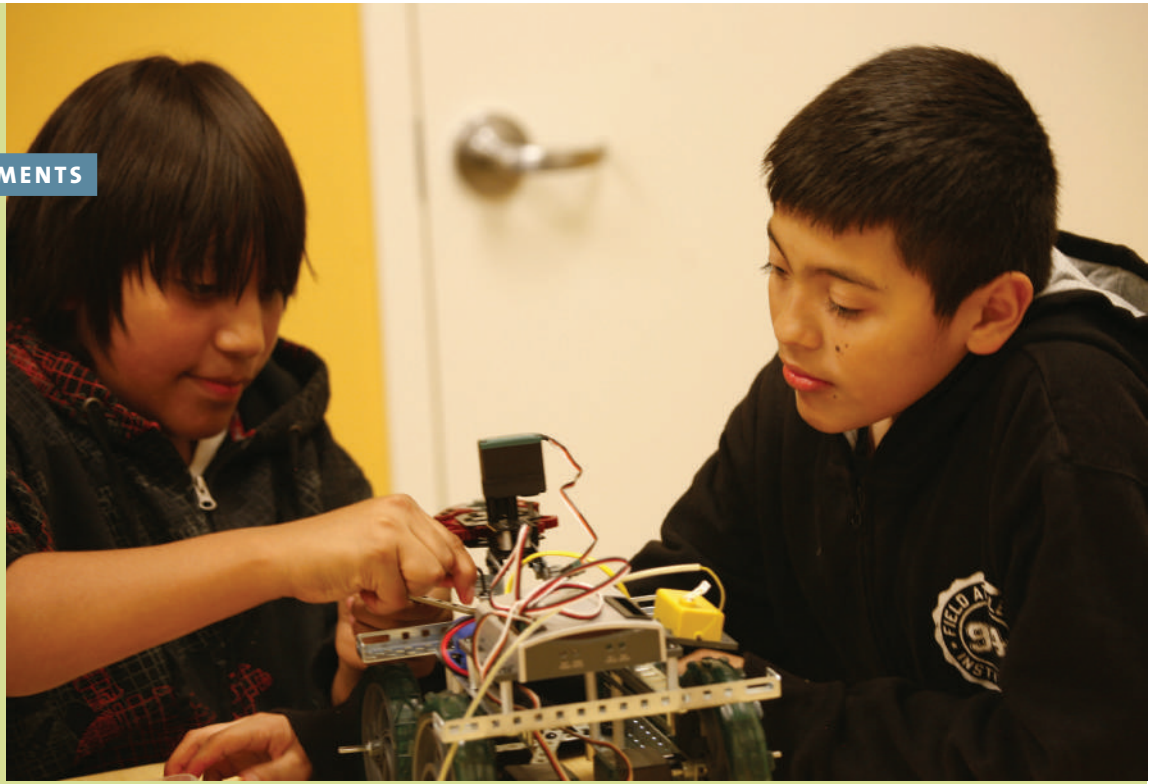


A REPORT ON THE
FOUNDATION'S INVESTMENTS
2000-2014

By Anne Mackinnon
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Citizen Schools

Reaching for Scale and National Impact

Citizen Schools was created in 1995 with a vision for giving middle school students a radically new kind of afterschool experience. Unlike conventional programs, which simply kept kids busy and gave them a place to do their homework, Citizen Schools engaged participants in a dynamic program of intensive, hands-on learning activities, or “apprenticeships,” led by a combination of energetic, motivated staff and knowledgeable volunteers, or “citizen teachers.” To founders Eric Schwarz and Ned Rimer, the out-of-school-time hours were an immense resource for educating young people and building community, particularly in low-income neighborhoods. Their goal was to put those valuable hours to use.

The model caught on in Boston, and Citizen Schools grew steadily in its first five years. By spring 2000, the organization was serving approximately 400 young people, ages 9–14, at 11 locations around the city. The curriculum had been carefully designed, tested, and codified, and the training program for staff and volunteers had evolved into a formal “teaching fellows” initiative. Nationally, Citizen Schools’ distinctive model was beginning to attract attention.

At about that time, Eric Schwarz, Citizen Schools’ executive director, got an unexpected call from a representative of the Edna McConnell Clark Foundation. “We’re intrigued by what you’re doing,” the caller explained, “and want to get to know you better. We can’t promise anything, but if we like what we see, we might move fairly quickly on a significant investment.”

In May 2000, the foundation made its first grant to Citizen Schools: \$250,000 to support the development of a full-fledged growth plan. New Profit, Inc., a venture philanthropy fund, was already working with Citizen Schools, and the foundation joined them in hiring Monitor Group to lead the planning process and lend its expertise in finance and organizational development. Citizen Schools swiftly designed a business plan for growth, including clear goals for expanding the organization’s impact, scale and sustainability, and national influence. In early 2001, the foundation approved a further, major grant for implementation. “Within a few months,” Schwarz recounts with a hint of lingering amazement, “the \$250,000 planning grant had morphed into a \$2.5 million investment.”

CITIZEN SCHOOLS APPRENTICESHIPS

Apprenticeships that motivate and engage students are at the heart of the Citizen Schools model. Here are a few examples:

- **Crime Scene Investigation (CSI).** Students use data collection, problem solving, and leadership skills to investigate and solve a crime scenario.
- **Dental Fundamentals.** Students learn to perform routine dental procedures using authentic tools.
- **Justice League.** Students learn about law, lawyers, and the courtroom by practicing legal vocabulary, public speaking, critical thinking, and teamwork.
- **Stories to the Stage.** Students create short skits about social justice issues, which they write, produce, and perform for an audience of about 100 people.
- **We Built This City.** Students learn about urban planning and design their own city.

Embracing experimentation, learning, and growth

Citizen Schools' first business plan called for the organization to strengthen its service model, build its organizational capacity, and set the stage for broader expansion. By "proving the case" in Boston, the reasoning went, the organization would demonstrate that its approach was valuable for young people and workable at scale. In addition to increasing enrollment, improving attendance rates, and raising the number of hours of programming for students, Citizen Schools would add three new Boston campuses and upgrade its internal management systems to support an expanding network of sites. The teaching fellows program would be renamed

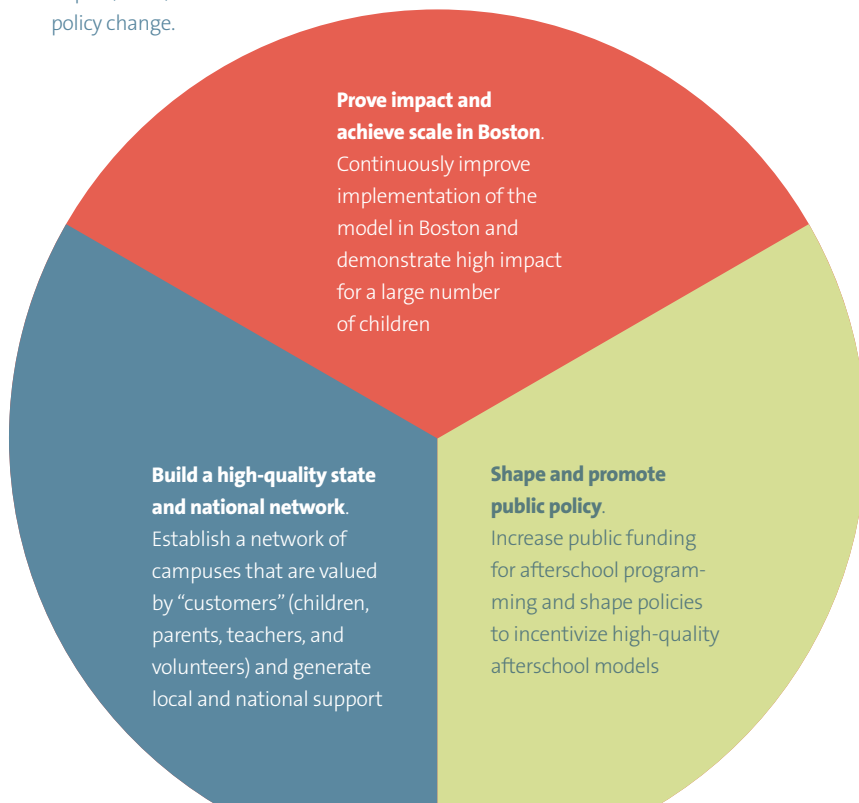
Citizen Schools University, and its purpose would be broadened to include research, policy development, and training. Citizen Schools would also initiate a major evaluation, to be conducted by Policy Studies Associates (PSA), that would assess the impact of the model and document its components.

Over the next two years, Citizen Schools met all the key milestones in its plan. Student attendance and full-year retention — difficult to improve with middle grades students — both grew. New partnerships with AmeriCorps and Lesley University strengthened the teaching fellows program; those alliances also made participation more financially viable for teaching fellows and increased the value of the credential they earned. Citizen Schools staff worked with the PSA evaluators to launch a comparison group study of student outcomes and complete a first round of analysis.

The organization was also getting stronger at its core: decisions about expansion, for example, became more intentional and strategic. Rather than add more campuses in Boston, Citizen Schools consolidated its Boston campuses to achieve greater efficiency. At the same time, it made its first steps outside Boston by establishing affiliate relationships with community-based organizations in two Massachusetts cities, Framingham and Worcester, and in Houston, Texas, and San Jose, California. By 2003, Citizen Schools had grown from a well-regarded local afterschool provider with a \$4.08 million annual budget serving 400 students to a nationally recognized, \$5.79 million organization serving more than 1,000 students.

STRATEGY FOR GROWTH

From 2000 through 2007, Citizen Schools implemented a business plan focused on impact, scale, and policy change.



DRIVING CHANGE IN THE AFTERSCHOOL SECTOR

By helping to build a national afterschool movement, Citizen Schools would make its own work more scalable and sustainable. An effective movement would have four elements:

- **Models.** Program models and curricula that are high quality and scalable, and that address the common challenges of the field
- **Mindshare.** Inspirational stories, evidence of program success, and a specific call to action that moves public opinion and increases belief
- **Money.** Public and private funding to grow and sustain the field and to incentivize better programs
- **Talent.** Talented individuals entering and staying in the field and talented “built to last” organizations to lead change

Source: Citizen Schools 2003-07 Business Plan, March 2003.

For Citizen Schools, the early years of their partnership with the foundation were challenging but exhilarating. Schwarz remembers the evaluation as a particularly demanding aspect of the work, as he and his team learned to collaborate with researchers and funders and respond to findings, both positive and negative. The research confirmed, for example, that Citizen Schools was fulfilling its mission to reach at-risk young people and was having real impact in areas such as participants’ writing skills and acceptance at preferred high schools, volunteer satisfaction, and parent and teacher ratings. Yet it also revealed that

students’ academic gains were less than Citizen Schools had anticipated. Schwarz responded by convening a group of advisors from the foundation, New Profit, Policy Studies Associates, Bridgespan, and Public/Private Ventures to zero in on what was working and what was not, fine-tune the theory of change, and revise the evaluation plan. Schwarz and his team also took immediate steps to sharpen up the staff training course, optimize the student schedule and curriculum, and pilot a new tutoring program and other academic supports, changes that paid off in improved in-school performance for participating students and other important measures.

Encouraged by these accomplishments and by Schwarz’s vision, candor, and willingness to grapple with difficult issues, the foundation made a second major investment in Citizen Schools in September 2003, this time for \$5 million over four years to enable it to continue to execute its business plan. Schwarz and his team would use the resources to dig more deeply into building their human resources, finance, and other national systems. They also planned to redouble their focus on proving impact and achieving scale in Boston, goals that would require them to do even more to ensure the quality of the services they provided. And they would step up their efforts to lead what they hoped would become a major



INSIGHT Investing in helping a grantee strengthen its evidence base, learn from formal evaluation, and use data continuously to improve its program can pay great dividends. Those capacities were useful to Citizen Schools right away for refining its model and making the case for expansion. Later on, they helped the organization attract new funders and compete successfully for government grants and contracts.

CITIZEN SCHOOLS AND

THE EDNA McCONNELL

CLARK FOUNDATION

2000-2014

Citizen Schools develops strategic growth plan

Launches comparison group evaluation

Establishes sites outside Boston in MA, CA, TX

Successfully pilots ELT model

Embraces ELT, begins shift from OST

Wins \$3 million federal i3 grant

Completes leadership transition

2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014

EMCF INVESTMENTS

\$250,000 FOR BUSINESS PLANNING

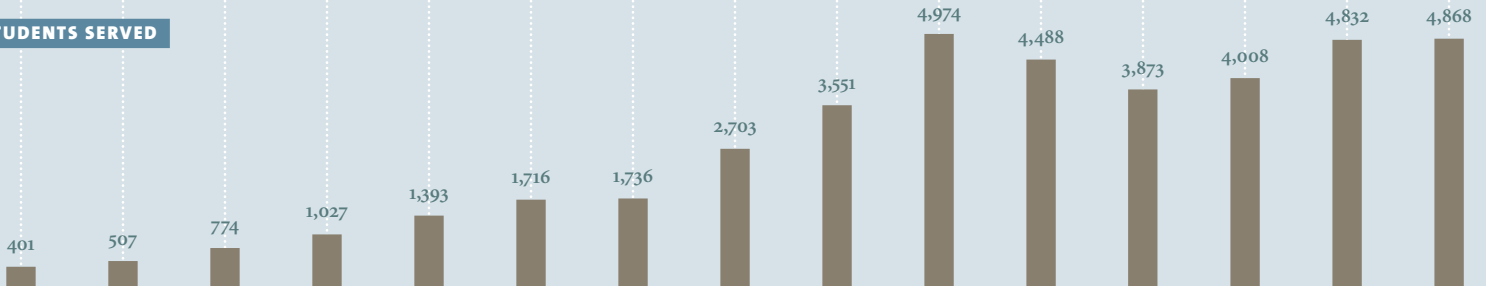
\$2.5 MILLION TO IMPLEMENT BUSINESS PLAN

\$5 MILLION FOR GROWTH AND NATIONAL IMPACT

\$12 MILLION TOWARD \$30 MILLION GROWTH FUND

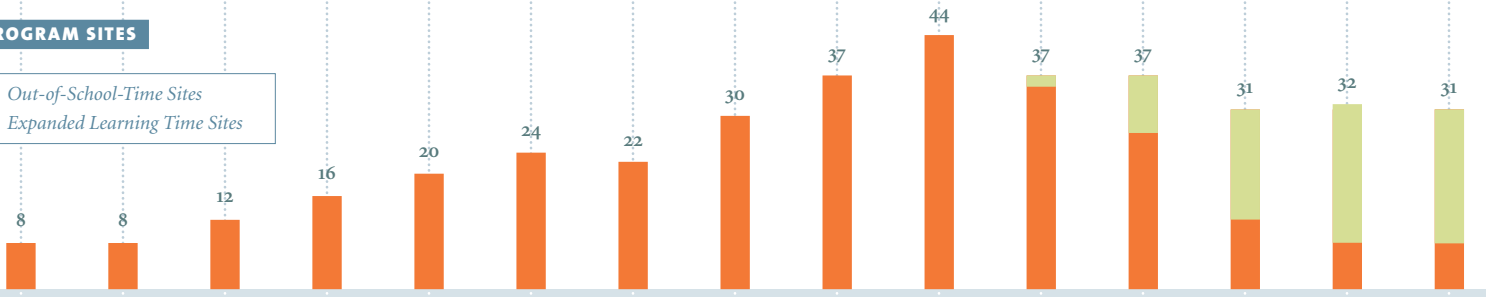
\$6 MILLION TOWARD \$20 MILLION IMPACT FUND

STUDENTS SERVED



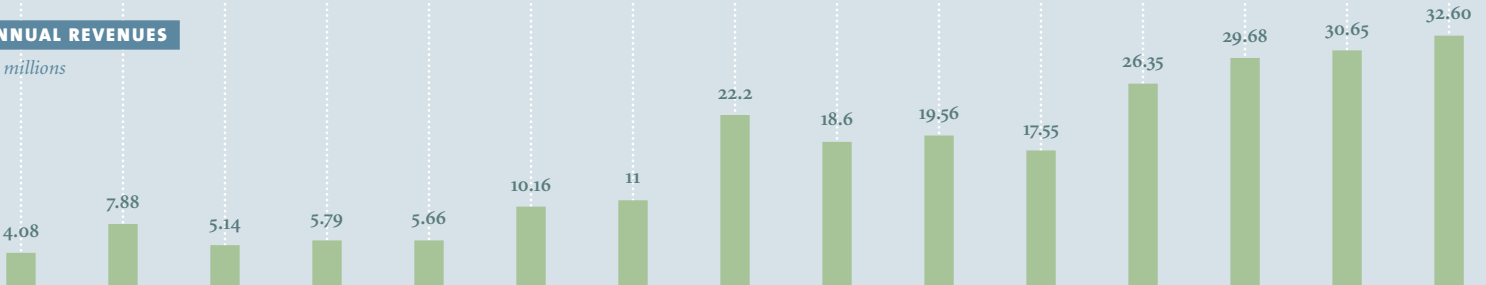
PROGRAM SITES

Out-of-School-Time Sites
Expanded Learning Time Sites



ANNUAL REVENUES

in millions



INSIGHT *A thoughtfully structured business plan is essential both for guiding the day-to-day work of organizational growth and for maintaining overall direction and momentum. A strong plan helped Citizen Schools stay on course as it fine-tuned its model, built its internal capacity, and tested alternative ways to replicate in other regions and communities.*



national movement to expand and improve the afterschool sector — a movement that would be fueled, they believed, by “models, mindshare, money, and talent.”

The grant also provided support for a blended replication strategy, one that allowed Citizen Schools to experiment with different ways to grow. Through collaborations with groups such as YMCAs, Citizen Schools would continue to establish “affiliate” campuses in new communities, tapping local partners’ existing infrastructure. In addition, beginning in 2004, Citizen Schools planned to establish “franchises” in one new city per year, a structure that promised “smoother transfer and retention of brand, quality, and program integrity,” even though it also made steeper demands on central staff and entailed more financial risk.

The next three years were a period of significant development for Citizen Schools. The focus on program quality sharpened the core model and made it more coherent, easing implementation in new locations. Staff-led activities and volunteer-led “apprenticeships” were now embedded within a standard weekly schedule that included

homework help, study skills and leadership development, field trips, and other activities. Most encouraging, the research found that Citizen Schools graduates were doing better on required 10th grade state exams in English and math than Boston Public Schools students overall, or even than students attending the city’s innovative and well-regarded “pilot” schools.

Citizen Schools was also building deeper relationships with schools — making it tantalizingly clear that even stronger connections between in-school and out-of-school learning could yield powerful results for kids. As a result, when Massachusetts offered planning grants and per-pupil funding to schools that wanted to develop new models to extend the school day, one Boston principal suggested that he and Citizen Schools give it a try. A successful pilot during the 2006–07 school year opened the door to further expansion and refinement of “expanded learning time,” or ELT, which would soon be heralded as an important new approach to school reform.

Innovating toward scale and sustainability

AN INTEGRATED STUDENT SCHEDULE

Citizen Schools' expanded learning time (ELT) schedule provides academic support, preparation for college and careers, and hands-on "apprenticeship" learning experiences to all students in a participating school.

Source: *Citizen Schools 2011-14 Business Plan, May 2011.*

The foundation, too, was considering new approaches in 2006. Woody McCutchen, the foundation's portfolio manager for Citizen Schools at the time, recalls that he and his colleagues had become concerned that they were not positioning their grantees well enough for when their support ran out: "We were asking ourselves, How can we invest so we actually get organizations to the point of sustainability?" The solution, they believed, might be to make even larger investments and to do more to help grantees raise matching funds. To

test the idea, the foundation invited a handful of grantees, including Citizen Schools, to participate in the new venture, the Growth Capital Aggregation Pilot (GCAP). Citizen Schools agreed.

From the deliberations that followed, a vision emerged — or, rather, a question: What would it take to transform a \$10-million-a-year organization into a sustainable \$30-million-a-year organization, one with enough visibility and presence to influence education nationally? To achieve that

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
Homeroom	Homeroom	Homeroom	Homeroom	Homeroom
Literacy & ELA	Literacy & ELA	Literacy & ELA	Literacy & ELA	Literacy & ELA
Math	Math	Math	Math	Math
Lunch	Lunch	Lunch	Lunch	Lunch
Science/Social Studies	Science/Social Studies	Science/Social Studies	Science/Social Studies	Science/Social Studies
Elective	Elective	Elective	Elective	Elective
TRANSITION AROUND 3PM				
Snack and Circle	Snack	Snack	Snack	Joint Professional Development
Academic Support 90 MIN	Academic Support 60 MIN	Academic Support 90 MIN	Academic Support 60 MIN	
College to Career Connections 60 MIN	Apprenticeships/ 8th Grade Academy 90 MIN	Explore! 60 MIN	Apprenticeships 90 MIN	
DISMISSAL AROUND 6PM				
				SATURDAY
				8th Grade Academy College to Career Connections

INSIGHT *Upfront growth capital allows an organization to focus on execution during times of change. It also creates room for innovation. The emergence of expanded learning time — a pivotal development for Citizen Schools and the afterschool field — was unforeseen when the 2007-12 growth plan was written. Reliable capital helped the organization take up the ELT opportunity.*

objective, Citizen Schools planned to grow to 75 campuses in 8–10 states in five years (up from 22 campuses in 5 states), and from 1,700 students served annually to nearly 8,000. A capital fund of \$30 million would support that level of growth over five years and leave Citizen Schools in a position to sustain itself into the future. The foundation agreed to provide \$12 million, or 40 percent, of that fund, and to participate actively in raising the balance. Indeed, seeking to lighten the burden on grantees, the foundation’s portfolio managers actively sought out new co-investors and took the lead in managing relationships with them over the life of the fund. For GCAP, McCutchen recalls, “We had to bite the bullet and become fundraisers.”

The new, more aggressive 2007–12 business plan proceeded largely as expected in the early years, with Citizen Schools meeting all its major milestones. The fund quickly exceeded the \$30 million target, and a regional growth strategy began to distribute management and financial responsibility more widely across the organization. Citizen Schools quickly ramped up its reach, nearly tripling the number of students served, from 1,736 to 4,974, and doubling the number of sites, from 22 to 44, from 2006 through 2009.

Then two things happened that pushed Citizen Schools and the foundation to pause and reconsider. In 2009, a deep financial recession — the worst in generations — meant that Citizen Schools, like most of its peer organizations, faced a new reality as it fell short of its revenue goals, a development that sharpened lingering concerns about its comparatively high per-student costs. At the same time, on a far more positive note, Citizen Schools had

emerged as a leading voice in what was becoming an enthusiastic national conversation about expanded learning time and its potential. ELT, and the publicly funded school partnerships that were inherent in the ELT model, promised to increase Citizen Schools’ impact on student achievement and make its work more financially sustainable. Citizen Schools and the foundation decided to put their heads together and consider their next steps.

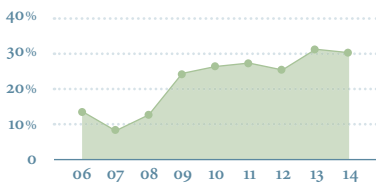
In May 2011, Citizen Schools presented a compelling new business plan that was built around a major shift in strategy: after more than 15 years of operating purely as an afterschool provider, the organization would embrace expanded learning time as the most promising direction for its future work. To Schwarz, ELT solved fundamental problems that the organization had never previously overcome: “We had been trying to prove that afterschool can make a big difference. Our model clearly did that for the kids who participated, but the majority of kids didn’t participate in any given school, and the schools themselves didn’t fundamentally improve.” ELT let Citizen Schools serve a school’s entire student population and positioned its staff as full partners, and change agents, within a school community. Critically, ELT also offered a new avenue for achieving financial sustainability, as serving a whole school opened up important revenue opportunities.

To support the plan, the foundation provided \$6 million toward an anticipated growth capital need of \$20 million, to be used over three years, from June 2011 through July 2014. Because this would be the foundation’s last major investment, the two parties agreed that Schwarz should take the lead in managing relationships with co-investors in this new Impact Fund. “As we planned to wrap up our engagement,” explains Chuck Harris, who succeeded McCutchen as portfolio manager, “we didn’t know who would be left when we were gone. Eric needed to get to know all the other funders directly.” Using the same exhaustive quarterly reports that the foundation had developed, Schwarz and Citizen Schools began to lead the co-investor meetings — which, according to Harris, “immediately became more interesting.”

An end and a beginning

FUNDING FROM PUBLIC SOURCES

In 2006–07, Citizen Schools successfully piloted its extended learning time model in one Boston middle school. Since then, ELT has become the centerpiece of Citizen Schools' work—a shift that has increased the organization's impact and opened up access to public funding.



The Impact Fund came to a successful close in June 2014, having gotten Citizen Schools' ELT efforts off to a strong start. Expanded learning time rapidly opened up new possibilities for the organization: ELT made it easier for companies to see the value of sponsoring employee volunteer programs, or for school districts to recognize the appeal of partnering. In 2012, a proposal by Citizen Schools to train volunteers to lead STEM-oriented apprenticeships won a \$3 million federal i3 grant, which led to a collaboration with the White House on a new mentoring initiative, US2020. "When Clark first funded us," Schwarz explains, "we got no government money of any type, and as recently as six years ago we had \$2 million. Now, we have \$10 million."

Confident in what the organization had achieved and built over his tenure and, most important,

optimistic about its future, Eric Schwarz announced his intention to leave Citizen Schools in early 2014. Schwarz passed the organization's leadership on to Steven Rothstein, an experienced nonprofit executive with a track record for leading organizational growth, in September. As portfolio manager, Harris had attended board meetings and was asked to serve on the search committee that nominated Rothstein and to help recruit a new board president, Lawrence Summers, when long-time chair Andrew Balson stepped down. Summing up, Harris believes that Citizen Schools is well positioned to achieve further growth and impact, both directly through the services it provides and indirectly through its influence on the field. "If the notion of formal expanded day programs takes root" around the country, he suggests, "Citizen Schools will be one of the proof points for that."

Rothstein knows that he has come to Citizen Schools at an important time, not only for the organization but for the field as a whole. As more states invest in expanded learning time, Citizen Schools can play a leading role in shaping what he hopes will be a new national consensus about the immense value of afterschool services for American young people. "We're by no means at a tipping point," he observes, "but I think we're close." Meanwhile, the organization will maintain its focus on quality of services, keep a keen eye on results, support effective public policies, and push for new strategies that allow it to reach many more students. "Are there ways we can serve tens of thousands, even hundreds of thousands, more kids?" Rothstein asks. Drawing on capacity built with help from the Edna McConnell Clark Foundation over more than a decade, Citizen Schools intends to find out. ■

LESSONS FROM THE EMCF / CITIZEN SCHOOLS RELATIONSHIP

For grantees:

- Be proactive about "owning" the relationship. Build real partnerships with funders by discussing the goals and challenges that matter most to your organization.
- Keep funders up to date on important new developments that are influencing your thinking, your work, and the wider field.
- Involve core investors in succession planning, if they're willing. A well-informed funder can be helpful in seeking out new leadership, should the need arise.

For funders:

- Be candid about what you see as challenges or weaknesses in a grantee's work, but also be prepared to roll up your sleeves to help overcome them.
- Bring your expertise and connections to the table. Make introductions, open doors, and tap your contacts to get access to the best available thinking and information.
- Help recruit other funders, but recognize that the grantee needs to cultivate independent relationships with them.