



BILL & MELINDA
GATES *foundation*

U.S. PROGRAM



Letter From **ALLAN GOLSTON**
U.S. PROGRAM PRESIDENT

Helping to ensure greater access to opportunity for everyone is at the center of the Bill & Melinda Gates Foundation's U.S. Program. The primary goal for our work in this country is to increase attainment of secondary and postsecondary education with genuine economic value. The foundation is particularly concerned with improving access to quality educational opportunities for low-income and minority students.

We see education as the gateway to increased opportunity—the “great equalizer of the conditions of men,” as Horace Mann wrote more than 150 years ago during the formative years of American public education. When people are given opportunities to develop their potential, our society thrives.

As a philanthropic organization, we identify severe inequities that have not received the attention needed and where we believe we can have the greatest impact. First we rely on research to understand what works and then we go where the evidence takes us. We work with partners from across the country in support of solutions that have potential for sustainable impact at scale—a leading-edge idea or an old idea applied in a new way.

We also advocate to build public and political will for change. We use our voice appropriately to raise awareness of important issues. If enough leaders and citizens demand that our country prioritizes helping those with the greatest needs and the fewest resources, progress will come quickly.

Ultimately, no single person or organization can solve the problems that face our country. Great ideas must be well supported and financed over time so the solutions are sustained and accessible to all who need them. As a private funder, the foundation can be a catalyst for change, working with partners to seed and accelerate the adoption of promising solutions and sharing lessons learned. But to ensure that America lives up to its promise of equal opportunity, all of us—foundations, governments, businesses, and citizens—must do our part. The challenges we face are overwhelming and wide-ranging, but we are optimistic that we can work together and improve the odds for millions of young people to live healthy, productive lives.

We look forward to working with you in communities across the country to spread opportunity for all.

OUR MISSION

The Bill & Melinda Gates Foundation is guided by the simple but profound belief that all lives have equal value and that each individual should have the opportunity to succeed. We are privileged to work with people around the world to reduce inequity and increase access to opportunity.

For too many children in America, the promise of equal access to opportunity is broken. No matter how hard they try, their success in life is dictated in large measure by the circumstances of their birth. The low rate of economic mobility in the United States means that fewer than one in 15 children from families at the bottom of the economic ladder has the access to opportunities that allow them to climb to the top.¹ Limited opportunity results in dramatically lower life prospects for the poor and undermines our basic American values. But it doesn't have to be this way.

The foundation's U.S. Program works with a range of partners toward greater opportunity for all Americans largely through the attainment of secondary and postsecondary education. By making college and other forms of education both accessible to and successful for all, we hope to help break the intergenerational cycle of poverty that prevents families and communities from opportunities to reach their full potential.

THE U.S. PROGRAM WORKS TO ADVANCE:

COLLEGE READINESS AND SUCCESS. Education is the broadest avenue to opportunity and the most influential factor in ensuring that children will grow up to do as well or better than their parents. Today, a postsecondary education is the most important requirement for jobs that pay a family wage. **Our goal is to ensure that 80 percent of students will graduate from high school prepared for college, with a focus on low-income and minority students reaching this target, and to double the number of low-income young adults who earn postsecondary degrees or certificates by age 26 each year.**

ACCESS TO KNOWLEDGE. Today, it is almost impossible to succeed without computers and the Internet. Public libraries have been at the forefront of efforts to close the digital divide. **Our goal is to ensure that libraries continue to offer free, quality access to computers and the Internet so that all people can benefit from technology.**

STRONG COMMUNITIES IN THE PACIFIC NORTHWEST. As a family foundation, we are committed to strengthening our communities and providing new avenues of opportunity for those most in need in Washington state, the foundation's home. **Our main goal in the state is to help all children begin kindergarten ready to succeed and cut family homelessness in half over the next decade.**

REPRESENTATIVE GRANTS

ACHIEVE, INC. AND THE AMERICAN DIPLOMA PROJECT NETWORK
\$23 million to assist states in aligning high school standards with the expectations of college and career

GATES MILLENNIUM SCHOLARS
\$1.6 billion over 20 years to help 20,000 high-potential, low-income, minority youth attend the higher education institution of their choice

SOUND FAMILIES
\$40 million to triple the number of service-enriched, transitional housing units for homeless families in the Puget Sound region of Washington state

OPPORTUNITY ONLINE
\$16 million to help public libraries in 21 states add or replace computers for their patrons

OUR INITIATIVES

COLLEGE READINESS AND SUCCESS

COLLEGE-READY. Since 2000, the Bill & Melinda Gates Foundation has invested nearly \$4 billion to help students, particularly low-income and minority youth, graduate from high school ready to succeed in college, career, and life. We've helped demonstrate that with the right opportunities, our most vulnerable young people can achieve at high levels.

- In New York City, graduation rates in new small schools exceeded 70 percent in 2007, double the 35 percent rate posted by the schools they replaced and significantly higher than the district average.²
- The entire 2008 graduating classes at IDEA College Preparatory and YES Prep in Texas were accepted to four-year colleges.³
- The Gates Millennium Scholars (GMS) program has awarded 12,000 scholarships to exceptionally talented low-income students of color since 2000, with nearly eight in 10 scholars graduating from college in five years.⁴

But despite such successes, the pace of change system-wide is simply too slow. Today only 71 percent of American students—and only 55 percent for African-American and 58 percent of Hispanic students—earn a high school diploma.⁵ And far too many of those who do graduate from high school are unprepared for the rigors of college. A study of the class of 2002 found that only 23 percent of African-American and 20 percent of Hispanic young people were ready to succeed in a four-year college,⁶ a fact that has tremendous costs for these students and our society.⁷

To get transformational results, we have learned from our work and the work of others that we must focus on the heart of the educational experience: the learning partnership between teacher and student. That's why the foundation has set an ambitious goal to boost college-readiness levels for the students who are furthest behind. We seek to ensure that 80 percent of students will graduate from high school ready for college, with a focus on low-income and minority students reaching this goal. More specifically, that means students will be able to succeed in credit-bearing courses in two- or four-year colleges or postsecondary certificate programs capable of ensuring a successful career.

Our strategy is based on evidence and on the lessons learned over the past eight years. It has three major components:

- Focus on success at a higher level. To ensure that the work teachers and students do together provides more robust preparation for college and careers, we will work to identify the best indicators for success in higher education. We will then work to ensure teachers and students have the support and access to methods and materials that help them master the necessary skills and knowledge, and that fair and accurate measures are in place to evaluate progress.
- Empower excellent teachers. Research shows that teachers matter most to student learning.⁸ Given that teachers shoulder the most responsibility outside the home, we must provide them with the support they need every time they step into the classroom. We can make this a reality by establishing clear goals for excellence and measuring and rewarding achievement of these goals. By supporting new teachers and eliminating

policies that prevent them from focusing on learning, our teachers can be more effective instruments of change in the lives of all students.

- Support and engage students. We must hold every student to high expectations and give them the support they need to meet them. Our strategy includes helping students who enter high school behind to catch up, evaluating young people's skills and abilities with a focus on equipping them for the next level, and extending learning beyond the classroom. In particular, we plan to leverage technology to reach students where and when they most effectively learn.

Finally, if we're going to reach our ambitious goal, we need better data to tell us if we're making progress. We know something about what it takes to be college-ready, but not enough to know if each student is on track toward that goal. We know how crucial effective teaching is for student success, but not enough about how to identify, develop, reward, and retain excellent teachers, especially for the students who need them most. Without better data, educators, students, and the public lack the information needed to make good decisions and to determine if strategies are working or need adjustments.

POSTSECONDARY SUCCESS. A quality high school diploma is essential for career and life success, but it's no longer enough. Most good jobs capable of supporting a stable family require some level of higher education. The Bureau of Labor Statistics projects that through 2014, more than half of all new jobs will require at least some college.⁹ More than 22 of the 30 fastest-growing career fields require some postsecondary education.¹⁰

Education is also the best investment in our shared quality of life. According to one estimate, if we increased the average education level of workers by one year, we would increase national economic growth by five percent to 13 percent.¹¹ Young people with postsecondary degrees are also the anchors of thriving communities. They are more likely to vote, volunteer, lead stable families, and guide their own children to independence and success in adulthood.¹²

Despite the benefits of postsecondary education, only about 53 percent of Americans earn some degree or credential after high school, a figure that drops to about 20 percent for low-income, African-American, and Hispanic students.¹³ Twenty years ago, we were first in the world in the percentage of adults aged 25–34 with a postsecondary credential. Now we're 10th in the world and headed in the wrong direction.¹⁴

In recognition of the increasing importance of postsecondary completion, the foundation is making a long-term commitment to work with leaders from business, education, and government to double the number of low-income adults who earn a postsecondary degree or credential by age 26. To achieve this goal, we will:

- Improve the performance of the postsecondary education system. As we consider our mission, we know we need to support policies and practices that will help increase the number of low-income young adults who attend college. However, first, colleges must work better for those who are already there. This will require fundamental changes in the system and improvements at a pace and scale we as a nation have yet to achieve. Within postsecondary education, the foundation's work will begin with an emphasis on two-year colleges. These institutions play a particularly critical role in serving first-time postsecondary students. We will also invest and learn from private schools and any other institutions or

programs that show promise for helping young people earn meaningful and valuable postsecondary credentials. We will be driven by what works; we are agnostic about form. We support innovations in leadership, performance management, and institutional practices that make it possible to get more students in and through two- and four-year colleges.

- Support young adult success by enabling them to get further faster. While most young adults understand the value of education in the abstract, too often real-life pressures get in the way and prevent them from completing a degree. This is especially true for low-income young people who have financial constraints, jobs, or family obligations that compete for their time and attention. By offering support, reducing the barriers that prevent them from learning, and reinforcing their motivation to learn and succeed, we expect more young people to be able to focus on completing a degree.

- Encourage U.S. leaders to commit to helping students complete their degrees. Since 1965, many of our higher education policies, including funding and financial aid, have been focused on college access. We will use our voice and convening power to make the case about the importance of doubling the number of young people who earn a postsecondary credential—getting students to and through college. Our investments will be focused on mobilizing and inspiring leaders, employers, and communities across the country to embrace the goal and make the policy and financial commitments necessary to achieve it.

We will focus our efforts on the higher education pathways that low-income students are most likely to access, including public community colleges, workplace and community-based training, apprenticeships, and other work-based education opportunities. We recognize to be successful we need to work closely with businesses, community groups, and policymakers to make sure higher education is not the exception for a privileged few, but the rule for all young adults with the desire and motivation to participate.

SCHOLARSHIPS

We are funding scholarships to expand access to college for low-income and minority students and to encourage public service and leadership. A congressional advisory committee estimated that between 2000 and 2010, nearly 4.5 million qualified students won't go to four-year colleges because their parents can't afford the costs of higher education.¹⁵ With tuition costs rising faster than the inflation rate, low-income students are at a particular disadvantage. Fewer than one in 10 low-income students can expect to earn a bachelor's degree.¹⁶ Besides the financial resources, they also lack guidance on how to choose a school, apply for admission, and fill out financial aid forms.

Since 2000, half of our education investments to date—\$1.85 billion—have been dedicated to boosting college access for high-achieving, low-income students. Through scholarship programs like the Gates Millennium Scholars Program, Washington State Achievers Program, and the new D.C. Achievers Program, thousands of students have become the first in their families to attend college. Our commitment is to help more than 27,000 low-income students get to college by 2016.

ACCESS TO KNOWLEDGE

U.S. LIBRARIES. The foundation's U.S. Libraries initiative began in 1997 with one goal: ensuring that if you can get to a public library, you can access the Internet to learn, explore opportunities, and enrich your life. We worked with libraries in all 50 states to help people get online. Today, nearly every library in the country provides free use of computers that are connected to the Internet. The challenge now is for public libraries to stay connected and meet the growing needs of patrons.

Millions of people rely on their library's computer and Internet services to seek information on health, education, employment, and government services, as well as communicate with family and friends. Many also count on libraries for training and guidance on how to effectively use the technology to improve their lives. But libraries are struggling to maintain high-quality technology services, replace their computers, and improve their connectivity. If libraries do not receive adequate funding, they could become part of the digital divide and not part of the solution. To prevent this from happening, the foundation is continuing its decade-long relationship with the nation's libraries to help them build sustainable local funding and support for quality technology services.

Our strategy focuses on three core areas:

- Ensure up-to-date hardware and fast Internet connections. To help libraries offer free, quality access to valuable information and knowledge, we provide hardware grants to replace and add library computer workstations and will provide connectivity grants to fund high-speed connections to the Internet.
- Provide training and support to library staff to use, maintain, and introduce technology. To fully meet the needs of the community, library staff must be equipped to plan for and maintain technology access. We support resources for librarians to access online training and best practices.

- Encourage public support of libraries. We assist the field to build public support for the library by providing public library staff with the training, tools, and research so they are able to explain how technology improves life in the community and why public libraries deserve steady public funding.

We will continue to work with libraries and other partners to ensure that high-speed Internet continues to be accessible in our public libraries. When public libraries are strong, they can serve as important hubs for opportunity, helping Americans from all walks of life gain access to information, jobs, services, and networks.

STRONG COMMUNITIES IN THE PACIFIC NORTHWEST

For decades, Washington state has been home to some of the most dynamic businesses in the world. Unfortunately, far too many families in the Pacific Northwest have yet to prosper. More than 600,000 Washington state residents live in poverty. About one in four is a child younger than 18—a child who is at greater risk than their peers for dropping out of school, going to jail, going hungry, failing to find steady work, and ending up homeless. Our work in the Pacific Northwest focuses in three areas:

EARLY LEARNING. As we studied these problems, we traced them back to a child's earliest years. We learned that nearly 75 percent of the children in Washington's lowest-income classrooms are not ready to start school. In particular, studies have shown that students who have attended high-quality early learning programs have higher math and literacy rates than their peers who did not. In Washington state, we started investing in early learning in 2005. In 2006, we helped create a public-private partnership devoted to improving early learning in the state called Thrive by Five Washington.

We're beginning by working in partnership with Thrive by Five and other local partners to invest heavily in two Washington communities—White Center (near Seattle) and East Yakima—to

dramatically expand access to high-quality child care and preschool opportunities for children before they begin school. Over time, the lessons learned from both communities will help inform early learning investments and policies for kids throughout Washington state.

FAMILY HOMELESSNESS. Our major effort in the Pacific Northwest focuses on ending family homelessness. Without a stable home, children and their families are robbed of the opportunity to reach their full potential and contribute to their communities. On any given night in the state, 25,000 people don't have a safe place to sleep. A growing percentage of the homeless in Washington are children and their parents.

In 2000, we launched the \$40 million Sound Families Initiative. This wide-ranging partnership aimed to triple the amount of supportive housing available in the Puget Sound region and involved dozens of housing and service providers, property managers, and public and private partners. The initiative ended in 2007 and funded nearly 1,500 units that have, to date, served more than 2,700 kids in about 1,500 families.

While we believe there will always be a role for supportive housing for many families in our region, we know that we must build on our investments to move from treating family homelessness to actually ending this problem.

Over the next decade, we will work with partners from federal, state, and local governments, along with multiple nonprofit housing and service providers, to reach our goal of reducing family homelessness in Washington state by half.

COMMUNITY AND FAMILY GRANTS. Our Community Grants program supports nonprofit groups in Washington state and greater Portland, Ore., in their efforts to help low-income children and families and give impoverished communities the chance to flourish.

A COMMITMENT TO LEARNING

The Bill & Melinda Gates Foundation is a learning organization committed to deepening our understanding of the issues we address. We make long-term investments based on rigorous evidence, continually evaluate our progress, and hold ourselves accountable for results. Along the way, we make adjustments based on what we learn from our work with partners and grantees.

For example, our education strategy has continued to evolve since our first grants to improve high schools in 2000. Initially focused on creating new, small high schools, we have since expanded efforts to assist school districts, advocate for college-ready policies, and invest in better data systems.

We also continually explore new ways to increase opportunities or respond to unique challenges in the United States. These U.S. Special Initiatives include grants that support emergency relief efforts in places like the Gulf Coast.

For more information on the U.S. Program, including details on grants and evaluations, please visit www.gatesfoundation.org.

The U.S. Program is led by a president and seasoned team of directors and guided by an advisory panel of outside experts. This distinguished panel brings a wide range of experiences and perspectives to our work to expand opportunity for all Americans:

- Ann Fudge, Chairman and CEO, Young & Rubicam Brands
- Henry Cisneros, Chairman and CEO, CityView
- Christopher Edley, Dean, Boalt School of Law at the University of California–Berkeley
- Edward Glaeser, Fred and Eleanor Glimp Professor of Economics, Harvard University
- Walter Massey, President Emeritus, Morehouse College

¹ Isaacs, J. (2008). "Economic Mobility of Families Across Generations." *Getting Ahead or Losing Ground: Economic Mobility in America*. The Brookings Institution, p. 19. Accessed at http://economicmobility.org/assets/pdfs/Economic_Mobility_in_America_Full.pdf. | ² Foley, E., Klinge, A., Reisner, E. (2008). *Evaluation Of New Century High Schools: Profile of an Initiative to Create and Sustain Small, Successful High Schools*. DC: Policy Studies Associates; and *New Visions for New Schools* (2006). *Lessons from the New Century High Schools Initiative 2001-2006*. New York City: Author; Department of Education (2007). "Chancellor Klein Announces That Preliminary June Graduation Rate of New Small Schools Tops 70% for Second Consecutive Year, Even as Many More New Small Schools Graduated Senior Classes." June 29, 2007. Accessed at: schools.nyc.gov/Offices/mediarelations/NewsandSpeeches/2006-2007/20070629_small_school_grad.htm. | ³ IDEA Public Schools (2008). "History," Idea Public Schools Website. Accessed at <http://www.ideapublicschools.org/NETCOMMUNITY/Page.aspx>. | ⁴ YES Prep Public Schools (2008). "About YES: Results," YES Prep Public Schools Website. Accessed at <http://www.yesprep.org/about/results.htm>. | ⁵ Bill & Melinda Gates Foundation (2008). Internal documents. | ⁶ Editorial Projects in Education (2008). "Diplomas Count 2008: School to College." *Education Week*, Vol. 27, No. 40. June 5, 2008. | ⁷ Greene, J., and Winters, M. (2005). *Public High School Graduation and College Readiness Rates 1991-2002*. Education Working Paper No. 8 February 2005. NYC: Manhattan Institute for Policy Research | ⁸ Belfield, C. and Levin, H. eds. (2007). *The Price We Pay: Economic and Social Consequences of Inadequate Education* DC: The Brookings Institution Press. | ⁹ Hanushek, E. and Rivkin, S. (2006). "Teacher Quality," in Hanushek, E. and Welch, F. Eds. (2006). *Handbook of the Economics of Education, Volume 2*. NYC: Elsevier; Sanders, W. and Rivers, J. (1996). *Cumulative and Residual Effects of Teachers on Future Student Academic Achievement*. Knoxville, TN: University of Tennessee Value-Added Research Center. Student success in fact rests in large part on the quality of his teacher; Gordon, R., Kane, T., and Staiger, D. (2006). *Identifying Effective Teachers Using Performance on the Job*. Discussion Paper 2006-01. DC: The Hamilton Project, The Brookings Institution. A highly effective teacher—compared to a less effective teacher—could raise performance as much as 10 percentile points by the end of the year. | ¹⁰ Bureau of Labor Statistics (2006). "Education and Training Classification Systems." Occupational Projections and Training Data. DC: U.S. Department of Labor. Accessed at <http://www.bls.gov/emp/optd/optd001.pdf>. | ¹¹ Dohm, A. and Shniper, L. "Occupational Employment Projections to 2016." *Monthly Labor Review*, November 2007. DC: U.S. Department of Labor. Bureau of Labor Statistics. | ¹² Black, S. and Lynch, L. (1996) "Human Capital Investments and Productivity." *American Economic Review*. May 1996. *AEA Papers and Proceedings* 86, No. 2 (May). Topel, R. H. (1998). "Labor Markets and Economic Growth." *Handbook of Labor Economics*. Ashenfelter, O. and Card, D. (Eds.), Amsterdam: Elsevier Science B.V. | ¹³ Baum, S. and Ma, J. (2007). *Education Pays: The Benefits of Higher Education for Individuals and Society*. NY: The College Board; and Goesting, B., Wood, R., Razafindrakoto, C. and Henderson, J. (2008). *The Marriage Measures Guide of State-Level Statistics*. DC: U.S. Department of Health and Human Services. Accessed at <http://aspe.hhs.gov/hsp/08/MarriageMeasures/index.shtml>. | ¹⁴ College graduates have a lower divorce rate than dropouts and high school graduates in 43 out of 50 states. | ¹⁵ OECD (2008) *Education at a Glance*. Paris: OECD. Table A1.2a; Hauptman, A. "Participation, Persistence, and Attainment Rates: The US Standing." *International Higher Education*, Number 52, Summer 2008. | ¹⁶ Advisory Committee on Student Financial Assistance (2002). *Empty Promises: The Myth Of College Access In America*. DC: Author. Accessed at <http://www.ed.gov/about/bdscomm/list/acfsa/emptypromises.pdf>. | ¹⁷ Ingels, S.J., Curtin, T.R., Kaufman, P., Alt, M.N., and Chen, X. (2002). *Coming of Age in the 1990s: The Eighth-Grade Class of 1988 12 Years Later*. (NCES 2002-321). Washington, DC: U.S. Department of Education, National Center for Education Statistics. | ¹⁸ Gilliam, W. S. and Zigler, E. F. (2004). *State Efforts to Evaluate the Effects of Pre-kindergarten, 1977-2003*. New Haven, CT: Yale University Child Study Centre.

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