

Philadelphia School Partnership

2014 Annual Report





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School Partnership
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Progress in Philadelphia

Dear Partners,

Four years ago, we founded PSP with an ambitious goal: provide better educational options for families by investing \$100 million to catalyze the creation of 35,000 new seats in high-performing schools for students citywide. We are nearly halfway toward that goal; as of the end of 2014, more than 35 schools have opened or are expanding to serve nearly 16,000 children as a result of investments by the Great Schools Fund. More than two-thirds of those schools are on track to reach quality benchmarks.

As anticipated, we have also experienced setbacks. Some schools have not met expectations, and the District’s structural financial crisis has challenged the work on many fronts. Yet PSP stayed focused this year on key levers that enable the growth and sustained improvement of high-quality schools:

Creating More Great Schools

Nearly 4,700 more Philadelphia students began the 2014-15 school year at new or expanded district, charter and private schools. Results from our earliest investments are proving that it’s possible for students in every neighborhood to learn and achieve at high levels.

Developing School Leaders & Teachers

We worked with schools of all types – district, charter and private – to create a sustainable strategy for recruiting and developing quality educators. The PhillyPLUS leadership training program tripled in size to more than 30 residents this year, and the nationally-recognized model is now being replicated in several other cities.

Increasing Family Engagement

More than 100,000 families used free resources to find, compare and choose schools in Philadelphia, and we ramped up grassroots efforts to focus on targeted neighborhoods lacking quality school options.

All of this work has reinforced our conviction that families are demanding better schools and outstanding educators are able to provide a quality education to all students – regardless of background – when given the opportunities and tools to succeed. That’s why we also increased our efforts to promote best practices and proven policies at the state and local levels.

There’s much more to do in 2015 to ensure every child in Philadelphia is on the path to college and career, so we thank you for your continued support.

Sincerely,
Mike O’Neill

The Great Schools Fund

Investing in Great Schools

The Great Schools Fund has invested in one in every ten schools in the city. We do not intend to stop until every student has the opportunity to receive an excellent education.

We are raising and investing \$100 million for our Great Schools Fund to give more students access to a great school by:

Expanding High-Performing Schools

Growth grants fund the expansion or replication of existing successful schools so they can serve more students.

Transforming Schools that Aren't Working

Turnaround grants fund school operators with a strong track record of successful school turnaround or experience successfully operating an urban school.

Opening New Schools

Startup funding helps proven leaders to launch new schools with fully developed plans.

Incubating New School Ideas

Incubation funding supports talented teams, individuals and organizations with new school ideas so they can develop comprehensive plans.

The Fund deploys startup capital to enable and encourage entrepreneurial school leaders to create schools that inspire, innovate and level the playing field for disadvantaged families.

Incubating and launching an innovative high school

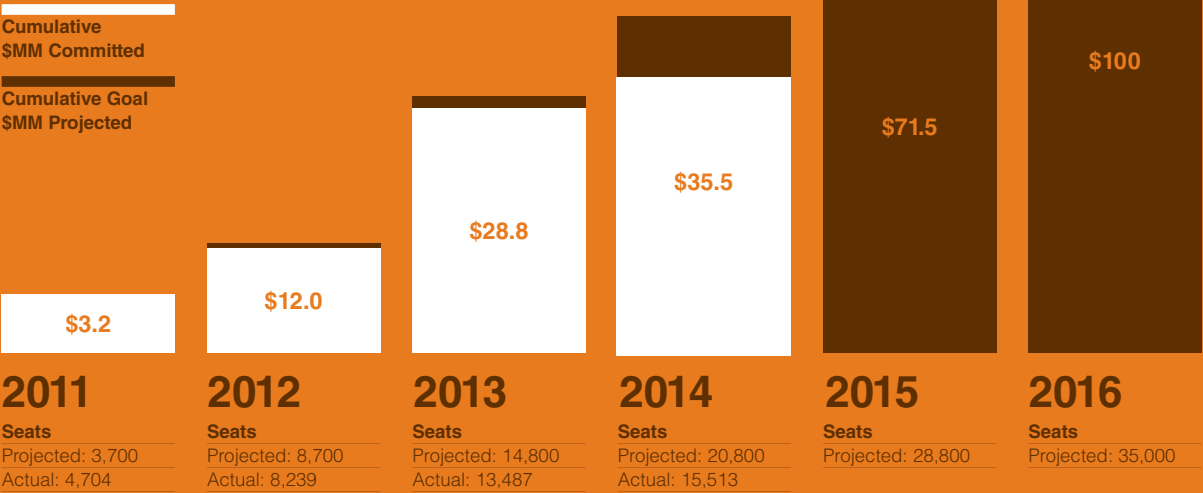
In fall 2014, Building 21 opened its doors to 150 new 9th grade students with plans to grow to 600 students over the next three years. The innovative new high school uses a “competency-based” educational model that engages students through individualized learning, relationships, projects and technology. “High school graduation shouldn’t just be based on credits and courses, but skills and knowledge,” says school founder Laura Shubilla.¹ The school is open to all students from across Philadelphia, and enrolls 60 percent of its student body from surrounding North Philadelphia neighborhoods.

In March 2014, we invested \$2M to help open Building 21 in North Philadelphia.

¹ Kevin McCorry, “Philadelphia School Partnership gives \$2 million to new public high school,” NewsWorks/WHYY, March 18, 2014

Our Results

To date, we have invested nearly **\$36 million** to create great schools for an additional **15,500 students**.*



*As of Dec. 31, 2014. The \$100 million Fund includes 12% overhead.

The Great Schools Fund

Portfolio Performance

The Fund invests in the incubation, startup, growth and transformation of K-12 schools of all types – district, charter and private – with the ability to produce outstanding results for low-income students.

Transforming a network of schools through strong leadership

We initially invested \$500,000 in Independence Mission Schools (IMS) to develop plans for 14 urban Catholic elementary schools – many in financial distress and serving predominantly low-income students, – to improve the quality of their academic programs, grow enrollment and become financially sustainable. The schools are now partnering with PhillyPLUS to develop a pipeline of school leaders to help transform academically struggling schools. Three subsequent investments in IMS schools are supporting some of those new leaders. Since 2012, enrollment at IMS schools has increased nearly 25 percent.

In June 2014, we invested \$275,000 to support planning for the turnaround and growth of two Catholic elementary schools in North and South Philadelphia.

PSP is agnostic about school type and zealous about investing in great leaders. To date, roughly 55 percent of our committed funds are invested in creating seats in high-quality charter schools, 33 percent in district schools and 12 percent in private schools.

All investments have been guided by the track record of applicants. Notably, a new report from The Center for Research on Education Outcomes (CREDO) at Stanford University demonstrates that Philadelphia’s charter sector has led the way in creating better schools for low-income and minority students.² Still, with 131,000 students in district schools, PSP continues to seek investment opportunities in the District and has at least one grant pending.

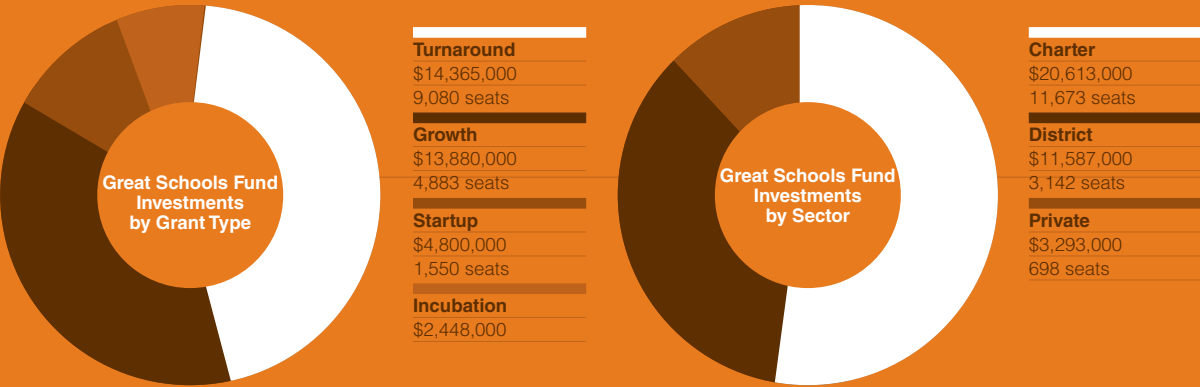
All schools in the Great Schools Fund portfolio serve predominantly low-income and minority students, who historically have been the most underserved populations in Philadelphia.

Early results show the vast majority of our grantees are meeting performance benchmarks even while adding capacity to serve more students. Specifically, we track schools’ progress in eight performance areas: talent acquisition, enrollment, finances, facility, student attendance, student retention, academic growth and overall academic performance.

As of December 2014, approximately 70 percent of our investments are on track to meet or exceed performance benchmarks. Another 17 percent of our investments are within reach of meeting their targets with some support, while 13 percent are at risk of not meeting quality benchmarks.

²Urban Charter School Study, The Center for Research on Education Outcomes, March 2015

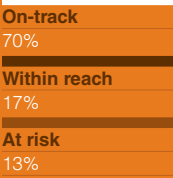
Our Investments



Schools in the Great Schools Fund portfolio serve predominantly low-income and minority students, who historically have been the most challenging to serve.

Subgroup Demographics	PSP Portfolio	District	State (PA)
Low Income	79.0%	87.3%	40.7%
Black or Hispanic	85.9%	71.2%	22.7%
Special Education	15.0%	13.8%	13.1%
English-Language Learners	3.7%	9.6%	2.2%

Schools



70%
of our investments are meeting or exceeding performance benchmarks

As of 12/31/2014



Our work is reaching underserved students and low-income neighborhoods across much of the city.

Great Schools Fund Portfolio

1 Mastery–Clymer^	9 Freire Charter School	17 SLA@Beeber	27 Independence Charter
2 Mastery–Simon Gratz^	10 Wissahickon Charter School^	18 The Workshop School^	28 First Philadelphia
3 Mastery–Hardy Williams^	11 Esperanza Charter School	19 Boys’ Latin Charter School	29 St. Thomas Aquinas
4 Universal Vare Middle School	12 Samuel Powel Elementary School	20 DePaul Catholic School	30 St. Helena Incarnation
5 Universal Audenried High School	13 Young Scholars Kenderton	21 Mastery–Thomas	31 Carver Engineering & Sciences
6 Olney Charter High School	14 KIPP Philadelphia Elementary	22 Mastery–Pastorius	32 New Foundations Charter
7 Cristo Rey High School	15 KIPP Dubois Collegiate Academy	23 Mastery–Pickett	33 Building 21^
8 Henry Edmunds-String Theory Schools	16 Hill-Freedman World Academy	24 Mastery–Cleveland	34 City School
		25 James G. Blaine School	
		26 William D. Kelley School	

^More than one grant made to listed school
Note: Schools are listed in chronological order by the date of grant. Map excludes network level incubation grants and grants with location TBD.

- PhillyPLUS residents (2014-15)
- PhillyPLUS post-residency leadership placements (2014-15)

As of 12/31/2014

Creating the Conditions

Ensuring that Great Schools Thrive

To create the conditions for great schools to thrive, we are working with schools of all types to address some of the most pressing needs shared by school operators – most importantly, a pipeline of talented educators.

PSP works with partners on cross-sector initiatives to attract and train school leaders and teachers, empower families and promote policies that put students first.

Developing Talent

- Expanded PhillyPLUS, a residency-based principal training program to recruit, select, prepare and credential leaders for schools of all types
- Launched a citywide Emerging Leaders Program in partnership with KIPP Philadelphia to identify and develop great leaders in early career stages
- Scaled Mastery Charter Schools’ proven Teacher Effectiveness Program to schools of all types
- Collaborated with partners to develop strategies for preparing new teachers for high-needs schools

Empowering Families

- With GreatPhillySchools, reached more than 100,000 families with information to find, compare and choose schools
- Launched an online application portal to make it easier for more than 3,000 families to apply to schools of all types
- Hosted the 2014 Philly High School Fair for nearly 10,000 parents and students

Promoting Proven Policies

- Launched a sister advocacy organization, Philadelphia School Advocacy Partners, to promote policies at the state and local levels that put student interests first

Developing Excellent Leaders for High-Need Schools

In 2013-14, Jessica Ramos trained at Stearne Elementary as a PhillyPLUS resident, a program that recruits, trains and supports new school leaders serving low-income students. At the end of the school year, more than 500 Stearne parents petitioned to retain Ramos as the school’s new principal. She is now leading the transformation and growth of the school in North Philadelphia. “What makes PhillyPLUS different from traditional administrator certifications is the focus on accountability for principals, high level of preparation, and attention to on-the-job training,” said Ramos.

PhillyPLUS is producing tested, entrepreneurial leaders for dozens of schools serving thousands of low-income students.

Empowering families with information to demand great schools

In 2014, more than 100,000 Philadelphia parents and caregivers used the GreatPhillySchools website and print guides to get information to find, compare and choose schools of all types. We deepened our grassroots outreach efforts in low-income neighborhoods in North and West Philadelphia, and we worked with partners to distribute 90,000 print guides with profiles of every K-12 school. In collaboration with nonprofits and city agencies, we expanded GreatPhillySchools.org to include early childhood centers, giving families the ability to more easily research and find quality early childhood education options.

This year, nearly all of the city’s highest-rated schools on GreatPhillySchools received more applications from students.

2014 Financials

Support and revenue	
Contributions	\$6,204,594
Donated services and other income	\$1,473
Contractual services - affiliate	\$51,126
Interest income	\$2,728
Net assets released from restriction	\$3,607,556
Other income	\$2,400
Total support and revenue	\$9,869,877
Operating expenses	
Great Schools Fund - Investments (disbursed)	\$11,195,745
Other special purpose grants	\$506,045
Talent & Collaboration grants	\$470,000
Staff expenses	\$1,528,897
Professional services	\$2,485,407
Marketing and communications	\$418,418
Office, administration and insurance	\$252,329
Depreciation and amortization	\$62,209
Total operating expenses	\$16,919,050
Change in net assets	
Net assets, at Dec. 31, 2014 (unrestricted)	\$5,119,454

To date, PSP donors have pledged \$76 million (2010-2014)

Lead Investors (\$5 million and above) The Maguire Family Foundation The Walton Family Foundation William Penn Foundation Jeff and Janine Yass	Contributors (\$5,000 to \$99,999) Anonymous The 25th Century Foundation Barbara and Ted Aronson Jim and Janet Averill Cheryl and Richard Binswanger The Bouncer Foundation, Inc. Chris Bravacos Cathy and Jack Brennan Donald E. & Hana Callaghan The CHG Charitable Trust Win and Ellen Churchill Cigna Foundation Comcast NBCU Cozen O'Connor Sean and Felicia Daly Dolfinger-McMahon Foundation John J. Griffin Jr. Bob and Joanie Hall Dee and Roger Hillas The Allen Hilles Fund Janney Montgomery Scott JPMorgan Chase Bank, N.A. Sarah and Kevin Kleinschmidt Lincoln Financial Foundation Christian R. and Mary F. Lindback Foundation Jordie Maine Peter Morse Stephanie and Michael Naidoff The Nelson Foundation Patriarch Family Foundation PECO Jane G. Pepper Marsha and Jeffrey Perelman Leo, Eve, Kate, Lexy & Julia Pierce The Rubenstein Foundation Jesse and Lauren Serventi William E. Simon Foundation John B. Stine II TD Charitable Foundation
Champions (\$1 million - \$4,999,999) Anonymous The J. Mahlon Buck, Jr. Family Michael & Susan Dell Foundation Bill & Melinda Gates Foundation Dorrance H. Hamilton Patricia Kind Jeannie and Mike O'Neill Charlie Ryan	
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Our mission is to create and expand great schools in Philadelphia.

We raise philanthropic funds to invest in the startup, expansion and turnaround of public and private schools, and we work to create the conditions for great schools to thrive.

Our vision is that every child in every neighborhood has access to a great school and graduates from high school prepared for college or career training.

We believe that great schools come in all types and exist in all sectors, but every great school starts with a talented leader and the belief that all children can learn and achieve at high levels.