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“Funded by a grant from the X foundation…” is a popular phrase in contemporary education news. Many recent reports of education-related programs and initiatives give a nod to the philanthropies that helped to fund them. While charitable giving to educational causes is certainly not a new phenomenon, the ways in which these funds are distributed and how those funds are intertwined with public policy has shifted dramatically in the new millennium. This is the shift Sarah Reckhow seeks to examine in *Follow the Money: How Foundation Dollars Change Public School Politics*.

Reckhow’s thorough and well-researched book examines several different aspects of philanthropic involvement in education. Reckhow introduces her work by identifying key foundation players in education as new “Boardroom Progressives” (p. 1) with educational and political agendas that are markedly different from historical foundation philanthropy. Pointing to the increasing amount of money these new players donate to educational causes, Reckhow makes a convincing argument for more research in...
Reckhow introduces three over-arching conclusions regarding foundations and education public policy: 1) foundations donate the largest sums of money to districts with specific characteristics that maximize the foundation’s influence, 2) foundations’ funds have empowered a new set of policy actors at the local level, and 3) according to case study data, foundation-funded reforms in Los Angeles appear to enjoy broader community support than those in New York City. These conclusions, particularly the third, draw from frameworks of policy feedback and civic capacity. 

Follow the Money is organized into several distinct parts. Chapters 1 and 2, entitled “Accountability, Markets, and the Philanthropic Agenda” and “Following the Money from Foundations to Urban School Districts,” illustrate how philanthropy has become such a powerful force in education, as well as the district-level qualities foundations seem to prefer when distributing funds. Chapters 3 to 5 (“From Annenberg to Gates: Education Reform in New York and Los Angeles, 1990-2005,” “A Shadow Bureaucracy: Foundation Dollars and New York City School Reform,” and “Deliberative Decentralization: Foundation Dollars and Los Angeles School Reform”) frame and describe Reckhow’s case study analysis of foundations and policy in New York City and Los Angeles, the largest two public school districts in the United States. In her conclusion, Reckhow provides implications of her research for both theory and practice, as well as thoughts on challenges of and accountability within educational philanthropy. Lastly, Follow the Money includes multiple appendices allowing readers to engage with Reckhow’s data sources and instruments.

Reckhow opens Chapter 1 by describing important factors in spurring foundation involvement in education policy, noting that these factors have been present for decades but have “become increasingly pronounced and influential” since 2000. Specifically, she addresses increased federal involvement in education, the influx of market-based reform strategies, and the evolving nature of philanthropy. This combination of factors has resulted in modern foundations serving as more than sources of funding; they are increasingly becoming drivers of specific policies. Historically, public schooling has been a local issue handled with relatively little interference from outside or federal sources. This changed with the passage of No Child Left Behind (NCLB) and subsequent similar mandates, which emphasized accountability at multiple levels within the American education system. Somewhat related to NCLB is the recent proliferation of market-based reform strategies within education, ranging from school choice mechanisms (most notably charter schools) to teacher evaluation systems. The rhetoric of NCLB combined with this infusion of market principles set the stage for greater foundation influence in education by diminishing the roles of traditional educational actors (such as elected school boards) and creating new routes for foundation involvement. As these changes have occurred, philanthropies themselves have also evolved over time; modern philanthropies donate more money than in the past, are increasingly involved in political advocacy, and have begun implementing more targeted grant-making strategies.

Chapter 2 begins to unpack the ways in which modern foundations distribute their money to educational causes. Reckhow examines this issue from several different perspectives. Using data collected from 2000 and 2005 990-PF tax forms for the 15 largest foundational donors to K12 education, she examines trends in the kinds of organizations that receive funding, the geographic distribution of funding, and the district-level characteristics that correlate with receiving large amounts of foundation funding.
Examining changes between 2000 and 2005, Reckhow notes several important developments. First, “major foundation grant making has shifted away from supporting public school districts directly and increasingly toward sectors that may compete with traditional public schools, such as charter schools” (p. 39). Specifically, Reckhow finds that funding for public schools dropped from receiving close to 40% of grant dollars in 2000 to less than 25% of grant dollars in 2005. Concurrently, charter schools rose from receiving less than 5% of foundation dollars to slightly under 10% of foundation dollars during the same period (p. 39). Reckhow also documents shifts in how foundation dollars’ geographic distribution in urban districts has shifted over time. The total number of large urban districts receiving funding dropped between 2000 and 2005, while the amount of funds received by some districts (notably Boston, New York City, Oakland, Atlanta, and Washington DC) dramatically increased. Reckhow explores several different explanations for convergence of dollars in specific districts, including mayoral/state control of the school district, local nonprofit capacity/expertise, number of low-income students, union influence, non-traditional educational leaders, and proximity to the foundation’s headquarters. According to Reckhow’s multivariate analysis, local nonprofit capacity/expertise and mayoral/state control emerged as significant, with mayoral/state control of the school district showing as most important. So significant is mayoral/state control that high poverty districts with this attribute receive $45.48 per student from foundations compared to $10.35 per student in high poverty districts without mayoral/state control (p. 50). Reckhow attributes this trend to the fact that often less consensus-building is required to create policies and programs in districts with centralized control, either at the mayoral and state level. Thus, the process of implementing a foundation’s policy agenda is expedited.

Chapter 3 provides a broad overview of foundation-supported education reform in New York City and Los Angeles from 1990-2005. This chapter provides larger picture context for the more specific case studies of each city that follow in subsequent chapters. As the two largest districts in the nation, New York City and Los Angeles have cycled through many different education reforms in the past few decades. New York City’s public schools have historically operated in a decentralized manner; this changed with the declaration of mayoral control in 2002. Prior to this new, centralized leadership, the district had already embraced the reform strategy of small schools, spurred by early success with the strategy in District 4 of East Harlem. The district’s efforts to expand the number of small schools were augmented by dollars received through the Annenberg Challenge in the 1990s. Overall, the small school projects funded by the Annenberg grant were considered unsuccessful, likely due to a lack of constituency building around the reforms. In contrast to New York City, Los Angeles Unified School District’s (LAUSD) story is one of increased decentralization. Charter schools have been key players in this process, as California was the second state to pass a charter school law in 1992. The community group Los Angeles Educational Alliance for Restructuring Now (LEARN) also emerged in the early 1990s and created a plan for the restructuring of LAUSD (focused on decentralization) that was adopted in 1993. The preference for decentralization was further reinforced in the reforms laid out by the Los Angeles Annenberg Metropolitan Project (LAAMP), which submitted LAUSD’s application for the Annenberg Challenge. Since then, the majority of foundation dollars in Los Angeles have gone to charter schools and charter management organizations (CMOs). While New York City centralized its authority through mayoral control of schools, Los
Angeles moved in the opposite direction. These different trajectories have influenced the way that some foundations operate in each city. Comparisons of foundation giving in each city between 2000 and 2005 reveal more foundations entering the field. In 2000, the Annenberg Foundation was the central grant-maker in both cities. By 2005 in New York City, there were several foundations (most noticeably the Gates Foundation) donating large sums of funding. These foundations donated to similar groups and causes. In Los Angeles, grant-makers in the field had also diversified, but all converged on the issue of charter schools.

Chapter 4 narrows in on foundational involvement in education policy in New York City. Reckhow’s analysis addresses three issues: 1) the kind of organizations funded by foundations, and how those organizations contribute to policy change, 2) the divide between district insiders and the larger community in terms of information exchange and political attitudes, and 3) the entrenchment of certain policies despite ongoing challenges and conflicts. Education nonprofit organizations received huge amounts of funding from prominent foundations. These nonprofit organizations often have close ties to the school district, and many were involved in the planning of the district-wide reforms implemented under mayoral control. These reforms focused on school choice (through small high schools with nonprofit partners and charter schools) and “increased outsourcing of school support functions paired with increasing school-level autonomy,” and pay for performance (p. 79). Reckhow’s survey indicates divides between groups that generally receive foundation grants (nonprofits and district bureaucracy) and those that do not (advocacy groups, unions, and parent groups). Survey respondents from groups receiving funding tended to look favorably upon the state of the district, as well as the important role foundations play in district reform. These groups also tended to view unions as roadblocks to reform, while groups not receiving foundation funding disagreed. Overall, advocacy and parent groups felt separated from those close to the district. This separation is reflected in information networks of New York City’s education organizations. Reckhow uses social network analysis to gauge where various education groups obtain “useful data and research” (p. 92). Grant recipient organizations tended to share information with one another, while organizations that did not receive grants also shared information with one another. Unsurprisingly, survey respondents from grant recipient organizations (usually relying on the New York City Department of Education) had more positive feelings about the direction in which the district was heading. Mayoral control of the department of education came up for reauthorization in 2009. Despite a large amount of public opposition and several lawsuits, the measure was reauthorized. Foundation supported reforms continued to thrive throughout this tumultuous period, although Reckhow suggests these may erode in the future depending upon how the political situation continues to evolve.

Chapter 5 demonstrates the political influence of foundations in a very different context: Los Angeles. Unlike the mayoral control in New York City, LAUSD never centralized; its evolution was in the opposite direction. For this reason, foundations in Los Angeles have concentrated grant making on “the expansion of alternatives to traditional public schools,” mostly through funding CMOs (p. 106). CMOs receive the majority of foundation dollars in Los Angeles; this support has allowed some CMOs to emerge as important policy players. In particular, Reckhow highlights Green Dot and the Alliance. Green Dot is somewhat unique among CMOs because of its particularly aggressive political and development strategies. These strategies appeared to have paid off when Green Dot was awarded a
contract to restructure a particularly low-performing high school. Foundation grants were instrumental to Green Dot in the restructuring process. The Alliance is another CMO founded by individuals who were also prominent in the LEARN and LAAMP groups. Because of these connections, the Alliance has a relatively peaceful relationship with LAUSD, although conflicts sometimes occur over resources. Although the results of charter schools in Los Angeles are mixed, CMOs appear to be powerful players in the city’s education landscape, aided by their grants from major foundations. Using the same social network analysis method as with New York City, Reckhow finds a high degree of information exchange among various groups. Unlike New York City, there does not appear to be an informational divide between organizations that obtain grants from foundations and those that don’t. Perhaps because of this, LAUSD seems to be moving in a similar direction to its charter school competitors. The district has responded to the expansion of charter schools by granting increased autonomy to traditional public schools, indicating some positive policy feedback in the community. The latest iteration of LAUSD’s school choice policy afforded a considerable amount of autonomy to individual schools, allowing them to better compete with charter schools. While Reckhow acknowledges that nothing is certain, she posits that this broader coalition of actors with shared sources of information may lead to more sustainable change than New York City’s top-down model of education reform.

In her conclusion, Reckhow provides implications of her study for theory and practice. In terms of theory, she notes that increased attention should be paid to foundations and their leaders as policy actors. No longer do philanthropies distribute their funds from the sidelines; they now donate funds strategically and advocate for certain kinds of education reform. Additionally, based upon the case studies of New York City and Los Angeles, Reckhow proposes that decentralized districts with diverse sets of actors, while moving slowly, may be more successful at generating policy feedback than districts with highly consolidated power that are capable of enacting changes quickly. In terms of practice, Reckhow notes that district leaders should be aware of the new, active role that foundations are playing in education policy. Additionally, she encourages the continued involvement of diverse groups in the policy making process to ensure sustainability.

Reckhow ends her work by noting the lack of transparency and accountability within foundations’ grant-making processes. In order for foundations to ensure support for and success of their funded initiatives, it is essential that they participate more directly in community coalition building and other parts of the democratic process.

Follow the Money makes several important contributions to current education policy research. First, it explicates the exact nature of foundation involvement in schools and education policy. As Reckhow notes, the exact nature of this involvement is not always clear to outside observers. Additionally, Reckhow shows how major foundations seem to be converging their funding toward specific kinds of education reforms and initiatives. Lastly, the book demonstrates how social network analysis can be used to better understand the nuances of education policy in a given context. The sharing of information, while it can be difficult to quantify, is an essential part of the policy making process and Reckhow’s illustration of informational networks provides important context for understanding education reform in the cities she examines. I highly recommend Follow the Money to anyone interested in understanding the changing role of philanthropy in American K-12 education.
About the Reviewer

**Katherine Reynolds** received her Master’s degree in Social and Philosophical Studies of Education from the University of Kentucky in the spring of 2015. She will begin a doctoral program in Education Research, Measurement, and Evaluation at Boston College in the fall of 2015. Her interests include recent education reform practices, as well as evaluation and policy.