COMMUNITY FOUNDATION (St. Paul, MN)	1,600,000	500,000	1,100,000
THE MINNESOTA OPERA (Minneapolis, MN)	750,000	250,000	500,000
MINNESOTA ORCHESTRA / Minnesota Orchestral Association (Minneapolis, MN)	750,000	150,000	600,000
MIXED BLOOD THEATRE COMPANY (Minneapolis, MN)	300,000	150,000	150,000
MUSEUM OF FINE ARTS, BOSTON (Boston, MA)	–	25,000	25,000
MUSIC OF THE BAROQUE (Chicago, IL)	–	25,000	–
NORTHERN CLAY CENTER (Minneapolis, MN)	500,000	150,000	350,000
ODC / Oberlin Dance Collective (San Francisco, CA)	–	150,000	200,000
ON THE BOARDS (Seattle, WA)	750,000	160,000	590,000
ONE REEL (Seattle, WA)	560,000	200,000	360,000
OPERA COMPANY OF PHILADELPHIA (Philadelphia, PA)	–	175,000	225,000
ORDWAY CENTER FOR THE PERFORMING ARTS (St. Paul, MN)	750,000	200,000	550,000

	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
PACIFIC NORTHWEST BALLET / Pacific Northwest Ballet Association (Seattle, WA)	750,000	378,000	372,000
THE PHILADELPHIA FOUNDATION (Philadelphia, PA)	–	300,000	700,000
PHILADELPHIA LIVE ARTS FESTIVAL & PHILLY FRINGE / Philadelphia Fringe Festival (Philadelphia, PA)	14,000	84,000	120,000
THE PHILADELPHIA ORCHESTRA ASSOCIATION (Philadelphia, PA)	–	175,000	225,000
PHILADELPHIA THEATRE COMPANY (Philadelphia, PA)	–	75,000	125,000
THE SAINT PAUL CHAMBER ORCHESTRA SOCIETY (St. Paul, MN)	750,000	200,000	550,000
SAMUEL S. FLEISHER ART MEMORIAL (Philadelphia, PA)	72,000	132,000	110,000
SAN FRANCISCO FOUNDATION (San Francisco, CA)	–	200,000	420,000
SAN FRANCISCO GIRLS CHORUS, INC. (San Francisco, CA)	25,000	125,000	150,000
SAN FRANCISCO JAZZ ORGANIZATION (SFJAZZ) (San Francisco, CA)	–	100,000	150,000
SAN FRANCISCO MUSEUM OF MODERN ART (San Francisco, CA)	28,000	203,000	225,000
SAN FRANCISCO OPERA / San Francisco Opera Association (San Francisco, CA)	–	175,000	225,000
SEATTLE ART MUSEUM (Seattle, WA)	750,000	200,000	550,000
SEATTLE OPERA (Seattle, WA)	750,000	112,000	638,000
SEATTLE REPERTORY THEATRE (Seattle, WA)	750,000	365,000	385,000
SEATTLE YOUTH SYMPHONY ORCHESTRAS (Seattle, WA)	500,000	125,000	375,000
SIFF (Seattle, WA)	750,000	200,000	550,000
STEPPENWOLF THEATRE COMPANY (Chicago, IL)	–	50,000	–
VICTORY GARDENS THEATER (Chicago, IL)	–	50,000	50,000
WASHINGTON STATE ARTS COMMISSION (Olympia, WA)	1,600,000	500,000	1,100,000
THE WILMA THEATER (Philadelphia, PA)	–	100,000	150,000
WORLD ARTS WEST (San Francisco, CA)	–	100,000	150,000
YERBA BUENA CENTER FOR THE ARTS (San Francisco, CA)	–	175,000	225,000
OTHER RELATED EXPENSES – Technical assistance to 54 arts organizations in six cities for data collection; conference expenses.	1,415,907	1,415,907	–

ARTS FOR YOUNG PEOPLE — This second element of our arts work seeks to build future audiences by helping selected cities develop coordinated approaches to expanding high-quality arts learning opportunities both inside and outside school, and to capture and share lessons that benefit many other cities. Dallas was the sole site for this initiative until 2008, when we funded four new arts learning efforts: the Minneapolis Public Schools; the Los Angeles County Arts Commission; the Los Angeles Unified School District; and the Philadelphia Foundation.

ACHIEVE MINNEAPOLIS (Minneapolis, MN) – To underwrite the development by the Minneapolis Public Schools of a five-year plan to strengthen coordinated arts learning efforts, and to bring high-quality arts experiences to more young people in that city.	750,000	750,000	–
BIG THOUGHT (Dallas, TX) – To support Dallas's Thriving Minds initiative, a citywide partnership that seeks to raise the quality and access of arts learning for Dallas youth both in and out of school, by coordinating and strengthening providers, communicating opportunities and reducing barriers.	–	3,000,000	1,500,000

	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
LOS ANGELES COUNTY ARTS COMMISSION (Los Angeles, CA) – To advance the region’s six-year-old coordinated arts education initiative, Arts for All, by expanding its ability to increase the impact of the arts in classrooms. The strategies call for deepening Arts for All’s partnerships with the 28 Los Angeles County school districts which joined the initiative 2003-08 and strengthening advocacy for arts education.	1,200,000	800,000	400,000
LOS ANGELES UNIFIED SCHOOL DISTRICT (Los Angeles, CA) – To support development of a second 10-year plan for arts education to build on its first successful decade of expanding arts instruction throughout the district. The grant will support research on current arts instructional practices that involve arts teachers, classroom teachers and the arts community, as well as efforts to broaden community support for sustainable, high quality arts learning.	600,000	600,000	–
PHILADELPHIA EDUCATION FUND (Philadelphia, PA) – To support the launch of a new coordinated arts learning effort in Philadelphia, The Philadelphia Arts for Children and Youth initiative, in collaboration with the William Penn Foundation, to promote arts integration as well as discipline-based arts instruction and expose children to art both in and out of school. .	400,000	–	400,000
OTHER RELATED EXPENSES – Presentations and dissemination expenses to share newly-published Wallace-funded research reports on arts learning.	266,196	266,196	–

**FOUNDATION-
WIDE
GRANTS**

SERVICES TO THE FIELD

BOARDSOURCE (Washington, DC) – To support this major resource organization that provides practical governance information, tools and best practices, training and leadership development for board members of nonprofit organizations worldwide.	25,000	25,000	–
BUSINESS-HIGHER EDUCATION FORUM (Washington, DC) – For general support of this membership organization of leaders from American businesses, colleges and universities, and foundations; and to support its College Readiness Initiative.	50,000	50,000	–
THE CENTER FOR EFFECTIVE PHILANTHROPY, INC. (Cambridge, MA) – To conduct a grantee perception survey and for general support.	100,000	100,000	–
THE COMMUNICATIONS NETWORK (Naperville, IL) – To support this nonprofit membership organization whose mission is to improve the effectiveness and accountability of foundations by promoting and strengthening the strategic practice of communications in philanthropy.	10,000	10,000	–
COUNCIL ON FOUNDATIONS INC. (Arlington, VA) – To support this national nonprofit membership organization for grantmakers.	44,500	44,500	–
FJC (New York, NY) – To support the 2008 program activities of the New York City Youth Funders Network.	2,500	2,500	–
THE FOUNDATION CENTER (New York, NY) – To support the center’s new research institute and provide funds for a new public outreach initiative, as part of its 50th anniversary campaign strategy.	–	–	1,000,000
THE FOUNDATION CENTER (New York, NY) – To support this national clearinghouse for information on private grantmaking.	100,000	100,000	–
GRANTMAKERS FOR CHILDREN, YOUTH & FAMILIES INC. (Silver Spring, MD) – To support this national membership organization for grantmaking foundations for children, youth and families; and to support its annual conference to be held in October 2008 in Chicago.	12,500	12,500	–
GRANTMAKERS FOR EDUCATION (Portland, OR) – To support this membership organization for private and public grantmakers that support early childhood, K-12 and higher education; and to help GFE incorporate OST and arts education into its work.	50,000	50,000	–

	APPROVED 2008	PAID 2008	FUTURE PAYMENTS
GRANTMAKERS FOR EFFECTIVE ORGANIZATIONS (Washington, DC) – To support this national membership organization that is dedicated to promoting learning and encouraging dialogue among funders committed to building strong and effective nonprofit organizations.	42,000	42,000	–
GRANTMAKERS IN THE ARTS (Seattle, WA) – To support this nonprofit membership organization that brings together staff and trustees of private and corporate foundations to discuss issues of mutual concern, share information and exchange ideas about programs in the arts and cultural field.	24,000	24,000	–
INDEPENDENT SECTOR (Washington, DC) – To support this nonprofit coalition of organizations for giving, volunteering and nonprofit initiatives.	10,000	10,000	–
NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS, INC. (New York, NY) – To support this association of nonprofit organizations for advancing New York City’s nonprofit sector.	24,350	24,350	–
SPONSORS FOR EDUCATIONAL OPPORTUNITY, INC. (New York, NY) – To support its Philanthropy Internship Program that provides college undergraduates of color with orientation, training, coaching and substantive internships in the philanthropic sector.	25,000	25,000	–

ADDITIONAL GRANTS

AID TO POST-KATRINA NEW ORLEANS			
GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP (New Orleans, LA) – To improve the quality of the funded programs by providing training to summer program staff and volunteers, pilot testing a program quality assessment tool, and capturing data on the results; and to develop a business plan that will build on the Partnership’s strength as a leader in the city’s OST arena so that it is a more durable organization and a greater resource.	450,000	450,000	–
UNITED WAY FOR THE GREATER NEW ORLEANS AREA (New Orleans, LA) – To help support 18 full-day summer programming for about 5,000 young people funded by a collaborative (The Unified Summer Grants Collaborative) of philanthropies working in New Orleans.	700,000	700,000	–
GREATER NEW ORLEANS EDUCATION FOUNDATION (New Orleans, LA) – To work with Concordia LLC, an architecture and planning firm, to determine the capacity and interest in four to six neighborhoods for creating neighborhood-based designs that physically cluster a range of services (parks, libraries, health care, etc.) around existing schools to make those services more accessible to families and children.	75,000	75,000	–

The following two grants for scholarship aid are in memory of Joseph L. Shenker, member of The Wallace Foundation board of directors, who died in 2008.

LAGUARDIA COMMUNITY COLLEGE FOUNDATION / Fiorello H. LaGuardia Community College Foundation, Inc. (Long Island City, NY)	250,000	250,000	–
LONG ISLAND UNIVERSITY (Greenvale, NY)	250,000	250,000	–
MISCELLANEOUS EXPENSES – Consulting, travel reimbursements	29,641	29,641	
MATCHING GIFTS	21,480	22,980	8,960
TOTALS	79,237,941	67,545,091	51,967,460



*Principal Cheryl Watson-Harris
at Tobin K-8 discussing lessons
with a teacher in Boston, MA*

FUNDING GUIDELINES & RESTRICTIONS

Our mission is to support and share effective ideas and practices that enable institutions to expand learning and enrichment opportunities for all people. To achieve this, we are focusing exclusively on three major areas:

- Strengthening educational leadership in ways that significantly improve student achievement.
- Helping selected cities make high-quality out-of-school time learning opportunities available to many more children.
- Making the arts a part of many more people's lives by working with arts organizations, schools and other providers of arts education and experience to build both present and future arts audiences.

In each of these areas, our approach is to select and invest in innovation sites willing to test promising new approaches, while commissioning and sharing independent research that could benefit the work in those sites as well as many others that are interested in pursuing similar changes but may never receive our direct funding. The specific strategies we are using in each of these three areas are described elsewhere in this report.

In most cases, we identify and evaluate prospective grantees through the issuance of Requests for Proposals or other careful screening processes. While we believe this approach strengthens the effectiveness of our investments, it also means that unsolicited proposals are rarely funded.

Nevertheless, organizations wishing to send a one- to two-page letter of inquiry (please do not send videotapes or email inquiries) describing the project, the organization, the estimated total for the project and the portion requiring funding should write to:

The Wallace Foundation
General Management
5 Penn Plaza, 7th Floor
New York, NY 10001

The Foundation does not award grants for religious or fraternal organizations, international programs, conferences, historical restoration, health, medical or social service programs, environmental/conservation programs, capital campaigns, emergency funds or deficit financing, private foundations or individuals.

Whether or not your organization receives our funding, we welcome your continued interest in our work. We provide free access to a range of knowledge products containing ideas and practices that you may find useful. Please visit our Knowledge Center and sign up for our newsletter. ■

ABOUT OUR FOUNDERS

Throughout their professional careers and in later years, DeWitt and Lila Wallace dedicated themselves to improving other people's lives. Giving freely of their time and of the wealth amassed from the magazine they co-founded, *Reader's Digest*, both led lives of service through their support of a range of causes, especially in the arts and education.



Early in life, Lila Bell Acheson, an English teacher-turned-social worker, helped establish a YWCA for industrial workers in Minneapolis. DeWitt Wallace, an avid reader and son of a Greek scholar and college president, worked as a young man in a St. Paul public library and dreamed of publishing a magazine of condensed general-interest articles. Married in 1921, Lila and DeWitt moved to New York City and published the first edition of *Reader's Digest* in January 1922. From an initial circulation of 5,000, the "little magazine" started by the Wallaces quickly caught on, and over time it became the foundation of a worldwide publishing organization. Once their livelihood was secured, they were able to turn to their first love, helping people.

A lover of arts as well as nature, Lila became associated with support for many of the nation's great arts and cultural institutions. Among her many acts of philanthropy, she funded the restoration of the Metropolitan Museum's Great Hall and to this day, the hall has fresh flowers through a fund she established for that purpose. France awarded her

that nation's Legion of Honor for her help in restoring the house and gardens in Giverny where the painter Claude Monet lived.

DeWitt's philanthropic passions lay in supporting education and a range of youth opportunities. Among the many beneficiaries of his giving were Macalester College, where he studied; Outward Bound, a rugged outdoor learning program that he himself participated in at age 88; and the New York Public Library, where, as a beginning editor, he condensed articles by hand. Of his lifelong interest in education, he once said, "America isn't paying sufficient attention to its classrooms ... My father and my grandfather were devoted to education and they each did something that made a difference. But I can do more. I have the good fortune ... to be a wealthy man. So I should be able to make a bigger difference."

Drawing on the original vision of our founders, The Wallace Foundation remains faithful to the words DeWitt wrote at age 17 as his life's goal: "to serve my fellow man." ■

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The Wallace Foundation®

Supporting ideas.
Sharing solutions.
Expanding opportunities.®

Our mission is to enable institutions to expand learning and enrichment opportunities for all people. We do this by supporting and sharing effective ideas and practices.

To achieve our mission, we have three objectives:

- Strengthen education leadership to improve student achievement
- Improve after-school learning opportunities
- Build appreciation and demand for the arts

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